

SCHEME INFORMATION DOCUMENT

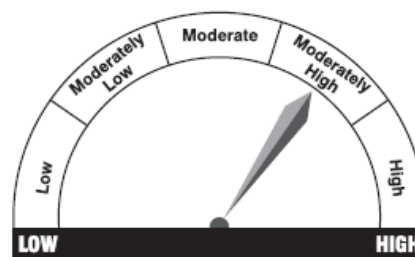
Principal Large Cap Fund

(An Open-ended Equity scheme predominantly investing in Large Cap stocks)

Offer of Units of INR 10/- each at the face value during the New Fund Offer and thereafter the continuous offer of Units at NAV based prices

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 moderately high risk

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

New Fund Offer Opens on: September 28, 2020

New Fund Offer Closes on: October 12, 2020

Scheme re-opens on: October 20, 2020

Name of Mutual Fund	Principal Mutual Fund
Name of Asset Management Company	Principal Asset Management Private Limited (formerly known as Principal Pnb Asset Management Company Private Limited)
Name of Trustee Company	Principal Trustee Company Private Limited

Address, Website of the Entities:

Principal Mutual Fund	Address: Exchange Plaza, 'B' Wing, Ground Floor, NSE Building, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Website: www.principalindia.com Email: customer@principalindia.com Toll Free No.: 1800 425 5600 Fax No. – (022) 67720512
Principal Asset Management Private Limited (formerly known as Principal Pnb Asset Management Company Private Limited)	
Principal Trustee Company Private Limited	

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from Principal Asset Management Pvt. Ltd (formerly known as Principal Pnb Asset Management Company Private Limited). The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Principal Mutual Fund, Tax and Legal issues and general information on www.principalindia.com.

SAI is incorporated by reference and is legally a part of the Scheme Information Document. For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website. The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated August 28, 2020.

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SECTION I: HIGHLIGHTS/SUMMARY OF THE SCHEME

Name of the scheme	Principal Large Cap Fund
Type of scheme	An Open-ended Equity scheme predominantly investing in Large Cap stocks
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.
Liquidity	<p>Liquidity will be available through sale and repurchase of units on all business days on an ongoing basis. Unitholders can subscribe to and get their units repurchased on all business days at NAV related prices (with exit load as mandated by AMC from time to time).</p> <p>Units of the Scheme will be available for Subscription and/or Redemption at NAV related prices on every Business Day commencing not later than 5 Business Days from the date of allotment of Units post the NFO Period.</p> <p>As per SEBI Regulations, the Mutual Fund shall dispatch Redemption proceeds within 10 Business Days of receiving the Redemption request. A penal interest of 15% per annum or such other rate as may be prescribed by SEBI from time to time will be paid in case the redemption proceeds are not dispatched within 10 Business Days of the date of Redemption request.</p> <p>However, under normal circumstances, the Mutual Fund will endeavor to dispatch the Redemption proceeds well before 10 Business Days from the acceptance of the duly completed Redemption request.</p>
Benchmark	<p>The benchmark against which the performance of the Scheme will be measured will be Nifty 100 Total Return Index (NIFTY100 TRI).</p> <p>NIFTY 100 is a diversified 100 stock index representing major sectors of the economy. NIFTY 100 represents top 100 companies based on full market capitalisation. This index intends to measure the performance of large market capitalisation companies.</p>
Transparency / Disclosure.	<p>NAV</p> <p>The NAV will be calculated by the AMC for each business day. The AMC shall update the NAVs on the website of the Mutual Fund (www.principalindia.com) and on the website of Association of Mutual Funds in India - AMFI (www.amfiindia.com) by 11.00 p.m. every Business Day and or such other time as may be prescribed by SEBI/AMFI from time to time.</p> <p>In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before the commencement of business hours on the following day due to any reasons, a press release shall be issued giving reasons and explaining when the AMC would be able to publish the NAVs</p> <p>The fund shall within one month of the close of each half year that is 31st March and 30th September, host unaudited financial results of the Scheme on its website: www.principalindia.com in a user friendly and downloadable format (preferably in a spread sheet). An advertisement intimating the same, shall be published in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>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</p>

	of AMFI within 10 days from the close of each month/ half-year respectively in a user friendly and downloadable format.
Loads (During NFO as well as ongoing basis) "Entry Load" "Exit Load" or "Redemption Load" (Load on Redemption / Switch out of Units)	<p>Entry Load: Not Applicable</p> <p>Exit Load: If redeemed/ switched on or before 365 days from the date of allotment:</p> <ul style="list-style-type: none"> • 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) <p>Nil thereafter.</p>
Minimum Application Amount	<p>Minimum application amount will be Rs.5,000/- for both Dividend and Growth Option</p> <p>Systematic Investment Plan: Minimum twelve installments of Rs. 500 /- each and in multiples of Re. 1 thereafter</p> <p>Systematic Transfer Plan: Minimum Six installments of Rs.1,000/- each and in multiples of Re. 1 thereafter</p> <p>Regular Withdrawal Plan: Minimum Six installments of Rs.500/- each and in multiples of Re. 1 thereafter</p>
Minimum Repurchase/Redemption Amount	Rs. 500/- or 50 units or account balance whichever is less.
Investment Plans (s) / Option(s)	<p>The Scheme will have two Plans[#] i.e. Regular Plan & Direct Plan with a common portfolio and separate NAVs. Investors should indicate the Plan for which the subscription is being made by indicating the choice in the application form.</p> <p>Each of the Plans mentioned above offers Growth and Dividend Option.</p> <p>The Dividend Option under both the Plans will have the facility of Payout & Reinvestment.</p> <p># Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund. This plan is not available for investors who wish to purchase/ subscribe units through a Distributor – such investors have to subscribe for Regular Plan.</p> <p>Regular Plan and Direct Plan have the same features (i.e. Investment Objective, Asset Allocation Pattern, Investment Strategy, Risk factors) and Facilities offered including terms and conditions except that Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under Direct Plan.</p>

SECTION II. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the Scheme may go up or down. As with any investment in stocks, shares and securities, the NAV of the Units under the Scheme can go up or down, depending on the factors and forces affecting the capital markets.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Principal Large Cap Fund is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor or any of its associates including co-settlers are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 25 lakhs made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme

Scheme Specific Risk Factors:

Some of the specific risk factors related to the Scheme include, but are not limited to the following:

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.

Risk Associated with Investing in Equities –

- The value of Scheme's investments may be affected by factors affecting the Securities markets and price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in law/policies of the Government, taxation laws and political, economic or other developments which may have an adverse bearing on individual securities, a specific sector or all sectors. Consequently, the NAV of the units of the Scheme may be affected.
- Equity & Equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme's portfolio may result, at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme's portfolio.
- The liquidity and valuation of the Scheme's investments due to the holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options.
- The liquidity of the Scheme is inherently restricted by trading volumes in securities in which it invests.
- Investment decisions made by the Investment Manager may not always be profitable.

Risk Associated with Investing in Debt and / or Money Market Instruments

Price-Risk or Interest-Rate Risk: Fixed income securities such as bonds, debentures and money market instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.

Credit Risk: In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however, be noted that where the Scheme has invested in Government Securities, there is no credit risk to that extent.

Re-investment Risk: Investments in fixed income securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

Interest Rate Movement (Basis Risk): The changes in the prevailing rates of interest will likely affect the value of the Scheme's holdings until the next reset date and thus the value of the Schemes' Units will be affected. Increased rates of interest, which frequently accompany inflation and/ or a growing economy, are likely to have a negative effect on the value of the Units. The value of securities held by the Scheme generally will vary inversely with changes in prevailing interest rates.

Spread Risk: In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. However depending upon the market conditions the spreads may move adversely or favourably leading to fluctuation in NAV.

To the extent the underlying Mutual Fund Scheme invest in Debt / Money Market Instruments, the Schemes shall be affected by the afore mentioned risk factors viz. Price Risk, Interest Rate Risk, Credit Risk, Reinvestment Risk, Interest Rate Movement Risk, Prepayment and Charge Offs Risk, Spread Risk etc. The Net Asset Value (NAV) of the units of the Scheme is likely to get effected on accounts of such risk factors. Any change in the investment policies or fundamental attributes of any underlying scheme is likely to affect the performance of the Scheme. Further, the liquidity of the Scheme's investments may be inherently restricted by the liquidity of the underlying schemes in which it has invested.

Risks associated with Investing in Derivatives

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. The AMC may use various derivative products, as permitted by SEBI and the RBI from time to time, in an attempt to optimize the value of the portfolio and enhance Unit holder's interest/value of the Scheme. As and when the Scheme trade in the derivatives market, there are risk factors and issues concerning the use of derivatives that investors should understand. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The Scheme bears a risk that it may not

be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate in line with underlying assets, rates and indices.

Also, the market for derivative instruments is relatively nascent in India and does not have the volumes which may be seen in other developed markets, which may result in volatility to the values. Derivatives require the maintenance of adequate controls to monitor the transactions and the embedded market risks that a derivative adds to the portfolio. Besides the price of the underlying asset, the volatility, tenor and interest rates affect the pricing of derivatives.

Other risks in using derivatives include but are not limited to:

(a) **Credit Risk** – this occurs when a counterparty defaults on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counter party, at the then prevailing (possibly unfavorable) market price, in order to maintain the validity of the hedge. For exchange traded derivatives, the risk is mitigated as the exchange provides a guaranteed settlement but one takes the performance risk on the exchange.

(b) **Market Liquidity risk** – this occurs where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.

(c) **Model Risk** - the risk of mis-pricing or improper valuation of derivatives.

d) **Basis Risk** – this risk arises when the instrument used as a hedge does not match the movement in the instrument/ underlying asset being hedged. The risks may be inter-related also; for e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.

Trading in derivatives carry a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.

Risks associated with Securities Lending

It may be noted that Securities Lending activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends or due to it being comprised of tainted/forged securities, resulting in inadequate value of collateral until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and /or the approved intermediary may suddenly suffer severe business setback and become unable to honor its commitments. This along with a simultaneous fall in value of collateral would render potential loss to the Scheme. Besides, there can also be temporary illiquidity of the securities that are lent out and the Scheme may not be able to sell such lent out securities.

Risks associated with Short Selling

Short-selling is the sale of shares that the seller does not own at the time of trading. Instead, he borrows it from someone who already owns it. Later, the short seller buys back the stock he shorted and returns the stock to close out the loan. If the price of the stock has fallen, he can buy the stock back for less than he received for selling it and profits from it (the difference between higher short sale price and the lower purchase price). However, Short positions carry the risk of losing money and these losses may grow theoretically unlimited if the price increases without limit and shall result into major losses in the portfolio. In addition, the short selling will also have the risk of inability to borrow the securities by the seller. Then, it might be possible that the short seller will be required to purchase the securities sold short to cover the short even if the price of the security is higher at the time of the short sale.

If a stock starts to rise and a large number of short sellers try to cover their positions at the same time, it can quickly drive up the price even further. This phenomenon is known as a short squeeze. This might result in major losses in the portfolio.

Risk associated with Investment in foreign securities/overseas investments:

The Scheme may invest up to 20% of its assets in foreign securities. To the extent the assets of the scheme are invested in overseas financial assets, there may be risks associated with currency movements, restrictions on repatriation and transaction procedures in overseas market. Further, the repatriation of capital to India may also be hampered by changes in regulations or political circumstances as well as the application to it of other restrictions on investment. In addition, country risks would include events such as introduction of extraordinary exchange controls, economic deterioration, bi-lateral conflict leading to immobilization of the overseas financial assets and the prevalent tax laws of the respective jurisdiction for execution of trades or otherwise.

Currency Risk: The fund may invest in overseas mutual fund / foreign securities as permitted by the concerned regulatory authorities in India. Since the assets will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes/fluctuations in the value of the foreign currencies relative to the Indian Rupee.

Country Risk: The Country risk arises from the inability of a country, to meet its financial obligations. It is the risk encompassing economic, social and political conditions in a foreign country, which might adversely affect foreign investors' financial interests.

Risks associated with investing in Tri-Party Repo through CCIL (TREPS)

Tri-party Repo i.e. TREPS facilitates, borrowing and lending of funds, in Triparty Repo arrangement. CCIL would be the Central Counterparty to all trades from Tri Party Repo Dealing System (TREPS) and would also perform the role and responsibilities of Triparty Repo Agent, in terms of Repurchase Transactions (Repo) (Reserve Bank) Directions, 2018 as amended from time to time. The mutual fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India (CCIL). All TREPS trades are settled anonymously and centrally through the infrastructure and settlement systems provided by CCIL. Further the settlement is guaranteed by CCIL. This is a collateralized investment whereby borrowers have to give adequate amount of securities on which a haircut is applied by CCIL. CCIL periodically prescribes a list of securities eligible for contributions as collateral by members. Presently, all Central Government securities and Treasury bills are accepted as collateral by CCIL. The risk factors may undergo change in case the CCIL notifies securities other than Government of India securities as eligible for contribution as collateral.”

CCIL has several risk management processes in place such as initial margin, borrowing limits, identification of eligible collateral, haircuts on eligible collateral, mark to market margins (MTM) and volatility margin are applicable for Triparty Repo trades. There is a default fund for Triparty Repo trades. The exposure monitoring is online and on a pre-order basis, ensuring that orders can be placed only if the member has sufficient initial margin and/or borrowing limits to support the resultant trades. CCIL may temporarily impose volatility margin in case of a sudden increase in volatility in interest rates. Thus the settlement and counterparty risks are considerably low.

In the event of a clearing member failing to honour his settlement obligations, the default Fund is utilized to handle any shortfall arising out of such default and to complete the settlement. The sequence in which the above resources are used is known as the “Default Waterfall”. As per the waterfall mechanism, after the defaulter’s margins and the defaulter’s contribution to the default fund have been appropriated, CCIL’s contribution is used to meet the losses. Post utilization of CCIL’s contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

Risks associated with segregated portfolio:

1. Investor holding units of segregated portfolio may not able to liquidate their holding till the time of recovery of money from the issuer.
2. Security forming part of the segregated portfolio may not realise any value.

3. Listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.
4. Trading in the units of segregated portfolio on the Exchange may be halted because of market conditions, including any halt in the operations of Depository Participants or for reasons that in view of the Exchange Authorities or SEBI, trading in the units is suspended and/or restricted. In addition, trading in units is subject to trading halts caused by extraordinary market volatility and pursuant to stock exchange rules of 'circuit filter'. There can be no assurance that the requirements of Stock Exchange necessary to maintain the listing of units of scheme will continue to be met or will remain unchanged.

RISK CONTROL

Since investing requires disciplined risk management, the AMC has incorporated adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through portfolio diversification, taking care however not to dilute returns in the process. The AMC believes that this diversification would help achieve the desired level of consistency in returns. The AMC may also implement certain internal control procedures / risk & exposure limits etc., which may be varied from time to time.

The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in-depth credit evaluation of the securities proposed to be invested in, will be carried out by the investment team of the AMC.

The Scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI/RBI, in an attempt to protect the value of the portfolio and enhance Unitholders' interest.

B. REQUIRMENT OF MINIMUM NUMBER OF INVESTORS

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days' notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, IF ANY

Mutual funds carry normal market risks and there can be no assurance and no guarantee that the Scheme will achieve its objective. It is recommended that an investment in the Scheme should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all, as investment decisions made by the AMC will not always be profitable or prove to be correct. As with any investment in stocks and securities, the NAV of the Units under the Scheme can go up or down, depending on the factors and forces affecting the capital markets. Past performance of the schemes of Principal Mutual Fund, the Sponsor or its Group affiliates is not indicative of and does not guarantee the future performance of the Scheme. The name of the Scheme does not in any manner indicate the quality of the Scheme, its future prospects or the returns. Units may trade at a premium/discount to the Scheme's NAV. The Scheme is not intended as a complete investment program. Investors, therefore, are urged to study the terms of this offer carefully and consult their Investment Advisor before they invest in the Scheme. Investors'/unitholders' attention is drawn to the risk factors set out in the beginning of this Scheme Information Document and also to the following specific risks:

Regulatory Risks: Neither this SID nor the Units have been registered in any jurisdiction. The distribution of this SID in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this SID are required to inform themselves about, and to observe, any such restrictions. No person receiving a copy of this Scheme Information Document or any accompanying application form in such jurisdiction may treat this SID or such application form as constituting an invitation to them to subscribe for Units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Scheme Information Document does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Scheme Information Document and any persons wishing to apply for Units pursuant to this Scheme Information Document to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction.

Prospective investors should review/study this SID along with SAI and KIM carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial/investment matters and are advised to consult their own professional advisor(s) as to the legal or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale, transfer, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalization, disposal (sale, transfer, switch or redemption or conversion into money) of Units within their jurisdiction/of nationality, residence, domicile etc. or under the laws of any jurisdiction to which they or any managed Funds to be used to purchase/gift Units are subject, and (also) to determine possible legal, tax, financial or other consequences of subscribing/gifting to, purchasing or holding Units before making an application for Units.

No person has been authorized to give any information or to make any representations not confirmed in this SID in connection with the Offer of Units, and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund or the AMC or the Trustee. Statements made in this SID are based on the law and practice currently in force in India and are subject to change therein. Neither the delivery of this SID nor any sale made hereunder shall, under any circumstances, create any impression that the information herein is correct as of any time subsequent to the date hereof.

Performance Risk: The value of (and income from) an investment in the Scheme can decrease as well as increase, depending on a variety of factors, which may affect the values and income generated by a Scheme's portfolio of securities. The returns of a Scheme's investments are based on the current yields of the securities, which may be affected generally by factors affecting capital markets such as price and volume, volatility in the stock markets, interest rates, currency exchange rates, changes in government and Reserve Bank of India policy, taxation, political, economic or other developments and closure of the stock exchanges. Investors should understand that the investment composition indicated for the Scheme, in line with prevailing market conditions, is only a hypothetical example as all investments involve risk and there can be no assurance that the scheme's investment objective will be attained nor will the Scheme be in a position to maintain the model percentage of investment pattern/composition particularly under exceptional circumstances such that the interest of the unitholders are protected.

Changes in the prevailing rates of interest are likely to affect the value of the scheme investments and thus the value of the scheme's units. The value of money market/debt instruments held by the scheme generally will vary inversely with the changes in prevailing interest rates. The AMC, while investing in fixed-income instruments like debt, etc., shall consider and evaluate the risk of an issuer's ability to meet principal and interest payments (credit risk) and also the price volatility due to such factors as interest sensitivity, market perception or the creditworthiness of the issuer and general market liquidity (market risk). While it is the intent of the AMC to invest primarily in more highly rated debt securities and highly researched growth companies, the scheme may from time to time invest in high yielding/growth, lower rated and/or privately placed/unlisted/securitised securities. Lower rated or unrated securities are more likely to react to developments affecting market and credit risk than highly rated securities. The credit risk factors pertaining to lower rated securities also apply to lower rated zero coupon, deferred interest bonds.

Techniques Risk: The Scheme may use techniques and instruments that may be permitted and/or that may become permissible under SEBI/RBI Regulations and/or Regulations and/or statutory modification or re-enactment thereof for efficient portfolio management and to attempt to hedge or reduce the risk of such fluctuation. However, these techniques and instruments, if imperfectly used have the risk of the scheme incurring losses due to mismatches particularly in a volatile market. The Fund's ability to use these techniques may be limited by market conditions, regulatory limits and tax considerations (if any). The use of these techniques is dependent on the ability to predict

movements in the prices of securities being hedged and movements in interest rates. There exists an imperfect correlation between the hedging instruments and the securities or market sectors being hedged. Besides, the fact that skills needed to use these instruments are different from those needed to select the Fund's/Scheme's securities. There is a possible absence of a liquid market for any particular instrument at any particular time even though the futures and options may be bought and sold on an organized stock exchange. The use of these techniques involves possible impediments to effective portfolio management or the ability to meet repurchase/redemption requests or other short-term obligations because of the percentage of the Scheme's assets segregated to cover its obligations.

Political Risk: Whereas the Indian market was formerly restrictive, a process of deregulation has been taking place over recent years. This process has involved the removal of trade barriers and other protectionist measures, which could adversely affect the value of investments. It is possible that future changes in the Indian political situation, including political, social, or economic instability, diplomatic developments and changes in laws or regulations could have an effect on the value of investments. Expropriation, confiscatory taxation, or other relevant developments could also affect the value of investments.

Liquidity and Settlement Risks: The liquidity of the Scheme's investments may be inherently restricted by trading volumes, transfer procedures and settlement periods. From time to time, the Scheme will invest in certain securities of certain companies, industries, sectors etc. based on certain investment parameters as adopted internally by AMC. While at all times the Trustees and the AMC will endeavor that excessive holding/investment in certain securities of industries, sectors, etc. by the Scheme be avoided, the assets invested by the Scheme in certain securities of industries, sectors, etc. may acquire a substantial portion of the Scheme's investment portfolio and collectively may constitute a risk associated with non-diversification and thus could affect the value of investments. The Scheme may have difficulty in disposing of certain securities because the security may be unlisted, due to greater price fluctuations there may be a thin trading market, different settlement periods and transfer procedures for a particular security at any given time. Settlement if accomplished through physical delivery of stock certificates is labour and paper intensive and may affect the liquidity. It should be noted that the Fund bears the risk of purchasing fraudulent or tainted papers. The secondary market for money market securities does exist, but is generally not as liquid as the secondary market for other securities. Reduced liquidity in the secondary market may have an adverse impact on market price and the Scheme's ability to dispose of particular securities, when necessary, to meet the Scheme's liquidity needs or in response to a specific economic event, such as the deterioration in the creditworthiness of the issuer, etc. or during restructuring of the Scheme's investment portfolio. Furthermore, from time to time, the AMC, the Custodian, the Registrar, any Associate, any distributor, dealer, any company, corporate body, trust, any scheme/Mutual Fund managed by the AMC or by any other AMC may invest in the Scheme. While at all times the Trustees and the AMC will endeavor that excessive holding of Units in the Scheme among a few unit holders is avoided, however, the amounts invested by these aforesaid persons may acquire a substantial portion of the Scheme's outstanding Units and collectively may constitute a majority unit holder in the Scheme. Accordingly, redemption of Units held by such persons may have an adverse impact on the value of the redemption and may impact the ability of the unit holders to redeem their respective Units.

D. DEFINITIONS/ABBREVIATIONS

AMC/Asset Management Company/Investment Manager/Principal: Principal Asset Management Private Limited (formerly known as Principal Pnb Asset Management Company Private Limited).

Applicable NAV:

The NAV applicable for subscription / redemption / switch in /switch out based on the time of the business day on which the application is accepted.

Business Day: A day other than:

- (i) Saturday and Sunday,
- (ii) a day on which the Banks in Mumbai and/or RBI are closed for business/clearing,
- (iii) a day on which the Bombay Stock Exchange Limited and/or National Stock Exchange of India Limited are closed,
- (iv) a day which is a public and/or bank holiday at an Investor Service Centre where the application is received,
- (v) a day on which sale and repurchase of units is suspended by the AMC,
- (vi) a day on which normal business could not be transacted due to storms, floods, bandhs, strikes etc.

The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres.

Calendar Year / Year: A Calendar Year shall be full English Calendar months viz. 12 months commencing from 1st January and ending on 31st December.

TREPS - Tri-party repo is a type of repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.

Co-Settlers: Principal International India Ltd is a co-settlor to the Principal Mutual Fund, Principal Financial Group (Mauritius) Limited being the settlor.

Credit Risk: Risk of default in payment of principal or interest or both.

Custodian: An entity (for the time being SBI-SG Global Securities Services Private Limited) appointed for holding the securities and other assets of the Fund.

Central Depository Services (India) Limited (CDSL)/ National Securities Depository Limited (NSDL): A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.

Central Know Your Customers (CKYC): Central KYC Registry is a centralized repository of KYC records of customers in the financial sector with uniform KYC norms and inter-usability of the KYC records across the sector with an objective to reduce the burden of producing KYC documents and getting those verified every time when the customer creates a new relationship with a financial entity.

Day : Any day (including Saturday, Sunday and holiday) as per English Calendar viz 365 days in a year.

Debt Instruments : Government securities including Treasury Bills, corporate debentures, bonds, promissory notes, money market instruments, pass-through obligations and other possible similar securities.

Dematerialisation: It is a process by which physical certificates of an investor are converted to an equivalent number of securities in electronic form and credited in the investors account with its Depository Participant.

Depository: Depository as defined in the Depository Act, 1996 (22 of 1996).

Depository Participant: A person registered as participant under sub section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992 and who acts like an intermediary between the Depository and the investors to offer depository related services.

Dividend: Income distributed by the Mutual Fund on the units.

Entry Load: Load, if any, on sale/switch in of units.

Exit Load: Load on repurchase/switch out of units.

Equity related instruments: Equity related instruments include convertible debentures, bonds, warrants equity derivatives and other like instruments.

FPI(s) : Foreign Portfolio Investor(s), registered with SEBI under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulation, 1995.

Financial Year : A Financial Year shall be full English Calendar months viz. 12 months commencing from 1st April and ending on 31st March.

Fund/Mutual Fund : Principal Mutual Fund, a trust set up under the provisions of the Indian Trust Act, 1882 and registered with SEBI bearing Registration No. MF/019/94/0 dated December 13, 1994.

GOI : Government of India.

Group: As defined in clause (ef) of section 2 of the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969).

Investment Management Agreement/IMA: Investment Management Agreement dated 25/11/94 as amended from time to time, between the Trustee and AMC.

ISC: Offices of AMC and such other centres / offices as may be designated by the AMC from time to time as its Investor Service Centre. It shall also include the Official Points of Acceptance as mentioned on the last /back cover page of this SID.

Load: A sum of money deducted from the value received or paid to the unitholder towards Sale/Repurchase of units.

Large Cap companies: Large Cap 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 large cap companies are 1st -100th 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 large cap stocks.

Market Price: Price which could be at premium /discount to the NAV depending upon the demand and supply of units.

Money Market Instruments: Includes Commercial Papers, Commercial Bills, Treasury Bills, Government securities having an unexpired maturity up to one year Call or Notice Money, Certificate of Deposit, Repos, Reverse Repos, Tri-party Repo and any other like instrument as specified by RBI from time to time.

NAV: Net Asset Value of the units of the Scheme (and Plans / Options therein) calculated in the manner provided in this Scheme Information Document by dividing the net assets by the number of outstanding units (on any valuation day) or as may be prescribed by the SEBI Regulations from time to time. The NAV will be computed upto two decimal places.

Net Assets : Net Assets of the Scheme at any time shall be the total value of the Schemes' assets, less its liabilities taking into consideration the accruals and the provision.

NFO: New Fund Offer

Non-Resident/NRI: Non-resident is any person who is not a resident in India.

NSE: National Stock Exchange.

Overseas Corporate Bodies (OCB) : Overseas Corporate Bodies, partnership firms and societies which are held directly or indirectly but ultimately to the extent of at least 60% by non-resident individuals of Indian nationality or origin, as also an overseas trust in which at least 60% of the beneficial interest is irrevocably held by such persons.

Official Points of Acceptance: Offices as specified by AMC from time to time where application for subscription / redemption / switch will be accepted on an ongoing basis.

Person of Indian Origin: A person (not being a citizen of Pakistan or Bangladesh) shall be deemed to be of Indian origin, if: -

- (i) He (She), at any time, held an Indian Passport;
- (ii) He (She) or either of his (her) parents or any of his (her) grandparents was a citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955 (57 of 1955);
- (iii) The person is the spouse of an Indian citizen or of a person of Indian origin (not being a citizen of Pakistan or Bangladesh).

Permissible Investments or Investments : Collective or group investments made on account of the unitholders of the scheme(s) in Securities and other assets in accordance with the SEBI/RBI Regulations and amendments thereto.

Portfolio: Portfolio at any time shall include all Permissible Investments and Cash.

RBI: Reserve Bank of India, established under the Reserve Bank of India Act, 1934, as amended from time to time.

Registrars/Registrar and Transfer Agent : Registrar for the time being of the Mutual Fund which, at present, is KFI In Technologies Pvt. Ltd., or such agency appointed by the AMC.

Regulations : Regulations imply SEBI Regulations and the relevant rules and provisions of the Securities and Exchange Board of India (Depositories and Participants) Regulations 1996; Public Debt Act, 1944; The Income Tax Act, 1961; Wealth Tax Act, 1957, the Foreign Exchange Management Act, 1999, the Indian Trusts Act, 1882 as amended from time to time and shall also include any Circulars, Press releases or Notifications that may be issued by SEBI or the Government of India or the Reserve Bank of India.

Repo/Reverse Repo : Sale/Purchase of Securities as may be allowed by RBI from time to time with simultaneous agreement to repurchase/resell them at a later date.

Repurchase/Redemption: The units of Scheme which will be bought back by the Fund on an ongoing basis.

Resident: A resident means any person resident in India under the Foreign Exchange Management Act, and under the Income Tax Act, 1961 including amendments thereto from time to time.

SAI: Statement of Additional Information of Principal Mutual Fund

Sale/ Subscription: The units of the scheme(s) which will be offered for sale to the unit holders on an ongoing basis.

Scheme: would mean Principal Large Cap Fund and plans/options thereunder offered by the Scheme.

Scheme Information Document/SID: This document issued by Principal Mutual Fund, inviting to subscribe to the units of Principal Large Cap Fund

SEBI: Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992, as amended from time to time.

SEBI Regulations/Mutual Fund Regulations: The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, or such other Regulation in force from time to time including any amendment thereto or any replacement or re-enactment thereof/clarification and guidelines in the form of notes or circulars etc. issued from time to time for regulating Mutual Funds in India, by SEBI.

Securities : As defined under Section 2(h) of the Securities Contracts (Regulations) Act, 1956 of India and includes but without limitation debt instruments like notes, bonds, debentures, debenture stock, warrants, derivatives etc. or other transferable securities of a like nature in or of any incorporated company or other body corporate, Gilts/Government securities, Mutual Fund units, Money Market Instruments like Call Deposit, Commercial Paper, Treasury Bills etc. such other instruments as may be declared by GOI and/or SEBI and/or RBI and/or any other regulatory authority to be securities; and rights or interest in securities etc.

Securities Consolidated Account Statement ('SCAS') is a statement sent by the Statement ('SCAS')" Depository that shall contain details relating to all the transaction(s) viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal advantage plan, systematic transfer plan, bonus transactions, etc. carried out by the Beneficial Owner(s) (including transaction charges paid to the distributor) across all schemes of all mutual funds and transactions in securities held in dematerialized form across demat accounts, during the month and holdings at the end of the month.

Sponsor: Principal Financial Services Inc., USA acting through its wholly owned subsidiaries Principal Financial Group (Mauritius) Limited and Principal International India Ltd.

Stock Exchange: Would mean and include Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE) and such other stock exchange(s) where the units of the scheme may be listed.

Switch: Redemption of a Unit(s) in any scheme of Principal Mutual Fund against purchase of a Unit in another scheme of the Principal Mutual Fund.

Systematic Investment Plan(s): A plan enabling the investors to systematically save and invest in the Scheme on periodical basis by submitting post-dated cheques / payment instructions

Systematic Transfer /Switch Plan(s): A Plan enabling the investors to transfer sums on a periodical basis from the Schemes to the other Schemes of the Mutual Fund existing or launched in future from time to time, by giving a simple instruction.

Regular Withdrawal Plan(s): A Plan enabling the investors to withdraw amounts from the Scheme on a periodical basis by giving a simple instruction.

Tax Act: Income Tax Act, 1961 and Wealth Tax Act 1957 , or such other legislation in force from time to time including any amendment thereto or any replacement or re-enactment thereof/rules, regulations any clarification and guidelines issued from time to time by the GOI.

Total Assets: Total Assets of the Scheme at any time shall be the total value of the Scheme's assets, taking into consideration the accruals.

Trust Deed: The Trust Deed of the Mutual Fund dated November 25, 1994 made by and between the Sponsor and the Trustee as amended from time to time or any replacement or substitution thereof.

Trustee(s): Principal Trustee Company Private Limited incorporated under the Companies Act, 1956.

Unitholder: A unitholder means any individual / non-individual, holding units of the Scheme.

Units: Undivided Share of a unitholder in the assets of the Scheme (and of the option(s),if any) as evidenced by any letter/advice or any other statement/certificate/instrument.

Year: A year shall be full English Calendar months. Viz.12 months.

Interpretation

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:

- The terms defined in this Scheme Information Document include the plural as well as the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- Reference to ‘Scheme’ would mean and include all the Series of the Schemes under this Scheme Information Document unless specified otherwise.

In this Scheme Information Document, all references to “dollars” or “\$” refers to United States dollars, and “R” refers to Indian Rupees. A “crore” means “ten million” and a “lakh” means a “hundred thousand”.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- a. The Scheme Information Document for Principal Large Cap Fund forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- b. all legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- c. the disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.
- d. the intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

For Principal Asset Management Private Limited
(Formerly known as Principal Pnb Asset Management Company Private Limited)

Sd/-

Richa Parasrampur
Head- Compliance

Date: August 28, 2020

SECTION III. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open-ended Equity scheme predominantly investing in Large Cap Companies.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

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.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

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

Instruments	Indicative allocations (% of net assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity and equity related instruments of Large Cap Companies	80	100	High
Equity and equity related instruments of Other than Large cap Companies	0	20	High
Debt and Money Market Instruments including units of debt & liquid schemes	0	20	Low to Medium

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 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 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.

D. Investment Process

There is separate team for investment in fixed income instruments & equities. The team works under the supervision of Chief Investment Officer (CIO). CIO is overall in charge for the Fund's investment.

The Fund Manager will carry out the daily investment activities within the framework of SEBI guidelines in accordance with the investment objective as per the Scheme Information Document. The Board of AMC and Trustee shall review the performance of the Scheme in comparison to corresponding schemes of other mutual funds with similar investment objective and asset profile generally. The performance of the Scheme will be compared with benchmark.

Review by Board of AMC and Trustees

A detailed review of the schemes of the Fund including its performance vis-à-vis benchmark index, assets size, rankings/ratings received, if any is placed before the Board of Directors of AMC and to the Trustee on a quarterly basis.

STOCK LENDING BY THE MUTUAL FUND

Stock Lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio. The securities lent are to be returned by the borrower on the expiry of the stipulated period.

To augment revenue generation the Scheme may lend the securities held by it to eligible brokers, dealers, financial institutions through approved intermediaries, in amounts up to 20% of its total net assets at the time of lending, in accordance with the terms of the Securities Lending Scheme announced by SEBI. The Fund may enter into an agreement with the approved intermediary for depositing the securities for the purpose of lending through the approved intermediary on satisfactory terms as to security.

The Scheme would limit its exposure, with regard to securities lending, for a single intermediary, other than the National Securities Clearing Corporation Ltd (NSCCL) to the extent of 5% of the total net assets of the Scheme at the time of lending. For NSCCL such exposure limit would be upto 20% of the total net assets of the Scheme. Collateral must be obtained by the approved intermediary for the lending transactions and this collateral must exceed in value of the Securities lent. The collateral can be in the form of cash, bank guarantee, government securities, certificate of deposits or other securities as may be agreed upon with the approved intermediary. It should be noted that any default/delay by the parties to return the securities lent to them may have an adverse impact on the net assets (and consequently the performance) of the Scheme.

D. WHERE WILL THE SCHEME INVEST?

The scheme shall primarily invest in:

- i) Equity and equity related instruments
- ii) Debt and Money Market Instruments including units of debt & liquid schemes.

Detailed description of securities:-

- a. Equity and equity-related Securities would mean but not limited to derivatives (stock futures/ index futures and other such permitted derivative instruments including options), equity warrants and convertible instruments.
The securities mentioned above could be listed or unlisted, secured or unsecured, and of varying maturity, as enabled under SEBI (MF) Regulations/circulars/ RBI. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals. Investment is also allowed Securities listed on SME platform of NSE and BSE.
- b. Securities created and issued by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
- c. Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
- d. Debt securities issued by domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.
- e. Corporate debt and Debentures (of both public and private sector undertakings).
- f. Money Market Instruments include commercial papers, commercial bills, treasury bills, Government of India Securities having an unexpired maturity upto one year, call or notice money, certificates of deposit, Repos, Reverse Repos, Tri-party Repo and any other like instruments as specified by Reserve Bank of India from time to time.
- g. Certificate of Deposits.
- h. Scheme may also invest a part of its assets in financial derivatives such as options and futures & Interest Rate Swaps (IRS) (comprising of government securities) that are permitted or may become permissible under SEBI/RBI Regulations.
- i. The Scheme may invest a part of its corpus in Debt and Money Market Securities/Units of Liquid/Money Market/Debt Mutual Fund Schemes. However, due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short term defensive considerations, and the intention being at all times to protect the interests of the Unit Holder 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.
- j. Securities Lending & Borrowing as permitted by SEBI from time to time.
- k. The Scheme may also invest in suitable investment avenues in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to the provisions of SEBI Circular No.SEBI/ IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time.

Depository

Securities of the Scheme may be held in dematerialised form. In case the securities are held in dematerialized (electronic) mode, the rules of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, would apply. The service charges payable to the Depository Participant will form a part of the annual recurring expenses.

E. WHAT ARE THE INVESTMENT STRATEGIES?

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.

Trading in Derivatives

The Scheme may take derivatives position based on the opportunities available subject to the guidelines provided by SEBI from time to time and in line with the overall investment objective of the Scheme. SEBI has vide its Circulars

inter alia, DNP/Cir-29/2005 dated September 14, 2005 and DNP/Cir-30/2006 dated January 20, 2006 and CIR/IMD/DF/11/2010 dated August 18, 2010, specified the guidelines pertaining to trading by Mutual Fund in Exchange traded derivatives and SEBI Circular DNP/Cir-31/2006 dated September 22, 2006 modifying the position limits for Index derivative contracts.

A derivative is an instrument whose value is derived from the value of one or more of the underlying assets which can be commodities, precious metals, bonds, currency, etc. Common examples of Derivative instruments are Interest Rate Swaps, Forward Rate Agreements, Futures, Options, etc.

In case of equity derivatives, the Scheme may transact in exchange traded equity derivatives only and these instruments may take the form of Index Futures, Index Options, Futures and Options on individual equities/securities and such other derivative instruments as may be appropriate and permitted under the SEBI Regulations and guidelines from time to time.

Derivative positions taken would be guided by the following principles:

Exposure to Equity Derivatives

The net derivatives position in the Scheme(s) may be up to the limit as set forth in the asset allocation pattern of the Scheme, subject to the following regulatory limits:

i. Position limit for the Mutual Fund in index options contracts:

- a.** The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs.500 crore or 15% of the total open interest in the market in index options, whichever is higher, per Stock Exchange.
- b.** This limit would be applicable on open positions in all options contracts on a particular underlying index.

ii. Position limit for the Mutual Fund in index futures contracts:

- a.** The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crore or 15% of the total open interest in the market in index futures, whichever is higher, per Stock Exchange.
- b.** This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging:

In addition to the position limits at point (i) and (ii) above, Fund may take exposure in equity index derivatives subject to the following limits:

- a.** Short positions in index derivatives (short futures and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
- b.** Long positions in index derivatives (long futures and long calls) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

iv. Position limit for the Mutual Fund for stock based derivative contracts:

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts:

- The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).

v. Position limit for the Scheme:

The position limits for the Scheme and disclosure requirements are as follows:

- a.** For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Fund shall not exceed the higher of :1% of free float market capitalization (in terms of number of shares).

Or

5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).

- b.** This position limit shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.

c. For index based contracts, the Mutual Fund shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

As and when SEBI notifies amended limits in position limits for exchange traded derivative contracts in future, the aforesaid position limits, to the extent relevant, shall be read as if they were substituted with the SEBI amended limits.

The Scheme(s) may purchase call and put options in securities in which it invests and on securities indices. Through the sale and purchase of futures contracts the Fund would seek to hedge against a decline in securities owned by the Fund or an increase in the prices of securities which the Fund plans to purchase. The Fund would sell futures contracts on securities indices in anticipation of a fall in stock prices, to offset a decline in the value of its equity portfolio. When this type of hedging is successful, the futures contract increase in value while the Fund's investment portfolio declines in value and thereby keep the Fund's net asset value from declining as much as it otherwise would. Similarly, when the Fund is not fully invested, and an increase in the price of equities is expected, the Fund would purchase futures contracts to gain rapid market exposure that may partially or entirely offset increase in the cost of the equity securities it intends to purchase. In certain cases the Fund might invest in futures contracts as against underlying cash stocks for reasons of liquidity and lower impact costs.

Stock and Index Futures

Hedging against an anticipated rise in equity prices:-

The scheme has a corpus of Rs.100 crores and has cash of Rs.15 crores available to invest. The Fund may buy index/stock futures of a value of Rs.15 crores. The scheme may reduce the exposure to the future contract by taking an offsetting position as investments are made in the equities; the scheme wants to invest in. Here, if the market rises, the scheme gains by having invested in the index futures.

Hedging against anticipated fall in equity prices:-

If the Fund has a negative view on the market and would not like to sell stocks as the market might be weak, the scheme of the Fund can go short on index/stock futures. Later, the scheme can unwind the future positions. A short position in the future would offset the long position in the underlying stocks and this can curtail potential loss in the portfolio. The Fund's successful use of futures contracts is subject to the Fund Manager's ability to predict correctly the market factor affecting the market value of the Fund's portfolio securities. For example if a Fund is hedged against a fall in the securities using a short position in index futures, and the market instead rises, the Fund loses part or all of the benefit of the increase in securities prices on account of the offset losses in index futures. Imperfect co-relation between the price movements in the securities index on the one hand and the stocks held by the Fund or the futures contracts itself on the other hand may result in trading losses. The Fund may not be able to close an open futures position due to insufficient liquidity in the futures market. Under such circumstances, the Fund would be required to make daily cash payments of variation margin in the event of adverse price movements. If the Fund has insufficient cash, the Fund may be required to sell portfolio securities to meet daily variation margin requirement at a time when it may be disadvantageous to do so.

A hedge is designed to offset a loss on a portfolio with a gain in the hedge position. At the same time, however, a properly correlated hedge will result in a gain in the portfolio position being offset by a loss in the hedge position. As a result the use of derivatives could limit any potential gain from an increase in value of the position hedged. In addition, an exposure to derivatives in excess of the hedging requirement can lead to losses.

Stock and Index Options:

Option contracts are of two types - Call and Put; the former being the right, but not obligation, to purchase a prescribed number of shares at a specified price before or on a specific expiration date and the latter being the right, but not obligation, to sell a prescribed number of shares at a specified price before or on a specific expiration date. The price at which the shares are contracted to be purchased or sold is called the strike price. Options that can be exercised on or before the expiration date are called American Options, while those that can be exercised only on the expiration date are called European Options. In India, all individual stock options are American Options, whereas all index options are European Options. Option contracts are designated by the type of option, name of the underlying, expiry month and the strike price.

Example for Options:

Buying a Call Option: Let us assume that the Fund buys a call option of XYZ Ltd. with strike price of Rs.1000/-, at a premium of Rs.25/-. If the market price of ABC Ltd on the expiration date is more than R1000/-, the option will be exercised. The Fund will earn profits once the share price crosses Rs.1025/- (Strike Price + Premium i.e. 1000+25). Suppose the price of the stock is Rs.1100/-, the option will be exercised and the Fund will buy 1 share of XYZ Ltd. from the seller of the option at Rs.1000/- and sell it in the market at Rs.1100/-, making a profit of Rs.75/-. In another scenario, if on the expiration date the stock price falls below Rs.1000/-, say it touches Rs.900/-, the Fund will choose not to exercise the option. In this case the Fund loses the premium (Rs.25), which will be the profit earned by the seller of the call option.

Buying a Put Option: Let us assume the Fund owns the shares of XYZ Ltd, which is trading at Rs.500/-. The fund wishes to hedge this position in the short-term as it perceives some downside to the stock in the short-term. It can buy a Put Option at R500 by paying a premium of say Rs.10/- In case the stock goes down to Rs.450/- the fund has protected its downside to only the premium i.e Rs.10/- instead of Rs.50/-. On the contrary if the stock moves up to say Rs.550/- the fund may let the Option expire and forego the premium thereby capturing R40/- upside. The strategy is useful for downside protection at cost of foregoing some upside.

For an option buyer, loss is limited to the premium that he has paid and gains are unlimited.

The above example is hypothetical in nature and all figures are assumed for the purpose of illustrating the use of call options in individual stocks. Similar analogy can be used for Index Options too when the fund wishes to hedge a part of the total portfolio or cash.

Portfolio Turnover : Portfolio Turnover is the aggregate volume of purchases and sales as a percentage of the corpus of the scheme during a specified period of time. The portfolio turnover in the Scheme will be a function of inflows, outflows as well as market opportunities available to the Fund Manager. Consecutively it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolios. It will be the endeavor of the Fund Manager to keep the portfolio turnover rates low. Active asset allocation would impact portfolio turnover. There may be trading opportunities that present themselves from time to time where, in the opinion of the Fund Manager, there is an opportunity to enhance the total returns of the portfolio. The Fund Manager will endeavor to balance the increased cost on account of higher portfolio turnover, if any, with benefits likely to be derived from such an approach.

Portfolio Turnover Ratio of the Scheme as on March 31, 2020: Currently, not applicable.

Note: The Scheme being a new Scheme, hence portfolio turnover ratio is not available.

F. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a scheme

An Open-ended Equity scheme predominantly investing in Large Cap stocks.

(ii) Investment Objective

- Main Objective - Please refer “What is the investment objective of the Scheme?”
- Investment pattern - Please refer “How will the Scheme allocate its assets?”

(iii) Terms of Issue

- Liquidity provisions such as listing, repurchase, redemption - Please refer section on “ongoing offer details”
- Aggregate fees and expenses charged to the scheme - Please refer section on “Fees and Expenses”
- Any safety net or guarantee provided - Not applicable

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The benchmark against which the performance of the Scheme will be measured will be Nifty 100 Total Return Index (NIFTY100 TRI).

NIFTY 100 is a diversified 100 stock index representing major sectors of the economy. NIFTY 100 represents top 100 companies based on full market capitalisation. This index intends to measure the performance of large market capitalisation companies.

The Fund reserves the right to change the said benchmark and/or adopt one/more other benchmarks to compare the performance of the Scheme, subject to SEBI Regulations

H. WHO MANAGES THE SCHEME?

Fund Manager & Managing the Current Fund from	Designation:	Age & Qualification	Brief Experience	Name of Schemes under his management
Mr. Sudhir Kedia. Managing the Fund from the date of Inception.	Fund Manager	39 years/ CA, CWA and MBA	He has over 13 years of experience in research and asset management business. During the course of his career, he has worked with Mirae India AMC and ASK Investment Managers. He has managed Hybrid strategies and other Multi cap portfolios in his earlier organisations. He has a very strong research background and has sound understanding of the fund management business.	a) Principal Large Cap Fund b) Principal Midcap Fund c) Principal Personal Tax Saver Fund d) Principal Tax Savings Fund e) Principal Equity Savings Fund (Equity Portion)
Mr. Anirvan Sarkar Dedicated fund manager for foreign investments	Fund Manager	35 Years/ PGDCM from IIM Calcutta	He has over 9 years of experience in sell side and buy side research. He has covered the banking and financial sector for 6 years as well as multiple other sectors prior to that. He has a very strong	a) Principal Large Cap Fund (foreign investments)

			research background and has sound knowledge of equities markets.	
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The Fixed Income Fund Managers of the Mutual Fund will be involved in management of the Debt Component of the Scheme.

I. 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

Scheme Name	Principal Focused Multicap Fund	Principal Multi Cap Growth Fund																												
Investment Objective	The Investment Objective of the scheme would be to provide capital appreciation and /or dividend distribution by investing in companies across market capitalization.	To achieve long – term capital appreciation.																												
Asset Allocation Pattern	<p>Under normal circumstances, the asset allocation would be as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Type of instrument</th> <th colspan="2">Normal Allocation (% of Net Assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments*</td> <td>65</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt (including securitised debt**), Money Market instruments and Cash and Cash Equivalent</td> <td>0</td> <td>35</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>*Investment in maximum 30 stocks across Market Capitalisation.</p> <p>** Investment in Securitised Debt may be up to 35% of the net assets of the Scheme.</p> <p>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.</p>	Type of instrument	Normal Allocation (% of Net Assets)		Risk Profile	Minimum	Maximum	Equity and Equity Related Instruments*	65	100	High	Debt (including securitised debt**), Money Market instruments and Cash and Cash Equivalent	0	35	Low to Medium	<p>Under normal circumstances, the asset allocation would be as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Types of Instruments</th> <th colspan="2">Normal Allocation (% of Net Assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>65</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt (including securitised debt*) and Money market instruments</td> <td>0</td> <td>35</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>* Investment in Securitised 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 upto 50% of the net assets of the Scheme.</p>	Types of Instruments	Normal Allocation (% of Net Assets)		Risk Profile	Minimum	Maximum	Equity and Equity Related Instruments	65	100	High	Debt (including securitised debt*) and Money market instruments	0	35	Low to Medium
Type of instrument	Normal Allocation (% of Net Assets)		Risk Profile																											
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Debt (including securitised debt*) and Money market instruments	0	35	Low to Medium																											

	<p>The Asset Management Company (AMC) reserves the right to invest in Derivatives upto 50% of the net assets of the Scheme.</p> <p>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 upto 30% in foreign securities, ADR's and GDRs, subject to SEBI / RBI or any other Regulatory Authorities permitted from time to time.</p> <p>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.</p> <p>The Scheme may invest upto 25% in stocks listed on SME platform of BSE and NSE.</p> <p>The Scheme does not seek to participate in repo/reverse repo in corporate debt securities.</p> <p>The Scheme does not seek to participate in credit default swaps.</p>	
Investment Strategy	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.	<p>The scheme will invest its assets in a portfolio of equity and equity related instruments. The focus of the investment strategy would be to identify stocks which can provide capital appreciation in the long term. Companies selected for the portfolio which in the opinion of the AMC would possess some of the characteristics mentioned below:</p> <ul style="list-style-type: none"> – Superior management quality – Distinct and sustainable competitive advantage – Good growth prospects and – Strong financial strength <p>The aim will be to build a diversified portfolio across major industries and economic sectors by using “Fundamental Analysis” approach as its selection process.</p>
AUM in Rs. Cr. (July 31, 2020)	379.89	641.90
No. of Folios (July 31, 2020)	36,200	78,191
Differentiation	The Scheme is a Focused equity scheme that will invest in not more than 30 Stocks across market capitalization.	The Scheme is a diversified equity scheme that invests across sectors to generate long term capital appreciation.
Scheme Name	Principal Emerging Bluechip Fund	Principal Personal Tax Saver Fund
Investment Objective	The primary objective of the Scheme is to achieve long-term capital appreciation by investing in	To provide long term growth of capital. The Investment Manager will aim to achieve

	equity & equity related instruments of large cap & midcap companies.	a return on assets in excess of the performance of S&P BSE 100 Index.																															
Asset Allocation Pattern	Under normal circumstances, the asset allocation would be as follows:	Under normal circumstances, the asset allocation would be as follows:																															
	<table border="1"> <thead> <tr> <th rowspan="2">Type of instrument</th> <th colspan="2">Normal Allocation (% of Net Assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>(1) Equity & equity related instruments of Large Cap companies*</td> <td>35</td> <td>65</td> <td>High</td> </tr> <tr> <td>(2) Equity & equity related instruments of Midcap companies*</td> <td>35</td> <td>65</td> <td>High</td> </tr> <tr> <td>(3) Equity & equity related instruments of Companies other than Large and Midcap companies*</td> <td>0</td> <td>30</td> <td>High</td> </tr> <tr> <td>(4) Debt (including securitised debt**), Money Market instruments and Cash and Cash Equivalent</td> <td>0</td> <td>30</td> <td>Low to Medium</td> </tr> </tbody> </table>	Type of instrument	Normal Allocation (% of Net Assets)		Risk Profile	Minimum	Maximum	(1) Equity & equity related instruments of Large Cap companies*	35	65	High	(2) Equity & equity related instruments of Midcap companies*	35	65	High	(3) Equity & equity related instruments of Companies other than Large and Midcap companies*	0	30	High	(4) Debt (including securitised debt**), Money Market instruments and Cash and Cash Equivalent	0	30	Low to Medium	<table border="1"> <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>	Types of Instruments	Normal Allocation (% of Net Assets)	Risk Profile	Equity and Equity Linked Instruments	Not less than 80%	High	Debt securities (*Including Securitised Debt) and Money market instruments	Up to 20%	Low to Medium
	Type of instrument		Normal Allocation (% of Net Assets)			Risk Profile																											
		Minimum	Maximum																														
	(1) Equity & equity related instruments of Large Cap companies*	35	65	High																													
	(2) Equity & equity related instruments of Midcap companies*	35	65	High																													
(3) Equity & equity related instruments of Companies other than Large and Midcap companies*	0	30	High																														
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Equity and Equity Linked Instruments	Not less than 80%	High																															
Debt securities (*Including Securitised Debt) and Money market instruments	Up to 20%	Low to Medium																															
	<p>*The fund will predominantly invest in large and midcap stocks. This market cap ranges will be determined as per prevailing SEBI/ AMFI guidelines.</p> <p>**Investment in Securitised Debt may be up to 30% of the net assets of the Scheme.</p> <p>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.</p>	<p>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.</p>																															

	<p>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.</p> <p>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.</p> <p>The Scheme may invest upto 15% in ETFs#</p> <p>The Scheme may invest upto 30% in stocks listed on SME platform of BSE and NSE.</p> <p>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.</p> <p>The Scheme does not seek to participate in repo/reverse repo in corporate debt securities and credit default swaps.</p> <p># <u>ETFs Risk Disclosure</u> - 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.</p>	
Investment Strategy	<p>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 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</p>	<p>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 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</p>

	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.	opportunities available at various points of time.																							
AUM in Rs. Cr (July 31, 2020)	2,013.59	231.73																							
No. of Folios (July 31, 2020)	1,46,021	78,205																							
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	<p>Under normal circumstances, the asset allocation would be as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Type of Instrument</th> <th colspan="2">Normal Allocation (% of Net Assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity related instruments of High Dividend Yield companies*</td> <td>65</td> <td>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</td> <td>35</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>* 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.</p>	Type of Instrument	Normal Allocation (% of Net Assets)		Risk Profile	Minimum	Maximum	Equity and Equity related instruments of High Dividend Yield companies*	65	100	High	Debt and Money Market Instruments (including Units of Debt/ Liquid Mutual Fund Schemes and Cash)	0	35	Low to Medium	<p>Under normal circumstances, the asset allocation would be as follows:</p> <table border="1"> <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> <p>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.</p>	Types of Instruments	Normal Allocation (% of Net Assets)	Risk Profile	Equity and Equity Linked Instruments	Not less than 80%	High	Debt securities (*including securitised debt) and Money market instruments	Upto 20%	Low to Medium
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	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.															
Investment Strategy	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 "high" 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.	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.														
AUM in Rs. Cr. (July 31, 2020)	169.10	389.80														
No. of Folios (July 31, 2020)	28,407	79,683														
Differentiation	The Scheme is an equity scheme that invest predominantly in a high dividend yield companies.	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.														
Scheme Name	Principal Nifty 100 Equal Weight Fund															
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	<p>Under normal circumstances, the asset allocation would be as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Type of instrument</th> <th colspan="2">Normal Allocation (%) of Net Assets</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Nifty 100 Equal Weight Index Stocks</td> <td>95</td> <td>100</td> <td>High</td> </tr> <tr> <td>Money Market Instruments</td> <td>0</td> <td>5</td> <td>Low</td> </tr> </tbody> </table> <p>The Asset Management Company reserves the right to invest in derivatives up to 50% of the net assets of the Scheme</p> <p>Subject to the SEBI Regulations, the Mutual Fund may deploy upto 20% of its total net assets of the Scheme in Stock Lending.</p>		Type of instrument	Normal Allocation (%) of Net Assets		Risk Profile	Minimum	Maximum	Nifty 100 Equal Weight Index Stocks	95	100	High	Money Market Instruments	0	5	Low
Type of instrument	Normal Allocation (%) of Net Assets			Risk Profile												
	Minimum	Maximum														
Nifty 100 Equal Weight Index Stocks	95	100	High													
Money Market Instruments	0	5	Low													
Investment Strategy	<p>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.</p> <p>Subject to the requirements of cash flows to meet the recurring expenses and to service investors who decide to exit from the Scheme or for distribution of income, if any, to investors, it is proposed that the corpus of the scheme will be invested in the Nifty 100 Equal Weight Index securities. It is also proposed that disinvestment will take place only when investors exit from the Scheme or when</p>															

	<p>any security ceases to be included in the Nifty 100 Equal Weight Index or to meet the cash flow requirements.</p> <p>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.</p> <p>The Nifty 100 Equal Weight Index is at present being managed by IISL.</p>
AUM in Rs. Cr. (July 31, 2020)	16.76
No. of Folios (July 31, 2020)	1029
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 asset allocation table given below:			
	Instruments	Indicative allocations (% of net assets)		Risk Profile
		Minimum	Maximum	High/Medium/Low
	Equity and equity related instruments of small cap companies*	65	100	High
	Equity and equity related instruments of companies other than small cap companies	0	35	High
	Debt and Money Market Instruments including units of debt & liquid schemes	0	35	Low to Medium
	<p>*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:</p> <ul style="list-style-type: none"> • 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. <p>This market cap ranges will be determined as per prevailing SEBI/ AMFI guidelines.</p> <p>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.</p>			

	<p>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.</p> <p>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.</p> <p>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.</p>																				
Investment Strategy	<p>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.</p>																				
AUM in Rs. Cr. (July 31, 2020)	177.80																				
No. of Folios (July 31, 2020)	11,926																				
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	<p>To generate long term capital appreciation by predominantly investing in equity and equity related instruments of midcap companies.</p> <p>However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved.</p>																				
Asset Allocation Pattern	<p>Under normal circumstances, the funds of the scheme shall be invested as per the asset allocation table given below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Instruments</th> <th colspan="2">Indicative allocations (% of net assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Equity and equity related instruments of Midcap* companies</td> <td style="text-align: center;">65</td> <td style="text-align: center;">100</td> <td style="text-align: center;">High</td> </tr> <tr> <td>Equity and equity related instruments of companies other than midcap companies</td> <td style="text-align: center;">0</td> <td style="text-align: center;">35</td> <td style="text-align: center;">High</td> </tr> <tr> <td>Debt and Money Market Instruments including units of debt & liquid schemes</td> <td style="text-align: center;">0</td> <td style="text-align: center;">35</td> <td style="text-align: center;">Low to Medium</td> </tr> </tbody> </table> <p>*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:</p> <ul style="list-style-type: none"> • 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. <p>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.</p>			Instruments	Indicative allocations (% of net assets)		Risk Profile	Minimum	Maximum	Equity and equity related instruments of Midcap* companies	65	100	High	Equity and equity related instruments of companies other than midcap companies	0	35	High	Debt and Money Market Instruments including units of debt & liquid schemes	0	35	Low to Medium
Instruments	Indicative allocations (% of net assets)		Risk Profile																		
	Minimum	Maximum																			
Equity and equity related instruments of Midcap* companies	65	100	High																		
Equity and equity related instruments of companies other than midcap companies	0	35	High																		
Debt and Money Market Instruments including units of debt & liquid schemes	0	35	Low to Medium																		

	<p>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.</p> <p>The exposure to derivatives will not exceed 50% of the net assets of the scheme.</p> <p>The Scheme may invest up to 50% of the scheme's debt exposure in domestic securitized debt.</p> <p>The scheme does not seek to invest in foreign securities.</p> <p>The Scheme does not seek to participate in repo/reverse repo in corporate debt securities.</p> <p>The Scheme does not seek to participate in credit default swaps.</p> <p>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.</p> <p>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.</p> <p>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.</p>
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Investment Strategy	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
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AUM in Rs. Cr. (July 31, 2020)	245.71
No. of Folios (July 31, 2020)	14,645
Differentiation	Principal Midcap Fund will invest predominantly in midcap companies with high growth potential. Presently, there is no other scheme that invests predominantly in midcap 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:		
	Instruments	Indicative allocations (% of net assets)	Risk Profile

		Minimum	Maximum	High/Medium/Low
	Equity and equity related instruments of Large Cap Companies	80	100	High
	Equity and equity related instruments of Other Companies	0	20	High
	Debt and Money Market Instruments including units of debt & liquid schemes	0	20	Low to Medium
	<p>The Scheme will invest predominantly in Equity and Equity Related Instruments of Large Cap companies.</p> <p>Investment in foreign securities shall not exceed 20% of the net assets of the Scheme.</p> <p>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.</p> <p>The exposure to derivatives will not exceed 50% of the net assets of the scheme.</p> <p>The Scheme may invest up to 50% of the scheme's debt exposure in domestic securitized debt.</p> <p>The Scheme does not seek to participate in repo/reverse repo in corporate debt securities.</p> <p>The Scheme does not seek to participate in credit default swaps.</p> <p>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.</p> <p>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.</p> <p>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.</p>			
Investment Strategy	<p>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. 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 upto 20% of the portfolio in foreign large cap companies.</p>			
AUM in Rs. Cr.	NA			
No. of Folios	NA			
Differentiation	Principal Large Cap Fund will invest predominantly (atleast 80% of the portfolio) in large cap companies that trade at attractive valuations.			

J. WHAT ARE THE INVESTMENT RESTRICTIONS?

Following Investment limitations/restrictions are applicable to the Scheme -

- A mutual fund scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such

investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company:

Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and collateralized borrowing and lending obligations:

Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with the Board:

- The scheme shall not invest in unlisted debt instruments including commercial papers except for government securities, other money market instruments and derivative products used by mutual funds for hedging.

Provided that mutual fund schemes may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the scheme subject to the condition as may be specified by SEBI from time to time.

For the above clause, listed debt instruments shall include listed and to be listed debt instruments.

Investments in CPs will be made only in CPs which are listed or to be listed with effect from one month from the date of operationalization of framework for listing of CPs or January 01, 2020, whichever is later

The Scheme shall not invest more than 5% of its NAV in unrated debt instruments. Investments will only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder. Investments in unrated debt instruments shall be subject to norms and guidelines as specified by SEBI from time to time. All such investments shall be made with the prior approval of the Board of Trustees and the Board of AMC.

Further the investments by the Scheme shall be in compliance with SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 and as amended by SEBI from time to time.

- The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities. Provided further that the Scheme may also enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI. Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.
- Provided that a mutual fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.
- The Mutual Fund shall get the securities purchased or transferred in the name of the Mutual Fund on account of the concerned scheme, wherever investments are intended to be of long-term nature.
- The Fund under all its Schemes should not own more than 10% of any company's paid up capital carrying voting rights.
- The Scheme shall not make any investment in:
 - any unlisted security of an associate or group company of the sponsor; or
 - any security issued by way of private placement by an associate or group company of the sponsor; or
 - the listed securities of group companies of the sponsor which is in excess of 25% of the net assets
- The Mutual Fund/AMC shall make investment out of the NFO proceeds only on or after the closure of the NFO period. The Mutual Fund/ AMC can however deploy the NFO proceeds in Tri-Party Repo before the closure of NFO period. However, AMCs shall not charge any investment management and advisory fees on funds deployed in Tri-Party Repo during the NFO period. The appreciation received from investment in Tri-Party Repo shall be passed on to investors.
- Transfers of investments from one scheme to another scheme of Principal Mutual Fund shall be allowed only if:
 - (a) The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
 - (b) Such transfer shall be carried out at the price obtained from valuation agencies in accordance with the guidelines provided in the SEBI circular no. SEBI/HO/IMD/DF4/CIR/P/2019/102 dated September 24, 2019.

(c) If prices are not received from any valuation agencies within the turn-around-time, such transfers shall be done at the prevailing market price for quoted instruments on spot basis.

[Explanation - "Spot basis" shall have same meaning as specified by stock exchange for spot transactions.]

- The Scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate interscheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.
- The Scheme will comply with provisions specified in Circular dated August 18, 2010 related to overall exposure limits applicable for derivative transactions as stated below:
 - i. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme.
 - ii. Mutual Funds shall not write options or purchase instruments with embedded written options.
 - iii. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
 - iv. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
 - v. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following: a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains. b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1. c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged. d. The quantity of underlying associated with the derivative position taken for hedging purpose does not exceed the quantity of the existing position against which hedge has been taken.
 - vi. Mutual Funds may enter into interest rate swaps for hedging purposes. The counterparty in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.
 - vii. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point (i) above.
- Pending deployment of Funds of the Scheme in terms of investment objective, the Scheme may invest them in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 and September 20, 2019, as amended from time to time:
 - The Scheme shall not park more than 15% of the net assets in Short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with prior approval of the trustees. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the mutual fund in short term deposits.
 - The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
 - No funds of the Scheme may be parked in short term deposit of a bank which has invested in the Scheme. It shall be ensured that the bank in which the scheme has parked in short term deposit does not invest in the scheme until the scheme has short term deposit with such bank.
 - Short Term for such parking of fund by Mutual Fund shall be treated as a period not exceeding 91 days.
 - No investment and advisory fees shall be charged for parking of funds in short term deposits of scheduled commercial banks.

- The Scheme shall not invest more than 10% of its NAV in the equity shares or equity related instruments of any Company.
- The Scheme shall not invest more than 5% of its net assets in the unlisted equity shares or equity related instruments.
- The Scheme shall not invest in any Fund of Funds Scheme.
- Aggregate value of “Illiquid Securities” of the Scheme, which are defined as non-traded, thinly traded and unlisted equity share, shall not exceed 15% of the total assets of the Scheme.
- The Fund shall not borrow except to meet temporary liquidity needs, for the purpose of repurchase, redemption of units or payment of interest or dividend to the unitholders:
Provided that the Fund shall not borrow more than 20 per cent of the net asset of the scheme and the duration of such a borrowing shall not exceed a period of six months.
- The Scheme shall not advance any loan for any purpose.

The AMC / Trustee may alter these above stated restrictions from time to time to the extent the SEBI Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for the Scheme to achieve its investment objective. The AMC/Trustee may from time to time alter these restrictions in conformity with the SEBI (MF) Regulations.

K. HOW HAS THE SCHEME PERFORMED?

This Scheme is a new scheme and does not have any performance track record.

PORTFOLIO - Top 10 Holdings – Not applicable as the scheme is a new fund to be launched.

SECTOR ALLOCATION - Top 10 - Not applicable as the scheme is a new fund to be launched.

Website link for Monthly Portfolio Holding - Not applicable as the scheme is a new fund to be launched.

L. INVESTMENT BY AMC AND ITS ASSOCIATES

The AMC, and investment companies managed by the Sponsor, its affiliates, its associate companies and subsidiaries may invest either directly or indirectly in the Scheme. The money managed by these affiliates, associates, the Sponsor, subsidiaries of the Sponsor and/or the AMC may acquire a substantial portion of the Scheme's units and collectively constitute a major investment in the Scheme. The AMC reserves the right to invest its own funds in the Scheme as may be decided by the AMC from time to time and in accordance with SEBI Circular no. SEBI/IMD/CIR No. 10/22701/03 dated December 12, 2003 and SEBI/IMD/CIR No. 1/42529/05 dated June 14, 2005 regarding minimum number of investors in the Scheme/Plan. The AMC shall not charge any fees on investment by the AMC in the units of the Scheme.

The Aggregate Investment in the Scheme under the following categories as on July 31, 2020:

Sr. No.	Categories	Aggregate Investment in the scheme (in Rs.)
1.	AMC's Board of Directors	Not applicable
2.	Fund Manager of the Scheme	Not applicable
3.	Key Personnel of AMC	Not applicable

Since the scheme is a new fund to be launched, the above disclosure is not applicable.

SECTION IV: UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

A. New Fund Offer (NFO)

New Fund Offer Period This is the period during which a new scheme sells its units to the investors	NFO opens on: September 28, 2020 NFO closes on: October 12, 2020 The AMC reserve the right to extend the closing date, subject, however, to the condition that the subscription shall not be kept open for more than 15 days.
New Fund Offer Price: This is the price per unit that the investors have to pay to invest during the NFO.	Rs. 10/- per unit
Minimum Amount for Application in the NFO	Minimum application amount will be Rs. 5,000/- for both Dividend and Growth Option and any amount thereafter under each Plan/ option.
Minimum Target amount This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within five business days, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of due date of refund.	Rs. 10 Crore.
Maximum Amount to be raised (if any) This is the maximum amount which can be collected during the NFO period, as decided by the AMC.	There is no maximum amount.
Plans / Options offered	<p>The Scheme will have two Plans i.e. Regular Plan & Direct Plan. Both the Plans, offer two Options viz. Dividend and Growth Option. Further, Dividend option will have the facility of Payout and Re-investment.</p> <p>The Investment Options (Regular and Direct Plan) will share a common portfolio.</p> <p>Regular Plan:</p> <p>Investors opting to invest through a Distributor shall be allotted units under the Regular Plan. Kindly ensure that a Distributor code is provided in the relevant space on the application form. In the absence of the Distributor Code, the application will be processed under the DIRECT Plan, by default.</p>

Direct Plan:

“Direct Plan” is only for investors who purchase /subscribe Units in a Scheme directly with the Fund. This plan is not available for investors who wish to purchase/ subscribe units through a Distributor. All categories of investors (whether existing or new Unitholders) as permitted under the Scheme Information Document of the Scheme are eligible to subscribe under Direct Plan. Investments under Direct Plan can be made through various modes offered by the Mutual Fund for investing directly with the Mutual Fund subject to availability of the facility to invest in Direct Plan under that mode. .

Investors desirous of subscribing under Direct Plan of a Scheme will have to ensure to indicate “Direct Plan” against the Scheme name in the application form.

Dividend Option:

Under Dividend Option, 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 Trustees decision with regard to availability and adequacy, rate, timing and frequency of distribution of dividend shall be final. Further, the Dividend Option will have the facility of Re-investment, Payout and Sweep. Applicants should indicate the Option/Facility for which the subscription is made by indicating the choice in the appropriate box provided for this purpose in the Application Form. Applicants can allocate the investment in both the Options subject to a minimum investment amount of the Scheme.

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

Dividend Payout Facility

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

Dividend Re-investment Facility

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

Dividend Sweep Facility

Under this facility, dividend declared in a source scheme is transferred as an investment in a target scheme.

Growth Option

Under this option, the Mutual Fund will not declare any dividend. The income earned by the Schemes will remain invested in the Schemes concerned and will be reflected in the NAV. This Option is suitable for investors who are not looking for current income but who have invested only with the intention of capital appreciation.

In case of valid applications received without indicating any choice of Option, it will be considered as option for Growth option and processed accordingly. In case of valid application received without indicating any choice of Dividend Payout Facility, Dividend Reinvestment Facility or Dividend Sweep Facility, it will be considered as option for Dividend Reinvestment Option and processed accordingly.

Default Plan:

Refer table below for understanding the result for various plans selected by the investor for applications –

Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not Mentioned	Regular Plan

The unitholder is subsequently free to switch the units from the default Plan to any other eligible option/s, facilities of the Scheme, at the applicable NAV

Dividend Policy

In the interest of the Scheme and the unit holders, the AMC/Trustees may consider providing returns to the unit holders at appropriate times by way of periodic declaration of dividend under the Scheme after providing for all necessary recurring and other expenses. Distribution of dividend is subject to availability and adequacy of distributable surplus and approval of the Trustees. Quantum of dividend/units and the record date will be fixed by the Trustee and dividend so decided shall be paid, subject to availability of distributable surplus.

Only those unit holders whose names appear in the register of unit holders as on the record date will be entitled for dividend This date will be fixed by the AMC/Trustees appropriately. When the Record Date so fixed by the Trustees falls on a non- business day, the immediately preceding business day shall be the Record Date.

The dividend warrants and/or fresh Account Statement shall be dispatched / credited to the unit holders within 30 days or such stipulated period of the declaration of dividend. In the event of failure to dispatch dividend within the stipulated 30 day period, the AMC shall be liable to pay interest @ 15 per cent per annum to the unit holder(s).

It is being clarified that the Dividend Distribution Procedure as per SEBI Circular no. SEBI/IMD/ Cir No. 1/64057/06 dated April 4, 2006 shall be strictly followed at the time of declaration of dividend. Distribution of dividend is subject to availability and adequacy of distributable surplus and approval of the Trustees. Further, the AMC/Trustee reserves the right to include/remove/modify the frequency for declaration of dividend as may be deemed appropriate, subject to relevant provisions of SEBI regulations.

Dividends will be paid net of taxes as may be applicable and payments will be in favour of the Unit holder's registered name or, if there is more than one registered holder, of the first named registered holder on the folio. The Trustees may not declare a dividend at all in the event of inadequacy of distributable income. There is no assurance or guarantee to unit holders as to the periodicity of dividend.

All dividend declarations shall be available only to the Unit holders who hold units at the time of its/their declaration.

Since distribution of dividend shall be paid from the distributable surplus, the NAV of the Scheme shall be adjusted to the extent of dividend paid.

AMC reserves the right to include/remove/modify the frequency for declaration of dividend as may be deemed appropriate, subject to relevant provisions of SEBI regulations.

Allotment

Allotment :

Allotment of units will be made not later than 5 business days from the closure of the New Fund Offer. The allotment will be made to all applicants provided the applications received are complete in all respects. An offer to purchase units is not binding on, and may be rejected by AMC.

Account Number/Statement:

An applicant whose application has been accepted shall have the option either to receive the statement of accounts or to hold units in dematerialised form. The asset management company shall dispatch, an account statement specifying the number of units allotted to the applicant who has opted to receive statement of accounts or allotment advice to an applicant who has opted to hold units in dematerialized form respectively, as soon as possible but not later than 5 business days from the date of closure of the NFO.

A confirmation shall be sent specifying the number of units allotted to the unit holder by way of e-mail and/or SMS's to the unit holder's registered email address and/or mobile number (where provided by the Unitholder) as soon as possible but not later than five business days from the date of closure of NFO.

Where a unit holder may have provided his e-mail address for receipt of mandatory documents and updates, an account statement reflecting the units allotted to the Unitholder shall be sent on such registered e-mail address as soon as possible but not later than 5 business days from the date of closure of the NFO.

Account Statement will also be issued to those unitholders who opt for allotment of units in demat form or where the units are not credited to their demat account(s) for any reason whatsoever.

For trading in units, the unitholders are required to have a demat account.

An Account Statement so issued shall not be construed as a proof of title and is only a computer-printed statement indicating the details of transactions under the scheme and is a non-transferable document.

Common Account Number:

As a unitholder friendly measure, (unless otherwise requested by the unitholder), one Common Account Number will be assigned for one entity / investor investing in different schemes of the Fund. In such a case, one

	<p>consolidated account statement will be provided. The AMC reserves the right to assign the existing Common Account Number against multiple applications and/or subsequent purchases under a new application form by an existing unitholder, with identical mode of holding and address.</p> <p>An Account or Transaction Statement reflecting the unit balance of the unitholder will be mailed to the unitholder by ordinary post, after every financial transaction is effected.</p> <p>Unit Certificates</p> <p>Normally no unit certificates will be issued under the Scheme. However, the AMC shall issue a Unit certificate to the applicant within 5 Business Days of the receipt of request for the certificate. Unit certificate, if issued, must be surrendered along with the request for Redemption / Switch or any other transaction of Units covered therein. On production of instrument of transfer together with relevant unit certificates, AMC shall register the transfer and return the unit certificate to the transferee within 30 days from the date of such production. The process and timelines for transfer would be as per the terms and conditions as applicable from time to time. However, investors are requested to note that issuance of Unit Certificates or request for transfer of Unit Certificate to any transferee thereof, would attract Stamp Duty/Statutory levies as stipulated by the Government authorities from time to time.</p> <p>Units With Depository</p> <p>The unitholders can dematerialise their holding at any time by making an application to their Depository Participant by filling up the Dematerialisation Request Form (DRF). Units held in demat form are freely transferable. The AMC shall issue units in demat form to the unitholder within 2 business days of receipt of request from unitholder.</p> <p>The same number of Units held in the physical mode shall be continued in the demat mode. The expenses incurred by the AMC in dematting of the referred units may be recovered from unitholders or may be charged to the scheme as per annual recurring expenses.</p> <p>Units held in the form of Unit Certificates and demat mode are freely transferable.</p> <p>Rematerialisation of Demat Units</p> <p>The unitholders who converted their units in demat mode may also rematerialize their units. The request for rematerialising the demat Units may be given to the respective Depository Participant (DP) of the investor. On receiving the confirmation of Remat Units balance, account statement for the physical Units shall be issued. The same number of Units held in the demat mode shall be continued in the physical mode. Rematerialisation of demat Units shall be processed within the thirty days or such other days as may be stipulated under SEBI Regulations from the date of receipt of such a request, provided it is complete and valid in all respects.</p>
<p>Refund</p>	<p>If application is rejected, full amount will be refunded within 5 business days of closure of NFO. If refunded later than 5 business days, interest @ 15% p.a. for delay period will be paid and charged to the AMC.</p> <p>If the Scheme fails to collect the minimum subscription amount, the Fund shall be liable to refund the money to the applicants.</p>
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your</p>	<p>The following persons (subject wherever relevant to, purchase of Units being permitted under their respective constitutions and relevant State Regulations) are eligible to apply for purchase of units under the Scheme.</p> <p>(i) Resident Indian Nationals who are :</p>

financial advisor to ascertain whether the scheme is suitable to your risk profile.

- Adult individuals as sole holder,
- Adult individuals not exceeding three jointly or on an either/anyone or survivor basis.
- Parents/Lawful guardians on behalf of Minors.
- Partnership Firms
- Hindu Undivided Families(HUF), through their Karta acting or on behalf of the HUF
- Institutions, Companies, Bodies Corporate, Public Sector Undertakings, Societies registered under the Societies Registration Act 1860, or Co-operative Societies, subject to their byelaws permitting them to invest in the units of the mutual fund.
- Banks (including Co-operative Banks and Regional Rural Banks), Funds, Financial and Investment Institutions
- Religious and Charitable Trusts, drafts or endowments and Private Trusts, under the provisions of Section 11(5) of Income tax Act, 1961 read with Rule 17(C) of Income tax Rules 1962 registered under the Societies Registration Act/Indian Trusts Act, Trustees of Private Trusts authorized to invest in mutual fund schemes under their trust deeds
- Scientific and Industrial Research Organizations
- Association of Persons/Body of Individuals, whether incorporated or not
- Army/Air Force/Navy, other paramilitary units and bodies created by such institutions besides other eligible institutions
- Mutual Funds registered with SEBI

ii) Multilateral Funding Agencies/Bodies Corporate incorporated outside India with the permission of Government of India/Reserve Bank of India.

iii) Overseas Financial Organizations which have entered into an arrangement for investment in India, inter-alia with a Mutual Fund registered with SEBI and which arrangement is approved by the Central Government.

iv) Non-Resident Indians (NRIs)/FIIs and Persons of Indian origin residing abroad (except persons covered under “Who cannot invest?” section below) , on a full repatriation basis or non-repatriation basis. Presently OCBs cannot invest in domestic mutual funds pursuant to RBI A.P.(DIR Series) Circular No.14 dated September 16, 2003.

v) Foreign Portfolio Investors (FPIs)

vi) Such other individuals/institutions/body corporate, etc. as may be decided by the Fund from time to time, so long as wherever applicable they are in conformity with regulations.

vii) Other Schemes of Principal Mutual Fund subject to the conditions and limits prescribed by applicable SEBI Regulations

viii) The Trustees/Trust, AMC or Sponsor or its affiliates, its associate companies and subsidiaries may also subscribe to the units under this Fund.

ix) Provident/Pension/Gratuity/Superannuation Fund(s) and such other retirement and employee benefit and other similar Funds.

The Trustees may accept an application from an unincorporated body of persons/trusts. The Trustees may from time to time add and review the persons eligible for making application for purchase of units under the Scheme. Subject to the SEBI (MF) Regulations, any application for units of this Scheme may be accepted or rejected in the sole and absolute discretion of the Trustee/AMC.

The Trustee/AMC may inter-alia reject any application for the purchase of units if the application is invalid or incomplete or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its unitholders to accept such an application.

The Scheme has not been and will not be registered in any country outside India. To ensure compliance with any domestic / international Laws, Acts, Enactment, etc. including by way of Circulars, Press Releases, or Notifications of Government of India, the Fund may require/give verification of identity/any special/additional subscription-related information from/ of the unitholders (which may result in delay in dealing with the applications, Units, benefits, distribution, etc./giving subscription details, etc.). Each unitholder must provide such information asked for and also represent and warrant to the Trustees/AMC that, among other things, he is able to acquire Units without violating applicable laws. The Trustees will not knowingly offer or sell Units to any person to whom such offer or sale would be unlawful, or might result in the Fund incurring any liability or suffering any other pecuniary disadvantages which the Fund might not otherwise incur or suffer. Units may not be held by any person who fails to provide the information called for or in breach of the law or requirements of any governmental, statutory authority including, without limitation, exchange control regulations. The AMC/Trustees may compulsorily redeem any Units held directly or beneficially by any person who fails to provide the information called for or found to be held in contravention of these requirements / prohibitions. In view of the individual nature of investment portfolio and its consequence, each unitholder is advised to consult his/her own professional advisor concerning possible consequences of purchasing, holding, selling, converting or otherwise disposing of the Units under the laws of his/her state/country of incorporation, establishment, citizenship, residence or domicile.

Kindly note that neither the Statement of Additional Information; nor this Scheme Information Document, nor the Application for the Units, nor the Units (“these Documents”) have been registered in any jurisdiction. The distribution of these Documents in certain jurisdictions may be prohibited or restricted or subject to registration requirements and accordingly, persons who come into possession of any of these Documents are required to inform themselves about and to observe, any such restrictions. No person receiving a copy of any of these Documents in such jurisdiction may act or treat these Document or any part/portion thereof as constituting an invitation to him to subscribe for Units, nor should he in any event use any such Documents, unless in the relevant jurisdiction such an invitation could lawfully be made to him and such Documents could lawfully be used without compliance with any registration or other legal requirements. Accordingly, none of these Documents (including or any part/portion thereof) constitute an offer or solicitation by any one in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to any one to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of any of these Documents and any persons wishing to apply for Units pursuant to these Documents to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction.

***Foreign Account Tax Compliance Act (‘FATCA’) and Common Reporting Standards (CRS) requirements:**

The Government of India and the United States of America (US) have reached an agreement in substance on the terms of an Inter- Governmental Agreement (IGA) and India is now treated as having an IGA in effect from April 11, 2014. On similar lines the Organization of economic Development (OECD) along with G-20 countries has released a 'Standard for Automatic exchange of Financial Account Information in Tax Matters' commonly known as Common reporting Standard ('CRS'). India is signatory to the Multilateral Competent Authority Agreement (MCAA) for the purposes of CRS. Under FATCA/CRS provisions, Financial Institutions are obligated to obtain information about the financial accounts maintained by investors and report to the local Government/ notified tax authorities. In accordance with FATCA and CRS provisions, the AMC / Mutual Fund is required to undertake due diligence process and identify foreign reportable accounts and collect such information / documentary evidences of the FATCA/CRS status of its investors / Unit holders and disclose such information (through its agents or service providers) as far as may be legally permitted about the holdings/ investment returns to US Internal revenue Service (IRS)/any other foreign government or the Indian Tax Authorities, as the case may be for the purpose of onward transmission to the IRS/ any other foreign government pursuant to the new reporting regime under FATCA/CRS.

FATCA/CRS due diligence will be directed at each investor / Unit holder (including joint investor/Unitholder) and on being identified as a reportable person, all the folios will be reported. In case of folios with joint holders, the entire account value of the investment portfolio will be attributable under each such reportable person. An investor / Unit holder will therefore be required to comply with the request of the AMC / Mutual Fund to furnish such information as and when sought by the AMC for the AMC / Mutual Fund to comply with the information reporting requirements stated in IGA/MCAA and circulars issued by SeBI / AMFI in this regard. The information disclosed may include (but is not limited to) the identity of the investors/Unitholder(s) and their direct or indirect beneficiaries, beneficial owners and controlling persons. Investors / Unitholders should consult their own tax advisors regarding FATCA/CRS requirements with respect to their own situation.

The AMC/Mutual Fund reserves the right to reject any application/freeze any folio(s) held directly or beneficially for transactions in the event the applicant/Unitholder(s) fail to furnish the relevant information and/or documentation in accordance with FATCA/CRS provisions and as requested by the AMC/Mutual Fund.

Central Know Your Customers (CKYC)

In line with AMFI Best Practices Guidelines Circular No.68/2016-17 dated December 22, 2016 on Uniform implementation of CKYC by Mutual Fund/ AMCs, while onboarding a new individual investor, for those investors whose KYC is not registered or verified in the KRA system, the AMC shall use new CKYC Form to conduct and register the KYC of the investor.

In case the investor uses the old KRA KYC form, the investor is required to provide the additional information using a 'Supplementary CKYC Form' or to fill the new 'CKYC Form'

In case the new investors have completed CKYC and quote KYC Identification Number (KIN) in their application forms, AMC shall use the KIN provided by the customer to download KYC information from CKYCR system and update the records. AMC is also required to check that in case the investor has not updated the PAN details in the CKYC system, self-certified copy of the PAN card is required to be obtained and uploaded in the CKYC system. Accordingly, investors may be requested to provide the same.

The new CKYC forms have been uploaded on the AMC Website- <http://principalindia.com>

For further details, please refer the SAI.

Who cannot invest

It should be noted that the following persons cannot invest in the Scheme:

1. Any person who is a foreign national;
2. United States Persons within the meaning of Regulation 'S' under the United States Securities Act of 1933 or as defined by the U.S. Commodity Futures Trading Commission or as defined under Foreign Account Tax Compliance Act (FATCA) or as defined under any other extant laws of the United States of America or as per such further amended definitions, interpretations, legislations, rules etc, as may be in force from time to time and Persons resident of Canada
3. Overseas Corporate Bodies (OCBs) shall not be allowed to invest in the Scheme. These would be firms and societies, which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons (OCBs).
4. Religious and charitable trusts, wakfs or other public trusts that have not received necessary approvals and a private trust that is not authorised to invest in Mutual Fund schemes under its trust deed. The Mutual Fund will not be responsible for or any adverse consequences as a result of an investment by a public or a private trust if it is ineligible to make such investments.
5. Any other person determined by the AMC or the Trustee as not being eligible to invest in the Scheme.

The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any.

As Units may not be held by any person in breach of the SEBI Regulations, any law or requirements of any governmental, statutory authority including, without limitation, exchange control regulations, the Mutual Fund / Trustee / AMC may mandatorily redeem all the Units of any Unitholder where the Units are held by a Unitholder in breach of the same.

The Mutual Fund / Trustee / AMC may redeem Units of any Unitholder in the event it is found that the Unitholder has submitted information either in the application or otherwise that is false, misleading or incomplete.

Note:

1. RBI has vide Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, granted a general permission to NRIs / Persons of Indian Origin residing abroad (PIOs) and FIIs for purchasing / redeeming Units of the mutual funds subject to conditions stipulated therein.
2. Returned cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor.

Where can you submit the filled up applications.

During the NFO period the applications filled up and duly signed by the applicants should be submitted at the offices of AMC or KFin Technologies

	<p>Private Limited ('KFIN') - Registrar and Transfer Agent, which have been identified as ISCs / Official Points of Acceptance and whose names and addresses are mentioned on the last/back cover page of this SID.</p> <p>The Office of the Registrar & Transfer Agent, KFIN Technologies Private Limited is located at 'Karvy Registry House, #8-2-596, Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500034.'</p> <p>Investors may also apply through the ASBA facility by filling in the ASBA form and submitting the same to their respective banks, which in turn will block the amount in the account as per the authority contained in the ASBA form. ASBA is offered by selected Self Certified Syndicate Banks (SCSBs) which are registered with SEBI for offering the facility. Please refer last page for the list of the SCSB's. Investors are requested to check with their respective banks about the availability of the ASBA facility. For the complete list of controlling / designated branches of above mentioned SCSB's, please refer to the websites of SEBI, BSE and NSE at www.sebi.gov.in, www.bseindia.com and www.nseindia.com.</p> <p>Electronically: Investor can also subscribe to the Units of the Scheme through the website of the AMC i.e. www.principalindia.com or through the mobile application i.e. PMF Invest.</p> <p>Stock Exchanges: Investors can also subscribe to the Units of the Scheme on the BSE StAR MF Platform and on NSE NMF II.</p> <p>MF Utility (MFU): Investor can also subscribe to the Units of the Scheme through MFU which allows transacting in multiple Schemes of various Mutual Funds with a single form / transaction request and a single payment instrument / instruction. The list of Points of Service (POS) of MFUI is published on the website of MFUI at www.mfuindia.com and may be updated from time to time.</p>
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	<p>Being an open ended scheme under which Sale and Redemption of Units will be made on continuous basis by the Fund, the Units of the Scheme are not proposed to be listed.</p> <p>However, the AMC/Trustee reserves the right to list the units as and when the AMC/Trustee considers it necessary in the interest of Unitholders of the Scheme.</p>
Minimum amount for purchase/redemption/switches	<p>New Investor - Rs. 5,000/- for both Dividend and Growth Option under both the Plans and any amount thereafter under each option.</p> <p>Additional Purchase - Rs.1000/- and any amount thereafter under each Plan / Option.</p> <p>Systematic Investment Plan: Minimum twelve installments of Rs. 500/- each. Systematic Transfer Plan: Minimum Six installments of Rs. 1,000/- each. Regular Withdrawal Plan: Minimum Six installments of Rs. 500/- each</p> <p>Minimum Redemption / Sale Amount: Rs 500/- or 50 units or account balance whichever is less.</p>

Special Products / facilities available during the NFO

The Fund reserves the right to amend or terminate or introduce special facilities in the SID. The current special facilities offered in the Scheme are as follows:

1. Switching Option

Investors can opt to switch between Regular Plan & Direct Plan and Options therein, at NAV based prices. Switching will also be allowed into/from other select open ended scheme(s) managed under the Fund, either currently in existence or the scheme(s) that may be launched in the future at NAV based prices.

In the case of NRIs, FIIs, etc. this will be subject to necessary approval (if any) from the Reserve Bank of India and any other approval as applicable. Tax deduction at source, if any, will be effected at the appropriate rate in case of a switch and the balance amount would be utilized to exchange units to the other Scheme.

A request for switch may be specified either in terms of amount or in terms of the number of units of the scheme/plan/option from which the switch is sought. Such instructions may be provided in writing by completing the switch form or using the relevant tear off section of the Transaction Slip that may be enclosed with the Account Statement and lodging the same on any business day at any of the designated Official Points of Acceptance. The switch will be effected by redeeming units from the scheme(s) in which the units are held and investing the net proceeds in the other Scheme, subject to the minimum balance applicable for the respective Scheme(s).

2. Systematic Investment Plan

Systematic Investment Plan (SIP) is available for planned and regular investments. Under SIP, unit holders can benefit by investing specified rupee amounts periodically for a continuous period. This concept is called Rupee Cost Averaging. This program allows unit holders to save a fixed amount of rupees every month/quarterly by purchasing additional units of the Scheme.

Example

Let us take an example of a unit holder who invests Rs. 3000/- per month

Month	NAV	Amount (R)	Units
April 1	10.50	3000	285.71
May 1	10.65	3000	281.69
June 1	10.05	3000	298.50
July 1	9.75	3000	307.69
August 1	9.60	3000	312.50
September 1	9.50	3000	315.79
October 1	9.25	3000	324.32
November 1	9.05	3000	331.49
December 1	8.90	3000	337.08
January 1	8.75	3000	342.86
February 1	8.50	3000	352.94
March 1	8.80	3000	340.91
TOTAL		36000	3831.48

Note: The figures of NAV are hypothetical and are for illustrative purposes only.

At the end of one year the unitholder would have 3831.48 units.

Rupee Cost Averaging does not guarantee a profit nor protect against a loss. Rupee Cost Averaging can smooth out the market's ups and downs and reduce the risk of investing in volatile markets.

Features of the SIP

1. The investor can select 'any day of the month' for Systematic Investment Plan ("SIP"). However, in case the chosen date falls on a Non Business Day, the SIP will be processed on the immediate next Business Day. Where the SIP date is not available in a particular month, the same will be processed on the last day of that month. The first cheque and subsequent cheque should not fall in the same month in case of Monthly SIP and in the same quarter in case of Quarterly SIP. The cheques should be drawn in favor of respective Scheme(s) e.g. "XYZ Scheme Name A/c PAN" or "XYZ Scheme Name A/c First Investor Name" or "XYZ Scheme A/c. Folio Number"; and crossed "A/c Payee only". The default date will be considered as 10th of the month in case the installment date is not selected in the SIP form. The above option will be available under both Monthly and Quarterly frequency. SIP can be registered with minimum twelve instalments of INR 500/- each.
2. Investors, who wish to opt for ECS (debit clearing) facility available with select banks, should ensure that there is a minimum time gap of 30 days between the first cheque for SIP enrolment and first installment of SIP through ECS or Direct Debit. Dishonored cheque(s) may not be presented again for collection.
3. Unit holders need not submit a copy of cancelled cheque provided the SIP Auto Debit Facility Enrolment Form is attested by the Bank from which SIP installments will be debited.
4. Unit holders have the right to discontinue the SIP facility at any time by sending a written request to any of the designated Investor Service Centers (ISCs) of Principal Mutual Fund. Please also note that notice of such discontinuation should be received at least 18 working days prior to the due date of the next SIP installment.
5. SIP enrolment will be discontinued by AMC in case [a] the SIP installment is not honored consecutively for three SIP installments [b] if any installment of a SIP transaction gets rejected due to the bank account of the Investor being closed, the SIP would be suspended for subsequent SIP transactions and registration will be cancelled for SIP through Auto Debit / Post Dated Cheques (PDCs)/ Direct Debit / Standing Instructions (SIs) [c] the Bank account [for ECS (Debit Clearing) and / or Direct Debit / Standing Instruction and / or PDCs for direct debit] is closed and the request for change in bank account / Bank Branch is not submitted by the concerned unit holder at least 15 working days before the due date of next SIP installment[d] if the Bank account is frozen for further commercial transaction by the Bank. Further, in such cases the balance cheques, if any, will be returned to the unit holder.
6. **Systematic Investment Plan (SIP) Top Up Facility:**
SIP Top-Up' is a facility which will enable investors to increase the amount of SIP installments at pre-defined frequency by a fixed amount during the tenure of SIP. The features, terms and conditions for availing the 'SIP Top-Up' facility shall be as follows:

- SIP Top-Up facility would be available to all existing and new SIP enrolments. Existing investors who have enrolled for SIP are also eligible to avail Top-Up facility and will be required to submit 'Systematic Investment Plan (SIP) with Top-up Facility' at least 25 calendar days prior to the Top-Up start month.
- SIP Top-Up facility can be availed at half yearly and yearly intervals. In case the Top-Up frequency is not specified, Default will be considered as yearly frequency.
- Minimum Top-Up amount would be Rs.500/- & in multiples of Re. 1/- thereafter for all the schemes of the Fund that offer SIP.
- In case the investor does not specify Top-Up amount, Rs.500/- will be considered as the Top-Up amount and the request will be processed accordingly.
- SIP Top-up facility can be started after minimum 6 months from the date of 1st SIP. If the end-date of the Top-up facility is not mentioned the Top-up facility will be continued up till the tenure of the SIP. For example, if the SIP is registered up till 2099, and the end date of the Top-up facility is not mentioned; then the Top-up will continue till 2099. However, for investors availing SIP Top-Up facility, the maximum amount of SIP Installment including SIP Top-Up will be limited to Rs. 5,00,000/- (Rupees Five Lakhs) or the limit of bank mandate authorisation, whichever is lesser, subject to scheme specific transaction limits where applicable.
- SIP Top-Up will be subject to minimum SIP investment requirement, as applicable to the eligible schemes from time to time.
- 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.
- 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.

An Illustration: The Top-Up facility will work as follows:

Details of SIP registered	Details of Top-up opted for
<ul style="list-style-type: none"> • Fixed SIP Installment amount: Rs.2,000/- • SIP Period: 01-April-2017 till 31-March-2020 (3 years) • SIP date: 1st of every month (36 installments) 	Example: <ul style="list-style-type: none"> • Top-Up Amount: Rs.1,000/- • Top-Up Frequency: Every 6 months

Based on above details, SIP Installments shall be as follows:

Installment No(s).	SIP Installment (inRs.) (A)	Top-Up amount (in Rs.) (B)	Monthly SIP Installment amount after Top-up (in Rs.) (A+B)
1 to 6 months	5,000	Top up after months	5,000

7 to 12 months	5,000	1,000	6,000
13 to 18 months	6,000	1,000	7,000
19 to 24 months	7,000	1,000	8,000
25 to 30 months	8,000	1,000	9,000
31 to 36 months	9,000	1,000	10,000

7. SIP Pause Facility:

Investor has an option to ‘temporarily suspend’ the SIP deduction for a specified time limit and on expiry of the suspended period, the SIP can be re-commenced.

- Investors can pause their existing SIP without discontinuing it. SIP restarts automatically after the pause period is over. This facility can be availed only once during the tenure of the existing SIP. SIP can be paused for a minimum period of 1 month to a maximum period of 6 months.
- Notice of Pause should be submitted at least 25 calendar days prior to the subsequent SIP date.
- Pause SIP is applicable only for AMC initiated debit feeds i.e. ECS/NACH/Direct Debit, etc.
- SIP Pause facility will be available for monthly/ quarterly SIPs except 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.
- If the 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).
- SIP Pause Facility is also available to the investors on the BSE StAR MF platform with effect from June 04, 2020.
- AMC reserves the right to withdraw / modify any of the offerings as provided above.

Micro SIP:

Pursuant to SEBI’s communication to AMFI vide its letter dated June 19, 2009; AMFI has issued guidelines for uniform implementation of the said SEBI letter. In accordance to the same, Systematic Investment Plans (SIP) up to Rs. 50,000/- per year per investor (‘Micro SIP’) shall be exempt from requirement of PAN.

This exemption will be applicable ONLY to investments by individuals (including NRIs but not PIOs), Minors and Sole proprietary firms. HUFs and other categories will not be eligible for Micro SIPs. Details on Micro SIP are available in Statement of Additional Information.

However, effective January 1, 2012, new Investors registering for Micro SIP have to mandatorily submit KYC acknowledgement letter.

Systematic Investment Plan (SIP) for Corporate Employees.

With a view to encourage employees of Corporate to invest their savings into the various Schemes of our Mutual Fund, Principal Mutual Fund provides an

investment facility to the employees of Corporate under the Employee Savings Plan (ESP).

This feature will be guided by the terms and conditions as laid down below:

1. Under this feature the employees can submit application vide the normal application and/or ESP Forms. The employee is required to fill the details in the normal application/ ESP form providing the details of amount and duration of such SIP installments and the details of such investment should also be provided to the Human Resources Department of such Corporate (HRD).
2. The employees should instruct the HRD to deduct the amount of Investment every month / quarter from their salary for such period as indicated by him / her. Such periodicity shall be monthly or quarterly.
3. The minimum amount and periodicity, to be contributed to open an account under this option is as per the minimum scheme requirements as prescribed under Systematic Investment Plan/additional subscription of the Scheme.
4. The periodic employee contribution should be the minimum application amount and the same should be higher than that of SIP. The employee has an option to select either 1st or 5th of every month for such investment.
5. The employee can seek redemption independently.
6. The applicable NAV for application received under such plan, will be as per the date and time (refer to section on cut off timing) on which the request / payment instrument and sheet detailing the list of Investment of such employees, is received from HRD of such Employees at the Official Points of Acceptance of AMC .

3. Regular Withdrawal Plan

A unitholder may avail of the Regular Withdrawal Plan and receive regular payments from the account. The unitholder has an option to select 1st, 11th or 21st day of the month on which the Systematic Withdrawal is to be made.

The unitholder may set up a Regular Withdrawal Plan on a monthly, quarterly or semi-annual or annual basis as follows:

- Redeem a fixed number of units
- Redeem a fixed amount

Once the unitholder sets up a Systematic Withdrawal Facility the plan would continue until:

- The unitholder instructs the Fund to stop periodic withdrawal in writing; or
- The unitholder's account balance is zero
- On expiry of the time/period specified by the unitholder

Withdrawal payments will be endeavoured to be sent within 3 Business Days after the repurchase date.

The minimum balance amount needed for the Regular Withdrawal Plan may be altered from time to time at the discretion of the AMC.

4. Systematic Switch/Transfer Plan

The unitholder may set up a Systematic Switching/Transfer Plan (STP) on a monthly, quarterly, semi-annual or annual basis to exchange a fixed number of units and /or amount in one scheme to another scheme or one plan/option to another.

Once the unitholder sets up a Systematic Switching / Transfer Plan the plan would continue until:

- the unitholder instructs the Fund to stop periodic switching in writing; or
- the unitholder's account balance is zero.

The unitholder has an option to select 1st, 11th or 21st day of the month on which the Systematic Switch is to be made.

If the selected date is not a business day, the switch will take place on the next business day.

In case of daily and weekly frequency, STP will take place as under:

Daily – Each Business Day

Weekly – Every Monday*

* Next Business Day if Monday is a non-business day.

All switches are subject to the minimum investment and eligibility requirements of the switch in scheme.

The amount thus switched shall be converted into the respective scheme units at the applicable NAV, subject to an exit load, if any (on which date the payment/switch is scheduled), and such units will be subtracted from the unit balance of that unitholder.

The minimum balance amount needed for the Systematic Switch Plan may be altered from time to time at the discretion of the AMC.

Unitholders may change the amount of systematic withdrawal/switch but not below the specified minimum amount of repurchase for a particular Scheme by giving 30 days written notice to the Registrars/AMC. The various triggers for activating a systematic withdrawal and/or switch facility can also be used for activating a normal repurchase and/or switch facility

5. TRANSACTIONS THROUGH STOCK EXCHANGE MECHANISM (After the Scheme reopens for subscriptions/redemptions after the closure of the NFO period)

The Scheme will be admitted on the order routing platform of NSE, enabling investors to submit applications for subscription and redemption there under. The salient features of this facility are as follows:

1. Purchase/redemption of units will be available to both existing and new investors. Currently switching of units, will not be permitted through this facility. Further, Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) facility shall be available on both NSE and BSE platform whereas Regular Withdrawal Plan (RWP) facility will be available on NSE platform.

2. The list of eligible schemes is subject to change from time to time.

3. In order to facilitate transactions through stock exchange infrastructure, NSE has introduced Mutual Fund Service System (MFSS) and NMF II. All trading members of NSE registered as Participants with NSE [Eligible Brokers] and/or registered Clearing Members of National Securities Clearing Corporation Limited (NSCCL) [Clearing Members] who are registered with AMFI as mutual fund advisors and who are empanelled with Principal Asset Management Pvt. Ltd (formerly known as Principal Pnb Asset Management Company Private Limited).. (AMC) will be eligible to offer this facility to the investors. Further, only for the purpose of processing redemption request Depository Participant of Depositories who are registered with AMFI as mutual fund advisors and empanelled with AMC are eligible for processing redemption transaction
Eligible investors who are willing to transact under this facility are required to register themselves with Eligible Broker/Clearing Members/Depository Participants.
4. The units of eligible schemes are not listed on NSE and the same cannot be traded on stock exchange like shares. The window for purchase/ redemption of units on NSE will be available between 9.00 a.m. to 3.00 p.m. or such other timings as may be decided.
5. All Eligible Brokers/Clearing Members/Depository Participants will be considered as the Official Point of Acceptance for the transactions done under this facility. Applications through these Official Points of Acceptance shall be processed in Regular Plan.
6. The stock exchanges are required to allow investors to directly access infrastructure of the recognised stock exchanges to purchase and redeem mutual fund units directly from Mutual Fund/ Asset Management Companies. Investor can avail this facility as and when the same is made available by the Stock Exchanges. KYC Compliant investors can register themselves on the stock exchange by providing their PAN and creating their profile on the platform. The exchange will allot an identification number upon receipt of the signed & scanned registration form. Upon authorization by the platform, the investors can commence transacting.
7. Investors have an option to hold units in physical form or in dematerialized form.
8. International Security Identification Number (ISIN) in respect of plans/options of the eligible schemes have been created and admitted in National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
9. Investors will be able to purchase/redeem units in the eligible schemes in the following manner:

I. Physical Form:

- (a) Investors desirous of transacting (subscription/redemption) through NSE should approach an Eligible Broker along with duly filled in application form and other documents (including KYC and PAN) as may be required. The payment for subscription should be made to the eligible broker.
- (b) Dispatch of accounts statements and payment of redemption proceeds will be made by the Mutual Fund / registrar directly to the investor. Based on the information provided by the investor the redemption payout shall be to the investor's bank account registered with the Mutual Fund.

- (c) In case of a subscription transaction, the allotment of units will be on 'Provisional' basis till the time AMC/ KFI Technologies Private Limited (registrar) has received all the required documents from the eligible brokers. Any application for redemption of units so allotted on provisional basis will be rejected.
- (d) In case investor desires to convert the existing physical units into dematerialize form, the request for the same will have to be submitted to the Depository Participant.

II. Dematerialized Form:

- (i) Eligible investors having a beneficiary account with a Depository Participant may avail the facility to subscribe units in dematerialize form.
- (ii) Eligible investor desirous in transacting (Subscription / redemption) through NSE should place an order with Eligible Broker/Clearing Member/Depository Participant:-

(a) In case of subscription, the payment of subscription money should be made to the Eligible Broker / Clearing Member. Investors shall receive units through Eligible Broker / Clearing Member's pool account. Principal Mutual Fund (PMF) / Principal Asset Management Pvt. Ltd (formerly known as Principal Pnb Asset Management Company Private Limited). (PAMC) would credit the units to Eligible Broker / Clearing Member's pool account and the Eligible Broker/Clearing member in turn to the respective investor.

(b) In case of redemption, investors shall receive redemption amount through Eligible Broker / Clearing Member's /Depository Participant's pool account. Payment of redemption proceeds will be made by PMF / PAMC to the Eligible Broker / Clearing Member /Depository Participant and the Eligible Broker / Clearing Member/Depository Participant in turn to the respective Investor.

Payment of redemption proceeds to the Eligible Broker/Clearing Members/Depository Participant by PMF / PAMC shall discharge PMF / PAMC of its obligation of payment to individual investor. Similarly, in case of subscription, crediting units into Eligible Broker/Clearing Member pool account shall discharge PMF / PAMC of its obligation to allot units to individual investor.

9. Transaction through Mutual Fund distributor:

- a) Mutual fund Distributor (hereinafter referred as 'distributor') registered with Association of Mutual Funds in India (AMFI) and empaneled with the AMC, and permitted by the concerned recognized stock exchanges shall be eligible to use recognized stock exchanges' infrastructure to purchase and redeem mutual fund units on behalf of their clients, directly from PMF/ AMC.
- b) The distributor shall not handle payout and pay in of funds as well as units on behalf of investor. Pay in will be directly received by recognized clearing corporation and payout will be directly made to investor account. Similarly, units shall be credited and debited directly from the demat account of investors, where units are held in the dematerialized mode.
- c) Non-demat transactions are also permitted through stock exchange platform, as and when they are made available by the recognized stock exchanges.

10. Applications for purchase/redemption of units which are incomplete / invalid are liable to be rejected.
11. For any complaints or grievances against the Eligible Broker / Clearing Member / Depository Participant with respect to transactions done through NSE, the investor should either contact the concerned Eligible Broker / Clearing Member/Depository Participant or Investor Grievance Cell of NSE. In case of non-financial request/applications such as change in address, change in bank details etc. the investors should approach Investors Service Centers of Principal Mutual Fund if units are held in physical mode and the respective Depository Participant if the units are held in dematerialized mode.
12. Investors will have to comply with KYC norms as prescribed by NSE/CDSL/NSDL and Principal Mutual Fund from time to time.
13. In case of unitholders holding units in dematerialized mode, the fund will not send the account statement to the unitholders. The statement provided by the Depository Participant will be equivalent to the account statement for the purpose of adequate compliance with the regulatory requirements applicable on the Fund's part.
14. The applicability of NAV will be subject to guidelines issued by SEBI on uniform cut-off timings for applicability of NAV for Mutual Funds Scheme(s)/plan(s).
15. This facility shall be subject to the terms and conditions specified and guidelines issued by SEBI/AMFI/NSE from time to time.
16. AMC reserves the right to change / modify or discontinue this facility at any time in future.

(6) SMS BASED TRANSACTION:

Investors can transact in schemes of Principal Mutual Fund through SMS. In order to avail this facility, the Unitholder(s) should submit SMS transaction registration form along with NACH registration form at the nearest Official Points of Acceptance of Principal Mutual Fund. Investors can send a transaction SMS only through the registered mobile number with the predefined keywords only (available on www.principalindia.com).

The terms and conditions for registering for this facility has been detailed in the SMS transaction – Registration Form. The Trustee/Asset Management Company of PMF reserves the right to modify or discontinue any of these facilities at any time in future on a prospective basis.

(7) KFINTRACK Facility

In addition to the existing investor service centers and other modes of investment, investors / unit holders of Principal Mutual Fund ('the Fund') will now be allowed to transact in schemes of the Fund through www.mfs.kfintech.com as well as mobile app, electronic platforms provided by KFinTech Pvt. Ltd., Registrar & Transfer Agent of the Fund ('KFin'). The facility to transact in schemes will also be available through mobile application of Karvy i.e. 'KFINTRACK'.

The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in Scheme Information Documents ('SIDs')/ Key Information Memorandums ('KIMs') of respective schemes of

the Fund will be applicable for transactions received through KFin's electronic platforms and the time of receipt transaction recorded on the server of KFin will be reckoned as the time of receipt of transaction for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme(s), wherever applicable.

The facility to transact in eligible schemes of Principal Mutual Fund through KFin's electronic platforms is available subject to such operating guidelines, terms and conditions as may be prescribed from time to time by Principal Asset Management Pvt. Ltd (formerly known as Principal Pnb Asset Management Company Private Limited), Principal Trustee Company Pvt. Ltd, KFinTech Pvt. Ltd and other applicable laws for the time being in force.

For operating guidelines, terms and conditions, registration form and further details, investors/ unit holders are requested to visit www.mfs.kfintech.com.

8. MY GAIN Facility

Under this facility, the unit holders may opt for withdrawal and/or switch in the normal manner based on the value of investment either reaching up to or below or above/beyond a specified particular value; the capital appreciation/gains realization either equals to or becomes more/lower than a specified particular amount or percentage on happening of a particular event, on a particular date etc. (subject to applicable lock in period, if any). Alerts act as a financial planning tool for information. The unit holder may subsequently continue in the scheme or otherwise withdraw/switch. For e.g. an account may be monitored and the unit holder either informed or account redeemed (no redemption will be permitted if under lock-in) as and when the balance reaches or crosses (rise or fall) a desired value or after a certain period of time etc. This helps the unit holders to minimize the loss and/or book timely profits. In case of triggers linked with events/dates, on realization of gains (equal to/beyond/lower than), a specified amount/full amount/gains/appreciation etc. would be redeemed and paid either when the investment reaches up to and/or beyond (above or below) a particular value or after a particular period of time.

In case of triggers linked with gains/appreciation, at the option of the unit holder, either the amount equivalent to gains/appreciation would be redeemed or the full original investment amount would be redeemed and the gain/appreciation component paid to the unit holder/switched into other scheme/plan, and the original investment amount would be reinvested either in the same scheme/plan or any other scheme/plan.

Activation of Trigger

Unit holders shall note that NAV of a scheme is determined on close of the business day taking into consideration the market valuation of the securities (*please refer to clause on "Valuation Policy" in the SAI & "Computation of NAV" in the SID*). Intra day prices are not considered for valuing the scheme's portfolio. Value of the unit holder's unit balance at the end of a relevant business day based on that day's NAV and closing value of a relevant index of a stock exchange would be used as a base for activating the triggers. However all redemptions/switches/reinvestments etc. linked to such triggers will always be at the applicable NAV based prices of the day on which the event occurs.

Please also note that the trigger is an additional facility provided to the unit holders to save time on completing the redemption/switch formalities on happening of a particular predetermined event. Trigger is not an assurance on part of AMC/Fund to the investor that he/she will receive a particular amount of money/appreciation and/or a percentage on redemption or will get a

particular amount of capital appreciation or will minimize the loss to investor to a particular amount or percentage. Trigger is an event on happening of which the Fund will automatically redeem and/or switch the units on behalf of the investors on the date of happening of the event. In actual parlance, a trigger will activate a transaction/alert when the event selected for has reached a value greater or less than the specified particular value (trigger point).

Unit holders can opt from any one of the following event under trigger option:

1. *When value of investment of the unit holder reaches or crosses a particular value/falls to or closes below a particular value*

Eg. Investment Value reaches or crosses Rs.11000/-

Trigger Activation

If investment value at NAV based price is less than Rs.11,000/-, trigger will be activated when value of the units at NAV held by unit holders rises to Rs.11000/- or more on close of any business day.

Eg. Investment Value falls to or closes below Rs.11000/-

If investment value at NAV based price is more than Rs.11,000/-, trigger will be activated when value of the units at NAV held by unit holders falls to Rs.11000/- or below on close of any business day. All transactions linked with trigger will be on the basis of NAV of the business day on which value of units held by unit holders reaches or crosses or falls below Rs.11,000/-.

2. *Capital appreciation of a particular amount*

Eg. Capital appreciation by Rs.1000/-

Trigger Activation

Trigger will be activated when value of units invested at NAV based price appreciate by Rs.1000/- or more at NAV on close of any business day. All transactions linked with trigger will be on the basis of NAV of the business day on which value of investment held by unit holders increases by at least Rs.1000/-.

3. *NAV reaches or crosses a particular value*

Eg. NAV reaches or crosses Rs.11/-

Or when NAV falls to or closes below Rs.11/-

Trigger Activation

If NAV on the date of allotment of investment is less than Rs.11/-, trigger will be activated when NAV rises to Rs.11/- or more on close of any business day. If NAV on the date of allotment of investment is more than Rs.11/-, trigger will be activated when NAV falls to Rs.11/- or below on close of any business day. All transactions linked with trigger will be on the basis of NAV of the business day on which NAV reaches or crosses or falls below Rs.11/-.

4. *NIFTY100 TRI reaches or crosses a particular value*

Eg. NIFTY100 TRI reaches or crosses 9000

Or when NIFTY100 TRI falls to or closes below 9000

Trigger Activation

If NIFTY100 TRI on the date of allotment of investment is less than 9000, then trigger will be activated when NIFTY100 TRI rises to 9000 or more on close of any business day. If NIFTY100 TRI on the date of allotment of investment is more than 9000, trigger will be activated when NIFTY100 TRI falls to 9000 or below on close of any business day. All transactions linked with trigger will be on the basis of NAV of the business day on which close of day the NIFTY100 TRI reaches or crosses or falls below 9000 mark.

5. *On a particular day or date*

Eg. On 31/10/2020

Trigger Activation

Trigger will be activated on 31/10/2020. All transactions linked with trigger will be on the basis of NAV of 31/10/2020 or on 1/11/2020 if 31/10/2020 is not a business day.

6. *Change in the value of units (held by unit holders) at least by certain percentage*

Eg Change in Investment Value at least by (+ or — or +/-) 10%

Trigger Activation

Trigger will be activated when value of the units at NAV based price invested by unit holders rises to 10% or more at NAV on close of any business day; or Trigger will be activated when value of the units at NAV based price invested by unit holders falls by 10% or more at NAV on close of any business day; or Trigger will be activated when value of the units at NAV based price invested by unit holders either rises by 10% or more at NAV or falls by 10% or more on close of any business day.

Percentage rise or fall in value of units will be calculated on the amount invested by the unit holders.

7. *Capital appreciation of at least a certain percentage*

Eg. Capital appreciation of at least (+ or — or +/-) 10%

Trigger Activation

Trigger will be activated when value of the units at NAV based price invested by unit holders appreciate to 10% or more at NAV on close of any business day; or Trigger will be activated when value of the units at NAV based price invested by unit holders depreciates by 10% or more at NAV on close of any business day; or Trigger will be activated when value of the units at NAV based price invested by unit holders either appreciates by 10% or more at NAV or depreciates by 10% or more at NAV on close of any business day.

Difference between the value of units on close of a business day (at NAV) and amount invested (at NAV based price) will be used as a base for calculating percentage of capital appreciation.

8. *Change in the NAV at least by a certain percentage*

Eg. Change in NAV at least by (+ or — or +/-) 10%

Trigger Activation

Trigger will be activated when the NAV of the units rises by 10% or more on close of any business day compared with the NAV on the date of allotment of investment; or Trigger will be activated when the NAV of the units falls by 10% or more on close of any business day compared with the NAV on the date of allotment of investment; or Trigger will be activated when the NAV of the units either rises by 10% or more or falls by 10% or more on close of any business day compared with the NAV on the date of allotment of investment

Percentage rise or fall in NAV will be calculated comparing NAV on a particular business day with the NAV on the date of allotment of investment.

9. *Change in the NIFTY100 TRI at least by a certain percentage*

Eg. Change NIFTY100 TRI at least by (+ or — or +/-) 10%

Trigger Activation

Trigger will be activated when the NIFTY100 TRI rises by 10% or more on close of any business day compared with the NIFTY100 TRI on the date of allotment of investment; or Trigger will be activated when the NIFTY100 TRI falls by 10% or more on close of any business day compared with the NIFTY100 TRI on the date of allotment of investment; or Trigger will be

activated when the NIFTY100 TRI either rises by 10% or more or falls by 10% or more on close of any business day compared with the NIFTY100 TRI on the date of allotment of investment.

Percentage rise or fall in NIFTY100 TRI will be calculated comparing NIFTY100 TRI on a particular business day with the NIFTY100 TRI on the date of allotment of investment;

On happening of any of the above mentioned events, the Unit holder can opt for the following action on the date of happening of the relevant event;

- Full redemption
- Redemption of gains only
- Full switch into other Scheme/Plan / Option of Principal Mutual Fund
- Switch of only gains into other Scheme / Plan/Option of Principal Mutual Fund
- Full Redemption: Original investment amount reinvested in any scheme of Principal Mutual Fund and gains paid to unit holder
- Full redemption: Gains reinvested in any Scheme/Plan/Option of Principal Mutual Fund and investment amount paid to unit holder
- Redemption of certain number of units
- Redemption of certain amount

Transactions linked with the triggers will be at the applicable NAV based price of the business day on which the event takes place. Further all the predetermined events i.e. the value of the unit balance, capital appreciation, NAV, NIFTY100 TRI will be compared with the value of units, NAV, NIFTY100 TRI prevailing on the date of investment (i.e. date of allotment) irrespective of the fact whether the trigger is opted on the date of allotment of investment or subsequently.. For eg an investor has invested at Rs.11/- and opted for full redemption if NAV appreciates at least by 10%. Trigger will be activated on the business day when NAV moves to Rs.12.10 (i.e. 10% more than Rs.11/-) or more.

Triggers(s) linked to NIFTY100 TRI will always compare the value of NIFTY100 TRI on close of business day. In case NSE is open on a non-business day, its value will not be considered even if it reaches or crosses a trigger value, and on any subsequent business day if the value of NSE is reached, the same would be considered for trigger purposes. For eg. A unit holder has opted for full redemption if NIFTY100 TRI reaches or crosses 9000 mark. If NSE is open on January 1, 2021, but it is not a business for the Fund, trigger will not be activated (i.e. redemption will not take place) even though closing value of NIFTY100 TRI as on January 1, 2021, is 9000 or more.

The closing value of NIFTY100 TRI on non-business day will be ignored for trigger activation. A trigger once activated will not be reactivated in any other scheme where the switch/reinvestment happens or in the same scheme which retains part of the value or in case of normal redemption/switch before trigger activation. Triggers will be deactivated on redemption and/or switch and/or pledge of units except in case where only gains are to be redeemed or switched and opted for the same in the trigger form.

The policy regarding the issue of repurchased units including the maximum extent, manner of re-issue, the entity(the

The AMC does not intend to reissue the repurchased units.

scheme or the AMC involved in the same)	
Creation of Segregated Portfolio in the Scheme	<p>In order to ensure fair treatment to all investors in case of a credit event/ actual default and to deal with liquidity risk, SEBI vide its Circular no. SEBI/HO/IMD/DF2/CIR/P/2018/160 dated December 28, 2018 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2019/127 dated November 07, 2019 has permitted Asset Management Companies to create segregated portfolio of debt and money market instruments by mutual funds schemes:</p> <p><u>Creation of segregated portfolio shall be subject to guidelines specified by SEBI from time to time and include the following:</u></p> <ol style="list-style-type: none"> 1. Creation of segregated portfolio is optional and at the discretion of Principal Asset Management Private Limited (AMC). 2. Segregated portfolio may be created, in case of rated debt and money market instruments, whenever there is a credit event at issuer level i.e. credit rating downgrade by a SEBI registered Credit Rating Agency (CRA), as under: <ol style="list-style-type: none"> a) Downgrade of a debt or money market instrument to ‘below investment grade’ or b) Subsequent downgrades of the said instruments from ‘below investment grade’ or c) Similar such downgrades of a loan rating. <p>In case of difference in rating by multiple CRA, most conservative rating will be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.</p> 3. In case of unrated debt or money market instruments held in the schemes, whenever there is actual default of either the interest or principal amount of an issuer that does not have any outstanding rated debt or money market instruments. AMFI will be informed immediately. Upon being informed about the default, AMFI shall immediately inform the same to all AMCs. Pursuant to dissemination of information by AMFI about actual default by the issuer, AMC may segregate the portfolio of the impacted unrated debt or money market instruments. <p><u>Process for creation of segregated portfolio:</u></p> <ol style="list-style-type: none"> 1. On the date of credit event/ actual default (Day T), AMC will decide on creation of segregated portfolio. Once AMC decides to segregate portfolio, it would: <ol style="list-style-type: none"> a) PAMC shall inform AMFI immediately about the actual default by the issuer in case of unrated debt or money market instrument. b) Seek approval of Trustees prior to creation of the segregated portfolio. c) Immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. Principal Mutual Fund will also disclose that the segregation shall be subject to Trustee approval. Additionally, the said press release will be prominently disclosed on the website of the AMC. In case the decision to segregate is taken and Press Release could not be issued on T-Day because of time constraint w.r.t. notice required to be sent to newspaper, a disclosure of such decision shall be put up on the website of PAMC and investors of the concerned Scheme(s) will be intimated via an SMS or email in this regard. d) Ensure that till the time the Trustee approval is received, which in no case shall exceed 1 business day from the day of credit event/ actual default, the subscription and redemption in the scheme will be

suspended for processing with respect to creation of units and payment on redemptions.

2. Once Trustee approval is received by the AMC:

- a) Segregated portfolio will be effective from the day of credit event/ actual default.
- b) AMC shall issue a press release immediately with all relevant information pertaining to the segregated portfolio. The said information will also be submitted to SEBI.
- c) An e-mail or SMS will be sent to all unit holders of the concerned scheme.
- d) The NAV of both segregated and main portfolio will be disclosed from the day of the credit event/ actual default.
- e) All existing investors in the scheme as on the day of the credit event/ actual default will be allotted equal number of units in the segregated portfolio as held in the main portfolio.
- f) No redemption and subscription will be allowed in the segregated portfolio. However, upon recovery of any money from segregated portfolio, it will be immediately distributed to the investors in proportion to their holding in the segregated portfolio.
- g) AMC will enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests.
- h) Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
- i) The securities in the segregated portfolio shall not be allowed to be transferred to any other scheme at any other value through inter-scheme process.

Processing of Subscription and Redemption Proceeds:

All subscription and redemption requests for which NAV of the day of credit event/ actual default or subsequent day is applicable will be processed as under:

1. Upon trustees' approval to create a segregated portfolio -
 - Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
 - Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.
2. In case Trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.

Disclosure:

AMC shall make necessary disclosures as mandated by SEBI, in statement of account, monthly / half yearly portfolio statements, Key Information Memorandum (KIM), SID, Scheme Advertisements, Scheme Performance data, AMC Website and at other places as may be specified.

The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.

Monitoring by Trustees

Trustees will monitor the compliance of the SEBI Circular in respect of creation of segregated portfolio and disclosure in this respect shall be made in Half-Yearly Trustee reports filed with SEBI.

In order to avoid mis-use of segregated portfolio, Trustees will put in place a mechanism to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs) etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the scheme.

Total Expense Ratio (TER) for the Segregated Portfolio:

1. Investment and advisory fees (management fees) will not be charged on segregated portfolio. TER (excluding management fees) can be charged on pro-rata basis only upon recovery of the investments in segregated portfolio.
2. TER so levied shall not exceed the simple average of such expenses charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence.
3. The legal charges for recovery can be charged to the segregated portfolio (within the TER limits of the main portfolio) in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
4. The costs related to segregated portfolio shall not be charged to the main portfolio.

Explanations:

‘Segregated portfolio’ shall mean a portfolio, comprising of debt or money market instrument affected by a credit event/ actual default. that has been segregated in a mutual fund scheme.

‘Main portfolio’ shall mean the scheme portfolio excluding the segregated portfolio.

‘Total portfolio’ shall mean the scheme portfolio including the securities affected by the credit event/ actual default.

Benefits of Creation of Segregated Portfolio:

1. Creation of Segregated portfolio helps ensuring fair treatment to all investors in case of a credit event/ actual default and helps in managing liquidity risk during such events;
2. Investors subscribing to the scheme post segregation of the portfolio will be allotted units only in the main portfolio based on its NAV;
3. The investors of the segregated portfolio shall be duly informed of the recovery proceedings of the investments of the segregated portfolio. Status update may be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities.
4. Only investors who hold units in the scheme on the day of credit event/ actual default shall be entitled to share the proceeds generated from the sale of the segregated asset or any future recovery(s).

Illustration of Segregated Portfolio in case of credit event (Please note that the illustration does not consider the impact of expenses on the NAV)

Downgraded Security: 9.55% Z 25-Apr-2022 from A+ to B

Valuation markdown: 25%

Portfolio Before Credit Event (Downgrade)

Name of the Instrument	Rating	Quantity	Market value (Rs. in Lakhs)	% to AUM
9.70% W 25-Aug-2023	AAA	9,000	907,180,000	27.31%
11.55% X 28-Oct-2019	AAA	80,000	803,230,000	24.18%
8.65% Y 05-Oct-2020	AA+	8,000	776,460,000	23.37%
9.55% Z 25-Apr-2022	A+	5,000	517,010,000	15.56%
U 12-Sep-2019	A1+	6,000	298,040,000	8.97%
Cash & Equivalents			20,000,000	0.60%
Total Assets			3,321,920,000	
Unit Capital (No. of Units)			100,000,000	
NAV (Rs)			33.2192	

Main Portfolio (After Segregation)

Name of the Instrument	Rating	Quantity	Market value (Rs. in Lakhs)	% to AUM
9.70% W 25-Aug-2023	AAA	9,000	907,180,000	32.34%
11.55% X 28-Oct-2019	AAA	80,000	803,230,000	28.64%
8.65% Y 05-Oct-2020	AA+	8,000	776,460,000	27.68%
U 12-Sep-2019	A1+	6,000	298,040,000	10.63%
Cash & Equivalents			20,000,000	0.71%
Total Assets			2,804,910,000	
Unit Capital (No. of Units)			100,000,000	
NAV (Rs)			28.0491	

Segregated Portfolio (before markdown of 25%)

Name of the Instrument	Rating	Quantity	Market value (Rs. in Lakhs)	% to AUM
9.55% Z 25-Apr-2022	A+	5,000	517,010,000	100.00%
Total Assets			517,010,000	
Unit Capital (No. of Units)			100,000,000	

NAV (Rs.)			5.1701	
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Segregated Portfolio (After credit event and markdown of 25%)

Name of the Instrument	Rating	Quantity	Market value (Rs. in Lakhs)	% to AUM
9.55% Z 25-Apr-2022	B	5,000	387,757,500	100.00%
Total Assets			387,757,500	
Unit Capital (No. of Units)			100,000,000	
NAV (Rs)			3.8776	

Impact of segregation in case of unrated debt and money market instruments shall be similar to that illustrated above.

Restrictions, if any, on the right to freely retain or dispose of units being offered.

RIGHT TO RESTRICT AND / OR SUSPEND REDEMPTION OF THE UNITS

The Fund at its sole discretion reserves the right to restrict Redemption/ switch-out of the Units (including Plan / Option) of the Scheme(s) of the Fund for a period of time not exceeding ten (10) working days in any ninety (90) days period upon occurrence of the below mentioned events, subject to approval of the Board of Directors of the AMC and the Trustee. No restriction on Redemption/ switch out shall be applicable to the Redemption/ switch-out request upto INR 2,00,000/- (Rupees Two Lakhs). In cases where the redemption request is beyond INR 2,00,000/- (Rupees Two Lakhs), no restriction shall be applicable on first INR 2,00,000/- (Rupees Two Lakhs). The AMC shall redeem/ switch out the first INR 2,00,000/- (Rupees Two Lakhs) and the remaining amount shall be subject to such restriction. It is to be noted that such restriction on redemption/ switch- out should apply only during excessive large redemption requests that could arise in overall market crisis situations and illiquidity is caused in almost all securities affecting the market at large.

The Trustee / AMC reserves the right to restrict Redemption or suspend Redemption of the Units in the Scheme(s) of the Fund on account of circumstances leading to a systemic crisis or event(s) that severely constricts market liquidity or the efficient functioning of the markets such as: -

1. Liquidity issues: when market at large becomes illiquid affecting almost all securities rather than any issuer specific security;
2. Market failures / Exchange closures: when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies;
3. Operational issues: when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).
4. Any other circumstances as may be notified by SEBI/ AMFI or such circumstances where the approval from SEBI and Trustees/ AMC is obtained.

Any restriction on Redemption or suspension of Redemption of the Units in the Scheme(s) of the Mutual Fund shall be made applicable only after specific approval of the Board of Directors of the AMC and Trustee Company and thereafter, immediately informing the same to SEBI.

SUSPENSION OF SALE/ SWITCH-IN OF THE UNITS

The AMC reserves the right in its sole discretion to withdraw the facility of Sale and Switching Option of Units into the Scheme(s) (including any one Plan / Option of the Scheme), temporarily or indefinitely. If AMC views that enhancement in the size of the corpus further may prove detrimental to the existing unit holders of the Scheme. Approval of the Board of AMC and Trustee Company shall be obtained prior to such suspension.

B. Ongoing Offer Details

Ongoing Offer Period This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.	The Scheme will reopen for subscriptions and redemptions with within 5 Business days from the date of Allotment
Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors. This is the price you need to pay for purchase/switch-in.	At the applicable NAV
Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors. This is the price you will receive for redemptions/switch outs.	At the applicable NAV subject to prevailing exit loads. <u>Methodology of calculating the repurchase price:</u> Repurchase or redemption price is the price or NAV at which the investor redeems his investments after deducting the exit load applicable at the time of investment. Repurchase Price will be calculated using the following formula: Repurchase Price = Applicable NAV*(1 – Exit Load, if any). Example for calculation of Repurchase Price If the Applicable NAV is Rs. 11.25 and a 1.00% exit load is charged, the repurchase price will be calculated as follows: Repurchase Price = Rs. 11.25 x (1-1.00%) = Rs. 11.25 – Rs. 0.1125 = Rs. 11.1375 per unit
Cut off timing for subscription/redemptions/switches This is the time before which your application (complete in all respects) should reach the Official Points of Acceptance	Cut Off Time For Subscriptions/ Switch-in <u>Purchase/Switch-in for an amount less than Rs. 2 Lakh</u> <ul style="list-style-type: none">• In respect of valid applications received upto 3.00 pm with a local cheque or demand draft payable at par at the Official Points of Acceptance of Transactions where it is received, the closing NAV of the day of receipt of application shall be applicable;• In respect of valid applications received after 3.00 pm with a local cheque or demand draft payable at par at the Official Points of Acceptance of Transactions where it is received, the closing NAV of the next business day shall be applicable; and <u>Purchase/Switch-in for an amount of Rs. 2 Lakh and above</u> <ul style="list-style-type: none">• In respect of valid application received before 3.00 p.m. on a business day and funds for the entire amount of purchase/switch-in as per the application are credited to the bank account of the Scheme and are available for utilization before the cut-off time, the closing NAV of the day on which the funds are available for utilization shall be applicable;• In respect of valid application received after 3.00 p.m. on a business day and funds for the entire amount of purchase/switch-in as per the application are credited to the bank account of the Scheme and available for utilization before the cut-off time of the next business day, the closing NAV of the next business day shall be applicable;• However, irrespective of the time of receipt of application, where the funds are not available for utilisation on the day of the application, the closing

	<p>NAV of the Business Day on which the funds are available for utilisation before the cut-off time (3:00 p.m.) shall be applicable.</p> <p>Further, in case of multiple applications for purchases/switch-ins in any of the Scheme (irrespective of its Plan/Option) for an aggregate investment amount equal to or more than Rs. 2 Lakh on the same business day, such application shall be consolidated at PAN level irrespective of the number of the total application amount of Rs. 2 Lakh and above to determine the NAV applicability.</p> <p>Cut Off Time For Redemptions / Switch-out</p> <ul style="list-style-type: none"> • 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. <p>Cut off time as mentioned above shall be reckoned at the Official Points of Acceptance of transactions as disclosed in the SID and the website www.principalindia.com.</p>
<p>Where can the applications for purchase/redemption switches be submitted?</p>	<p>The applications filled up and duly signed by the applicants should be submitted at the offices of AMC or KFIN Technologies Private Limited ('KFIN') - Registrar and Transfer Agent, which have been identified as ISCs / Official Points of Acceptance and whose names and addresses are mentioned on the last/back cover page of this SID.</p> <p>The Office of the Registrar & Transfer Agent, KFIN Technologies Private Limited is located at Karvy Registry House, #8-2-596, Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500034.</p>
<p>Minimum amount for purchase/redemptions/swiches</p>	<p>Rs.5,000/- for both Dividend and Growth Option under each of the Plans and any amount thereafter under each option.</p> <p>Additional Purchase - Rs 1000/- and any amount thereafter under each option</p> <p>Systematic Investment Plan: Minimum twelve installments of Rs 500/- each. Systematic Transfer Plan: Minimum Six installments of Rs 1,000/- each. Regular Withdrawal Plan: Minimum Six installments of Rs 500/- each</p> <p>Minimum Redemption / Sale Amount: Rs.500/- or 50 units or account balance whichever is less.</p>
<p>Minimum balance to be maintained and consequences of non maintenance</p>	<p>There is no minimum balance requirement in the Scheme.</p>
<p>Special Products</p>	<p>Please refer disclosure on Special Products under New Fund Offer details.</p>
<p>Accounts Statements</p>	<p>Pursuant to Regulation 36 of SEBI (Mutual Funds) Regulations, 1996 and amendments thereto read with SEBI Circular No. Cir/ IMD/ DF/16/ 2011 dated September 8, 2011, Investor whose transaction has been accepted by the Fund, shall receive the following for the units held in non-demat form :-</p> <p>(i) On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted will be sent by way of an email and/or SMS within 5 Business Days from the date of receipt of transaction request to the Unit holders' registered e-mail address and/or mobile number.</p>

- (ii) A ^Consolidated Account Statement (CAS) for each calendar month shall be sent to the Unit holder(s) in whose folio(s) **transaction (s) has/have taken place during the month on or before 10th of the succeeding month vide e-mail (where e-mail id has been provided)/physical copy (where e-mail id has not been provided).
- (iii) For the purpose of sending CAS, common investors across Mutual Funds shall be identified by their Permanent Account Number (PAN).
- (iv) In case of specific request received from the Unitholders, the AMC/PMF will provide the account statement for the Investors within 5 Business days from the receipt of such request.
- (v) In case of Folio(s) having more than one registered Unitholder, the first named Unitholder shall receive the CAS/Account Statement.
- (vi) The CAS shall not be sent to such Unit holders where the PAN details are not updated /provided in the folio(s).

For the units held in Demat form: Securities Common Account Statement:

MONTHLY SCAS:

A single Securities Consolidated Account Statement ('SCAS')^ for each calendar month to the Unit holder(s) who are holding a demat account ('Beneficial Owner(s)') in whose folio(s) transaction(s) has/have taken place during the month on or before 10th of the succeeding month shall be sent by mail/e-mail.

^Securities Consolidated Account Statement ('SCAS') shall contain details relating to all the transaction(s)** carried out by the Beneficial Owner(s) (including transaction charges paid to the distributor) across all schemes of all mutual funds and transactions in securities held in dematerialized form across demat accounts, during the month and holdings at the end of the month.

**transaction(s) shall include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal advantage plan, systematic transfer plan, bonus transactions, etc.

For the purpose of sending SCAS, common investor(s) across mutual funds and the database of Depositories shall be identified based on the Permanent Account Number (PAN). In case of multiple holding, identification shall be based on the PAN of the first holder and the pattern of holding.

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. The SCAS shall not be received by the Unit holder(s) for the folio(s) not updated with PAN and/or KYC details. The Unit holder(s) are therefore requested to ensure that the folio(s) are updated with their PAN/KYC. Where PAN is not available, the account statement shall be sent to the Unit holder by the AMC.

In case of a specific request received from the Unit holder(s), the AMC/Fund will provide an account statement (reflecting transactions of the Fund) to the Unit holder(s) within 5 Business Days from the receipt of such request. In case an investor does not wish to receive SCAS, an option shall be given by the Depository to indicate negative consent. Investor(s) having multiple demat accounts across the Depositories shall have an option to choose the Depository through which the SCAS will be received.

Half Yearly Account Statement:

SCAS:

In case there is no transaction in the folio, a half yearly SCAS detailing holding across all schemes of mutual funds and securities held in dematerialized form across demat accounts shall be sent by Depositories to investors at the end of every six months (i.e. September/March), on or before 10th day of succeeding month.

The half yearly SCAS will be sent by mail/e-mail as per the mode of receipt opted by the investors to receive monthly SCAS.

In case of demat accounts with NIL balance and no transactions in mutual fund folios and in securities, the depository shall send physical statement to investor(s) in terms of regulations applicable to Depositories. Investors who are not eligible for receiving SCAS shall continue to receive a monthly account statement from the AMC

CAS:

^CAS detailing holding across all schemes of all mutual funds at the end of every six months (i.e. September/ March), shall be sent by mail/e-mail on or before 10th day of succeeding month, to all such Unit holders in whose folios no transactions** 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.

^ Consolidated Account Statement (CAS) shall contain 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 including transaction charges paid to the distributor.

** 'Transaction' shall include Purchase, Redemption, Switch, Dividend Payout, Dividend Reinvestment, Systematic Investment Plan, Regular Withdrawal Plan and Systematic Transfer Plan.

Further, the CAS issued for the half-year (ended September/March) shall also provide:

- a. The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors.
- b. The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.
- c. Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period

Account/Folio Number:

Each unit holder will have an account/folio number. The number of units allotted to a unit holder or repurchased by a unit holder will be reflected in his or her account and a statement/advice to this effect will be issued to the unit holder.

Common Account Number:

As a investor friendly measure, (if so desired by the investor), one Common Account Number will be assigned for an investor investing in different schemes of the Fund. In such a case, one consolidated account statement will be provided. Once set up as per the request made by the investor, the AMC reserves the right to assign the existing Common Account Number against multiple applications and/or subsequent purchases under a new application form by an existing unit holder, with identical mode of holding and address.

Account Statement:

The Account Statement shall not be construed as a proof of title and is only a computer-printed statement indicating the details of transactions under the scheme and is a non-transferable document. The Account Statement shall normally be dispatched within three business days on an ongoing basis.

Unit Certificates:

Normally no unit certificates will be issued under the Scheme . However, if the unit holder so desires, the AMC shall issue a Unit certificate to the applicant within 5 Business Days of the receipt of request for the certificate. Unit certificate, if issued, must be surrendered along with the request for Redemption / Switch or any other transaction of Units covered therein. On production of instrument of transfer together with relevant unit certificates, AMC shall register the transfer and return the unit certificate to the transferee within 30 days from the date of such production. The process and timelines for transfer would be as per the terms and conditions as applicable from time to time. However, investors are requested to note that issuance of Unit Certificates or request for transfer of Unit Certificate to any transferee thereof, would attract Stamp Duty/Statutory levies as stipulated by the Government authorities from time to time.

Units held in the form of Unit Certificates and demat mode are freely transferable.

Rematerialisation of Demat Units:

The unitholders who converted their units in demat mode may also rematerialize their units. The request for rematerialising the demat Units may be given to the respective Depository Participant (DP) of the investor. On receiving the confirmation of demat Units balance, account statement for the physical Units shall be issued. The same number of Units held in the demat mode shall be continued in the physical mode. Rematerialisation of demat Units shall be processed within the thirty days or such other days as may be stipulated under SEBI Regulations from the date of receipt of such a request, provided it is complete and valid in all respects.

Dividend

The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend. The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking account details are available with Mutual Fund for Investor.

In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/ demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more

	<p>than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund.</p> <p>The dividend warrants/cheques/demand drafts will be sent by courier or (if the addressee city is not serviced by the courier) by registered post / UCP to the registered address of the sole / first holder as per the records of the Registrars. For the purpose of delivery of the dividend instrument, the dispatch through the courier / Postal Department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated above.</p>
<p>Redemption</p>	<p>Redemption/ Repurchase Procedure</p> <p>The units of the Scheme can be repurchased (sold back to the Fund) on any business day. The repurchase request can be made on Application Form/Common Transaction form or by using the relevant tear off section of the Transaction Slip that may be enclosed with the Account Statement, which should be submitted at any of the Official Point of Acceptance. Where the date of redemption is a non business day, the deemed date for such redemption will be the next business day.</p> <p>In case the units are standing in the names of more than one unit holder, where mode of holding is specified as “jointly”, repurchase requests will have to be signed by all the joint holders. However, in cases of holding specified as ‘either/anyone or survivor’, any one of the joint holders (in case of either/anyone or survivor) will have the power to make repurchase request. However, in all cases, the repurchase proceeds will be paid to the first named holder only.</p> <p>In case a unit holder has subscribed to units on more than one Business Day (either through continuation in case of existing unit holder, or through subsequent subscriptions), the units subscribed to prior in time (that is those units which have been held for the longest period of time), will be deemed to have been repurchased first, that is on a First -In -First-Out basis. However, a unit holder may request the Fund to repurchase units subscribed by him/her at different dates, by indicating the specific date of subscription of the units, which is offered for repurchase.</p> <p>The repurchase request can be made by specifying the Rupee amount or by specifying the number of units to be repurchased. If a repurchase request is for both a specified Rupee amount and a specified number of units, the specified rupee amount will be considered the definitive request. If only the repurchase amount is specified by the unit holder, the AMC will divide the repurchase amount so specified by the applicable NAV based price to arrive at the number of units. The request for repurchase of units could also be in fractions, up to three decimal places.</p> <p>If the number of Units held by the Investor as per the records maintained by AMC and/or the Registrar is less than the number of Units requested to be redeemed then, all the Units held by the Unit holder in such folio / Scheme / plan for which application for Redemption is made, shall be redeemed. Provided that, where redeem ‘all’ is specified in the request, all Unit holdings in that Scheme shall be redeemed.</p> <p>The AMC reserves the right to change the minimum repurchase amount on a prospective basis subject to SEBI Regulations. Unit holders may also request for repurchase of their entire holding and close the account by indicating the same at the appropriate place in the Transaction Slip/Repurchase form.</p>

Repurchase Price

The repurchase price will be calculated using the following formula:

Repurchase Price = Applicable NAV*(1 – Exit Load, if any).

Example for calculation of Repurchase Price

If the Applicable NAV is Rs.11.25 and a 1.00% exit load is charged the repurchase price will be calculated

as follows:

Repurchase Price = Rs.11.25 x (1 - 1 % of Rs.11.25)

= Rs.11.25 - Rs.0.1125

= Rs.11.1375 per unit

The repurchase price shall not be lower than 93% of the NAV.

The AMC reserves the right to modify the exit load. However, any such change in the load structure shall be only on a prospective basis. The unit holder is requested to confirm the applicable exit load at the time of investment from the AMC/OPT.

Repurchase by NRI's/ FIIs

Repurchase of unit balances in the account of an NRI/FII will be subject to any procedures laid down by the RBI. Such repurchase proceeds will be paid by means of a rupee cheque payable to the designated NRE/ NRO account of the unit holder and subject to RBI procedures and approvals and subject to deduction of tax at source, as applicable. All bank charges in connection with such payment will have to be borne by the unit holder and/or the Scheme by way of ongoing expenses.

Payment of Repurchase Proceeds

The time limit set for dispatch of repurchase proceeds will be from the Business Day when the request is accepted at the Official Point of Acceptance. As per the SEBI Regulations, the Fund shall mail the repurchase proceeds within ten Business Days from the date of acceptance of valid request at any of the Official Point of Acceptance, in case of a repurchase request being sent by post.

In the event of failure to dispatch the repurchase or repurchase proceeds within the statutory period specified above as per the SEBI Regulations, the AMC shall be liable to pay interest to the unit holders at such rate (currently 15% per annum) as may be specified by SEBI for the period of such delay.

Electronic Credit Clearing Services (ECS) Identified Banks

ECS is a facility offered by RBI for facilitating better customer service by direct credit of dividend or repurchase amount to a unit holder's bank account through electronic credit. This helps in avoiding loss of dividend or repurchases warrant in transit or fraudulent encashment. The Fund will endeavour to arrange such facility for payment of dividend/repurchase proceeds to the unit holders. However, this facility is optional for the unit holders. Repurchase proceeds may be released through the ECS facility to unit holders residing in any of the cities where such a facility is available. In order to avail the above facility, the unit holder will have to give a written request to the Registrar. If the unit holder has opted for the ECS facility his/her bank branch will directly credit the amount due to them in their account whenever the payment is through ECS. The Registrar will send a separate advice to the unit holder informing them of the direct credit. It may be noted that there is no commitment from the Fund that this facility will be made available to the unit holders for payment of dividend/repurchase proceeds. While the Fund will endeavour in arranging the facility it will be dependent on various factors

including sufficient demand for the facility from unit holders at any centre, as required by the authorities. In places where such a facility is not available or if the facility is discontinued by the Fund for any reason the repurchase warrants will be mailed to the unit holder.

Unit holder's Bank Account Details

Unit holders are on a mandatory basis required to mention their bank account details in their applications/ requests for redemption. Redemption Cheques and/or any other instruments will then be made out in favour of the “Investor Name, Bank Name, Account Number, << >>” of the Bank for crediting the respective unit holder's account so specified.

The normal processing time may not be applicable in situations where such details are not provided by unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and delay/loss in transit.

Further, in accordance with AMFI communication no. 135/BP/26/11-12 dated March 21, 2012, following process vis-à-vis change in bank mandate is being followed effective May 1, 2012 (effective date) -

I. Change in Bank Mandate

1. Updation of Bank Account in Customer’s Folio shall be either through “Multiple Bank Account Registration Form” or a standalone separate “Change of Bank Mandate Form”;
2. In case of standalone change of bank details, documents as entailed below should be submitted as a proof of new bank account details. Based on PAMC’s internal risk assessment, PAMC may also consider collecting proof of old bank account and proof of identity of the clients, while effecting the change of bank account;
3. Customers are advised to register multiple bank accounts and choose any of such registered bank accounts for receipt of redemption proceeds;
4. Any unregistered bank account or new bank account forming part of redemption request shall not be entertained or processed;
5. Such Investors, who have not already provided bank mandate at the time of making investment, are required to submit proof of new bank account details as entailed here below. Such Investors are also required to submit valid Proof of Identity as prescribed under KYC guidelines along with Proof of Investment; and
6. Any change of Bank Mandate request received/processed few days prior to submission of a redemption request or on the same day as a standalone change request, PAMC will continue to follow cooling period of 10 calendar days for validation of the same.

Investors are required to submit any one of the following documents in Original or produce originals for verification or copy attested by the Bank –

New Bank Account Registration

- Cancelled original cheque of new bank mandate with first unitholder name and bank account number printed on the face of the cheque; OR
- Self - attested copy of bank statement; OR
- Bank Passbook with current entries not older than 3 months; OR

- Letter from the bank on its letterhead confirming the bank account holder with the account details, duly signed by the Branch Manager/authorised personnel.

AND Proof of Identity as prescribed under KYC guidelines along with Proof of Investment - only for such investors who have not registered their bank mandate at the time of making investment.

Change in Existing Bank Mandate

- Cancelled original cheque with first unitholder name and bank account number printed on the face of the cheque; OR
- Original bank account statement or pass book; OR
- Original letter issued by the Bank on the letterhead confirming the bank account holder with the account details, duly signed by the Branch Manager; OR
- In case such Bank account is already closed, a duly signed and stamped original letter from such bank on the letter head of bank, confirming the closure of said account.

Closure of Unit holder’s Account

Unit holders may note that the AMC at its sole discretion may close a unit holder’s account after giving notice of 45 days, if at the time of any part repurchase, the value of units (represented by the units in the unit holder’s account if such repurchase were to take place, valued at the applicable NAV related price), falls below the minimum investment/balance required for each scheme (or such other amount as the AMC may decide from time to time) or where the units are held by a unit holder in breach of any Regulation.

Restriction on Third Party Payments for subscription of Mutual Fund Units and Registration of Multiple Bank Accounts

Third Party Payments for subscription of Units

Applications for subscription shall not be accepted when accompanied with *Third Party payments, except in the following situations:

- Payment by Employer on behalf of employee under Systematic Investment Plan(s) or Lumpsum/One time subscription through Payroll deductions;
- Custodian on behalf of FII or a client;
- Payment by AMC to a Distributor empanelled with it on account of commission/incentive etc. in the form of Mutual Fund Units of the Funds managed by the AMC through SIP or lump sum/one time subscription.
- Payment by corporate to its agent/distributor/dealer (similar arrangement with Principal-agent relationship), on account of commission/incentive payable for sale of its goods/services, in the form of Mutual Fund units through Systematic Investment Plans or lumpsum/one time subscription.

*Third Party Payment shall mean those payment made through instruments issued from an account other than that of the beneficiary investor. However, in case of payments from a joint bank account the first holder of the mutual fund folio should be one of the joint holders of the bank account from which payment is made.

In case of exceptional situations stated above, following additional documents shall be mandatorily enclosed along with the Subscription application:

a) KYC Acknowledgement Letter for Investor and the Person making the payment.

b) “Third Party Declaration Form” from the Investor and the person making the payment, giving details of the bank account from which the payment is

made and the relationship with the Beneficiary Investor(s). (Declaration Format shall be available at any of our Investor Service Centre or on www.principalindia.com)

Investor along with the subscription application must provide the details of his pay-in bank account (i.e. account from which a subscription payment is made) and his pay-out bank account (i.e. account into which redemption / dividend proceeds are to be paid). In case of payments received from a Bank Account which is not registered and the first unitholder's name is not preprinted on the payment cheque or wherein the bank mandate mentioned in the application form by the investor for effecting payouts is not the same as the bank account from which the investment is made, any one of the following documents in relation to the bank mandate shall be submitted by the investor along with the application form to validate that the bank mandate belongs to the investor:

- i. Cancelled original cheque having first holder name pre-printed on the cheque;
- ii. Original bank statement (with transaction entries not older than 3 months) reflecting the first holder name, bank account number and bank name as specified in the application form;
- iii. Photocopy of the bank statement/bank passbook (with transaction entries not older than 3 months) reflecting the first holder name, bank account number and bank name as specified in the application form, duly attested by the bank manager and bank seal;
- iv. Confirmation by the bank manager with seal/on the bank's letterhead confirming the investor details and bank mandate information as mentioned in the application form

In case of investment made in the name of the minor, investment by means of Cheque, Demand Draft or any other mode shall be accepted from the bank account of the minor or from a joint account of the minor with the guardian only. Upon minor attaining the status of major, no transaction shall be allowed in the folio till the status of minor is changed to major and complete KYC documents of the minor in whose name investment was made is provided along with updated bank account details.

If the documents are not submitted with the application, the fund reserves the right to reject the application without any liability whatsoever or call for additional details, at its discretion.

Investor shall also have the facility to register multiple bank accounts as detailed in the section below on "Multiple Bank Accounts". Only Pay-in from such registered bank accounts shall be treated as First party payments.

Additionally, in case of following mode of payments below stated documents should be enclosed with the subscription application:

a) **Demand Draft/Pay Order, Banker's Cheque and the like:** Certificate from the Issuing Banker, stating the Account holder's name and the Account number which has been debited for issue of such instrument.

As directed by AMFI, a copy of acknowledgement from the Bank wherein the instructions to debit the Investor's bank account and name of the Investor as on account holder are available OR copy of pass book/bank statement evidencing the debit for issuance of a DD, shall also be accepted by the Mutual Fund.

b) **Demand Draft/Pay Order, Banker's Cheque and the like issued against cash by the Bank [for an investment amount less than ` 50,000/- only]:** Certificate from the Banker giving name, address, Bank account number and PAN (if available) of the person who has requested for the demand draft.

c) **Payment vide RTGS, NEFT, ECS, Bank Transfer etc:** copy of the instruction to the bank stating the account number debited must accompany the purchase application.

In such instance, where, post verification it is found that the payment, in any mode, is not made from a registered bank account or is made from an account where the first named unit holder is not an Account holder / one of the account holder in case of Joint Bank Account, the AMC/R&T, reserves the right to reject the transaction / subscription application, without any liability.

Additionally, in order to prevent fraudulent practices, Investors are urged to make the payment instruments (cheque / Demand draft / Pay Order etc.) favouring "XYZ Scheme A/c. First Investor Name" OR "XYZ Scheme A/c. Permanent Account Number" OR "XYZ Scheme A/c. Folio Number".

Multiple Bank Accounts:

Unitholders shall have the facility to register multiple bank accounts at folio level - upto a maximum of 5 Bank Accounts in case of Individual and HUF Investor and 10 Bank Accounts in case of Non Individual Investor. Such facility can be availed by submitting duly filled in "Multiple Bank Account Registration form" at the Investor Service Centre closest to you, along with copy of any one of the following documents:

a) cancelled cheque leaf of the bank account which has to be registered [the account number and name of the first unitholder should be printed on the cheque leaf];

b) Bank Statement / Pass Book with the account number, name of the Unitholder and Address;

c) Bank letter / certificate on its letter head certifying the account holder's name, account number and branch address [Such letter / certification should be certified by the Bank Manager with his / her full name, signature, employee code.]

Investors should also present the Original of the above Document submitted along with the subscription application, and such original document shall be returned across the Counter post due verification

Subsequent, to successful registration of multiple bank accounts, Investors can select any of the registered bank accounts in the application form for the purpose of subscriptions, redemption and dividend proceeds. Investor shall also have the option to register any one of their account as a default bank account for credit of redemption /dividend proceeds.

Further an Investor may also opt to delete a registered default bank account; however, such deletion of a default bank account shall be permitted only if the Investor registers another registered account as a default account and the same shall be in accordance with the procedure as stated in the section titled "change in bank mandate".

	<p>In the event of rejection of such registration application for any reason, the redemption / dividend proceeds shall be processed as per specified service standards and the last registered bank account information in the records of Registrar & Transfer Agent - KFI Technologies Private Limited, will be relied upon and used for such payments.</p> <p>It is clarified that in case of Change of Bank Account along with Redemption application submitted by the Investor, the redemption proceeds shall be credited to the said bank account only if it is a registered bank account in the records of R&T.</p> <p>However, if the new bank account is not one of the registered bank accounts, the redemption proceeds shall be credited to such new bank account post completion of the cooling off period as prescribed by AMFI and within regulatory prescribed timelines.</p>
Delay in payment of redemption proceeds	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum)
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.	Presently the AMC does not intend to reissue the repurchased units. The trustee reserves the right to reissue the repurchased units at a later date after issuing adequate public notices and taking approvals, if any, from SEBI.

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>Principal Mutual Fund shall calculate NAVs for the Scheme on a daily basis and update the NAVs on the website of the Mutual Fund (www.principalindia.com) and on the website of Association of Mutual Funds in India - AMFI (www.amfiindia.com) by 11.00 p.m. every Business Day.</p> <p>In case of delay, the reasons for such delay would be explained to AMFI in writing. NAVs would however be endeavoured to be made available before commencement of business hours of the following business day, failing which a press release explaining the material reasons for non-availability would be released. In the event NAV cannot be calculated and/or published because of suspension of trading on the BSE/NSE/RBI, during the existence of a state of emergency and/or a breakdown in communications, the AMC may suspend calculation and/or publication of NAV etc. of the units.</p>
<p>Monthly/ Half yearly Portfolio Disclosures</p>	<p>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</p> <p>In case of unitholders whose e-mail addresses are registered, the Fund/ AMC shall send via email both the monthly and half-yearly statement of scheme portfolio within 10 days from the close of each month/ half-year respectively.</p> <p>Mutual Fund/ AMC shall publish an advertisement every half-year disclosing the hosting of the half-yearly statement of its schemes portfolio on their respective website and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolio. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi.</p>

	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.
Half Yearly Financial Results	The AMC shall within one month of the close of each half year that is 31st March and 30th September, host its unaudited financial results of the Scheme on its website: www.principalindia.com in a user friendly and downloadable format (preferably in a spread sheet). An advertisement intimating the same, shall be published in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated.
Annual Report	<p>A link to Annual Report or Abridged Summary of the Annual Report will be available on AMC's website www.principalindia.com and a link in this regard shall also be available on the website of AMFI i.e. www.amfiindia.com. Annual Report / Abridged Annual Report shall be sent by way of an e-mail link to the Investor's registered e-mail address not later than four months after the close of each financial year.</p> <p>Investor's need to opt-in to receive physical copies of the abridged summary of the annual report. Physical copy of the annual report shall be provided to only those unit holders who specifically opt-in to receive the same.</p> <p>Investors who have mentioned their e-mail address but still wish to receive physical copy of the Annual Report, may do so by submitting written request at any of our OPT. The 'opt-in' facility to receive physical copy of the scheme-wise annual report or abridged summary thereof will be/ is provided in the application form.</p> <p>Mutual Fund/ AMC shall publish an advertisement every year disclosing the hosting of the scheme wise annual report on its respective website and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter), etc. through which unitholders can submit a request for a physical or electronic copy of the scheme wise annual report or abridged summary thereof. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi.</p> <p>Physical Copy(ies) of Annual Report will be available at the registered office of the AMC at all times.</p>
Associate Transactions	Please refer to Statement of Additional Information (SAI).
Taxation This is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes	Please refer to Statement of Additional Information (SAI).
Investor services	For any enquiries and/or queries or complaints in respect of any terms and conditions of/investments in this Scheme, the investors are advised to address a suitable communication to AMC and marked to the attention of Head Customer Services - Mr. Hariharan Iyer at customer@principalindia.com . Written communications may also be forwarded to Principal Mutual Fund at Exchange Plaza, Ground Floor, B Wing, NSE Building, Bandra Kurla

Complex, Bandra(East), Mumbai – 400 051, India and/or alternatively faxed at +91 22 67720512.
Our Customer Service Executives can also be reached at the following Toll Free No. - 1800 425 5600.

D. COMPUTATION OF NAV

The NAV of the Scheme for each option at any time shall be determined by dividing the net assets of the Scheme by the number of outstanding units on the valuation date.

The NAV of the Scheme will be calculated on a daily basis as shown below:

$$\text{NAV per unit} = \frac{\text{(Market / Fair Value of Securities + Accrued Income + Receivables + other assets - Accrued Expenses – payables-other liabilities)}}{\text{No. of units outstanding of the Scheme / Option}}$$

The NAV will be calculated up to two decimals. The NAVs will be declared on every Business Day by 11.00 p.m.

The computation of Net Asset Value, valuation of assets, computation of applicable Net Asset Value (related price) for repurchase, switch and their frequency of disclosure shall be based upon a formula in accordance with the Regulations and as amended from time to time including by way of Circulars, Press Releases, or Notifications issued by SEBI or the Government of India to regulate the activities and growth of Mutual Funds.

The dividend paid on units under the Dividend Option of the Fund shall be deducted in computing the NAV of the units under the Dividend Option, each time a dividend is declared and till it is distributed. Consequently, once the dividend is distributed, the NAV of the units will always remain lower than the NAV of the units under the Growth Option. The income earned and profits realized attributable to the units under the Growth Option shall remain invested and shall be deemed to have remained invested in the Growth Option (exclusive of the units under the Dividend Option) and would be reflected in the NAV of the units under the Growth Option.

The valuation of the Scheme's assets and calculation of the Scheme's NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

The first NAV will be calculated and announced within a period of 5 business days after the close of the NFO Period. Subsequently, the NAV shall be calculated on all Business Days.

SECTION V: FEES AND EXPENSES

This section outlines the expenses that will be charged to the Scheme.

A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc. The entire new fund offer expenses of the said scheme shall be borne by the AMC.

B. ANNUAL SCHEME RECURRING EXPENSES

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.

Nature of Expenses**	% of daily net assets**
- Investment Management and Advisory Fees charged by the AMC	
- Trustee Fees	
- Registrar and Transfer Agent Fees	
- Audit Fees	
- 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	2.25
- 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	
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)	2.25
Additional expenses under regulation 52 (6A) (c)^	Upto 0.05%
Additional expenses for gross new inflows from specified cities #	Upto 0.30%

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

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

Provided further that the additional TER on account of inflows from beyond top 30 cities so charged shall be clawed back in case the same is redeemed within a period of 1 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:

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

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:

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

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.

Illustration of impact of expense ratio on Scheme’s returns:

Particulars		Regular Plan	Direct Plan
Opening NAV per unit	A	10.0000	10.0000
Gross Scheme Returns @ 8.75%	B	0.8750	0.8750
Expense Ratio @ 1.50 % p.a.	C = (A x 1.50%)	0.1500	0.1500
Distribution Expense Ratio @ 0.25 % p.a. ¹	D = (A x 0.25%)	0.0250	0.0000
Total Expenses	E = C + D	0.1750	0.1500
Closing NAV per unit	F = A + B - E	10.7000	10.7250
Net 1 Year Return	F/A - 1	7.00%	7.25%

¹ Distribution/Brokerage expense is not levied on Direct Plan

C. LOAD STRUCTURE & TRANSACTION CHARGES

- Exit Load is an amount which is paid by the investor to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.principalindia.com) or may call at (1800 425 5600) or your distributor.
- Load details:

Type of Load : Load Chargeable (As a %age of NAV)	
Entry Load	Not Applicable Pursuant to SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.
Exit Load	If redeemed/ switched on or before 365 days from the date of allotment: <ul style="list-style-type: none"> • 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.

Units issued on reinvestment of Dividends shall not be subject to any Load, if any. The above mentioned load structure shall be equally applicable to the special products such as STP, switches, etc. offered by the AMC.

- No exit load shall be levied for switch-out from Direct Plan to Regular Plan or from Regular Plan to Direct Plan. However, any subsequent switch-out or redemption of such investment from Regular Plan/ Direct Plan shall be subject to exit load based on the original date of investment in the Direct Plan/ Regular Plan. No exit load shall be levied for switching between Options under the same Plan within the Scheme
- Switch of investments between Plans under a Scheme having separate portfolios, will be subject to applicable exit load.
- In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009 inter alia no entry load will be charged by the Fund with effect from August 01, 2009. Upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN holder.
- Pursuant to SEBI Circular CIR/IMD/DF/21/2012 dated September 13, 2012 read with notification No. LADNRO/ GN/2012-13/17/21502 dated September 26, 2012 GST on exit load, if any, shall be paid out of the exit load proceeds and exit load net of GST, if any, shall be credited to the scheme with effect from October 01, 2012.

- 7) Load structure is variable and subject to change from time to time, in alignment with provisions of the relevant SEBI Regulations/Guidelines. The AMC reserves the right to change/modify exit/switchover load (including zero load), depending upon the circumstances prevailing at any given time. A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated and also display the same on the website / Investor service center.

The AMC may also:

- i. Attach the Addendum to Scheme Information Document and Key Information Memorandum and / or circulate the same to Distributors / Brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
- ii. Arrange to display the addendum to the Scheme Information Document in the form of a notice in all the investor service centres and distributors/brokers office.
- iii. Disclose exit load in the statement of accounts issued after the introduction of such load.
- iv. take other measures which it may feel necessary.

The investor is requested to check the prevailing load structure of the scheme before investing. For the current applicable structure, he may refer to the website of the AMC - www.principalindia.com or may call at may call at 1800 425 5600 or your distributor.

- 8) Units issued on reinvestment of dividends shall not be subject to exit load.
- 9) Load on switch out will be same as exit load applicable to the respective schemes. If the Applicable NAV is Rs.11.25 and a 1% exit load is charged the repurchase price will be calculated as follows:
- E.g. Repurchase Price = Applicable NAV x (1-Exit Load, if any).
Therefore, the Repurchase Price would be Rs11.25 x (1-1.00% of Rs11.25) = Rs11.1375.
- 10) The repurchase price shall not be lower than 93% of the NAV and the sale price shall not be higher than 107% of the NAV. However, the difference between the repurchase price and sale price shall not exceed 7% on the sale price.
- 11) The exit load may be linked to the period of holding. Any imposition/enhancement or change in load structure shall be applicable on prospective investment only. However, any change at a later stage shall not affect the existing unit holders adversely.

Transaction Charges –

In accordance with SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, Principal Asset Management Pvt. Ltd (formerly known as Principal Pnb Asset Management Company Private Limited). (PAMC)/Principal Mutual Fund (PMF) shall deduct Transaction Charges on purchase / subscription received from the Investors through Distributors/Agents (who have opted to receive the transaction charges) as under:

(i) **First Time Mutual Fund Investor (across Mutual Funds):** Transaction charge of Rs.150/- for subscription of Rs.10,000 and above will be deducted from the subscription amount and paid to the Distributor/Agent of the first time investor and the balance shall be invested.

First time investor in this regard shall mean an Investor who invests for the first time ever in any Mutual Fund either by way of Subscription or Systematic Investment Plan.

(ii) **Investor other than First Time Mutual Fund Investor:** Transaction charge of Rs.100/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the Distributor/Agent of the investor and the balance shall be invested.

However, Transaction Charges in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs.10,000/- or more. The Transaction Charges shall be deducted in 3-4 installments.

(iii) Transaction charges shall not be deducted for:


- purchases /subscriptions for an amount less than Rs.10,000/-;
- transaction other than purchases/ subscriptions relating to new inflows such as Switch/ Systematic Transfer Plan/Sweep facility under the Dividend Option of the Scheme(s) etc.;
- purchases/subscriptions made directly with the Fund (i.e. not through any Distributor/Agent);
- transactions routed through Stock Exchange route.

Statement of Account issued to such Investors shall state the net investment as gross subscription less transaction charge and mention the number of units allotted against the net investment.

Further, in accordance with SEBI Circular No. SEBI/IMD/CIR/No.4/168230/09 dated June 30, 2009, upfront commission to Distributors/Agents shall be paid by the Investor directly to the Distributor/Agent by a separate cheque based on his assessment of various factors including the service rendered by the Distributor/Agent.

Waiver of Load for Direct Applications:

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.



SECTION VI. RIGHTS OF UNITHOLDERS

Please refer to Statement of Additional Information for details.

SECTION VII. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY.

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1	Penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.	Nil
2	In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to shareholders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.	Nil
3	Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.	Nil
4	Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.	*As mentioned below
5	Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed.	Nil

* There is a legal case filed at the instance of CBI, Economic Offences Wing, Mumbai pertaining to the purchase of certain shares at SBI Mutual Fund. These proceedings have been filed against several persons then engaged with SBI Mutual Fund, including Mr. Rajat Jain – Chief Investments Officer who was at that time engaged with SBI Mutual Fund. These proceedings are pending as on date and no orders so far have been passed.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

Note: The Scheme under this Scheme Information Document was approved by the Board of Directors of Principal Trustee Company Private Limited at their board meeting held on July 24, 2019. The Trustees have ensured that the Scheme approved is a new product offered by Principal Mutual Fund and is not a minor modification of its existing schemes.

Offices of AMC Identified as Official Point of Acceptance / Investor Service Centres

Principal Asset Management Private Limited (formerly known as Principal Pnb Asset Management Company Private Limited) - OPA & ISC:

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

New Delhi: A-121, 12th Floor, Himalaya House, 23 K. G. Marg, New Delhi – 110 001.

Ahmedabad: 301, 3rd Floor, Amarnath Business Centre-2, St. Xaviers College Corner, Off. C. G. Road, Navrangpura, Ahmedabad - 380 009.

Bengaluru: 410, 4th Floor, Prestige Meridian -1, No.29, M G Road, Bengaluru - 560 001.

Pune: Office No.2, 2nd Floor, Aditya Centeegra, Ferguson College Road, Dnyaneshwar Paduka Chowk, Shivajinagar, Pune - 411 004.

Chandigarh: SCO NO 2471-72, 2ND Floor, Sector 22C, Chandigarh, Pincode - 160 022. Tel: 0172 - 4044467, 4044468

Jaipur: Office Number 445, 4th Floor, Ganpati Plaza, M. I. Road, Jaipur, Pincode - 302 001

Chennai: Amara Sri, Regus Anna Salai, Old No.313, New No.455, Block No.75, 7th Floor, Anna Salai, Teynampet, Chennai – 600018

Hyderabad: Regus Solitaire Business Centre Pvt Ltd., Level 4, 411 Gumidelli Towers, Old Airport Road, Begumpet, Hyderabad – 500016

Lucknow: 406, 4th Floor, Regus Business Centre, Halwasiya Court, Hazratganj, Lucknow - 226 001

Kolkata: The Legacy, 1st Floor, 25-A, Shakespeare Sarani, Kolkata - 700017

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

Agra: 1st Floor, Deepak Wasan Plaza, Behind Holiday Inn, Opp. Megdoot Furnitures, Sanjay Place, Agra-282 002 •

Ahmedabad: Office No. 401, on 4th Floor, ABC-I, Off. C.G. Road, Ahmedabad-380009 • **Agartala:** OLS RMS

Chowmuhani, Mantri Bari Road, 1st Floor, Near Traffic Point, Tripura West, Agartala 799001. **Ajmer:** 302, 3rd Floor,

Ajmer Auto Building, Opp. City Power House, Jaipur Road, Ajmer - 305 001 • **Alwar:** Office Number 137, First

Floor, Jai Complex Road No – 2, Alwar - 301001, Rajasthan . • **Aligarh:** Sebti Complex Centre Point, in the city of

Aligarh – 202 001, Uttar Pradesh. **Allepy:** 1st Floor Jp Towers, Mullackal, Ksrtc Bus Stand, Alleppy 688011 •

Allahabad: Saroj Bhawan, Patrika Marg, Civil Lines, in the city of Allahabad – 211 001, Uttar Pradesh • **Akola:**

Yamuna Tarang Complex Shop No 30, Ground Floor N.H. No- 06 Murtizapur Road, Opp. Radhakrishna Talkies,

Akola 444004. **Amritsar:** SCO 5, 2nd Floor, District Shopping Complex, Ranjit Avenue, City-Amritsar, Punjab, Pin

Code - 143001 • **Ambala:** 6349, 2nd floor, Nicholson Road, Adjacent Kos Hospital, Ambala Cant, Ambala - 133 001.

Amaravati: Shop No. 21 2nd Floor, Gulshan Tower, Near Panchsheel Talkies Jaistambh Square, Amaravathi

444601. **Anand:** B-42 Vaibhav Commercial Center, Nr TVS Down Town Show Room, Grid Char Rasta, Anand-380

001 • **Ananthapur:** Plot No: 12-313,,Balaji Towers, Suryanagar, Ananthapur Village, Anantapur 515001. **Asansol:**

112/N G. T. ROAD BHANGA PACHIL, G.T Road Asansol Pin: 713 303; Paschim Bardhaman West Bengal •

Azamgarh: House No. 290, Ground Floor, Civil lines, Near Sahara Office, Azamgarh 276001. **Aurangabad:**

Ramkunj Niwas, Railway Station Road, Near Osmanpura Circle, Aurangabad-431 005 • **Bangalore:** No 35,Puttanna

Road,Basavanagudi,Bangalore 560004 • **Bankura:** Ambika Market Complex, Gr. Floor, Nutanganj, Post & Dist

Bankura, Bankura-722 101 • **Balasure:** 1-B. 1st Floor, Kalinga Hotel Lane, Baleshwar, Baleshwar Sadar, Balasure

756001. **Bareilly:** 54-CIVIL LINES, Ayub Khan Chauraha,,Bareilly,243001,Uttar Pradesh. • **Begusarai:** C/o Dr

Hazari Prasad Sahu, Ward No 13, Behind Alka Cinema, Begusarai (Bihar), Begusarai 851117. **Berhampur (Or):**

Opp Divya Nandan Kalyan Mandap, 3rd Lane Dharam Nagar, Near Lohiya Motor, Berhampur (Or) 760001. **Bellary:**

Shree Gayathri Towers, #4, 1st Floor, K.H.B.Colony, Gopalaswamy Mudaliar Road, Gandhi Nagar, Bellary - 583

103. **Belgaum:** Premises No 101 CTS NO 1893, Shree Guru Darshani Tower Anandwadi, Hindwadi, Belgaum

590011 • **Bharuch:** Shop No. 147-148, Aditya Complex, Near Kasak Circle, Bharuch-392 001 • **Bhagalpur:** 2nd

Floor, Chandralok Complex Ghantaghar, Radha Rani Sinha Road, Bhagalpur 812001. **Bhatinda:** MCB -Z-3-01043,

2 Floor, Goniana Road, Opposite Nippon India MF GT Road, Near Hanuman Chowk, Bhatinda - 151001.

Bhavnagar: 303, Sterling Point, Waghawadi Road, Bhavnagar - 364 001. **Bhilai:** Office No.2, 1st Floor, Plot No.

9/6, Nehru Nagar [East], Bhilai 490020. **Bhilwara:** Office No. 14 B, Prem Bhawan, Pur Road, Gandhi Nagar, Near

CanaraBank, Bhilwara - 311001 (Rajasthan). **Bhopal:** Kay Kay Business Centre, 133, Zone I, M.P. Nagar, Above

City Bank, Bhopal-462 011. **Bhubaneswar:** A/181, Saheed Nagar; Janardan House; Room #: 07; 3rd Floor; Bhubaneswar; Pin-751007; Orissa. **Bikaner:** ,70-71 2nd Floor, Dr.ChaharBuilding ,Panchsati Circle,Sadul Ganj ,Bikaner-334003. **Bilaspur:** Shop.No.306, 3rd Floor, Anandam Plaza, Vyapar Vihar Main Road, Bilaspur 495001. **Bokaro:** B-1, 1st Floor, City Centre, Sector-4, Near Sona Chandi Jewellers, Bokaro-827 004 **Burdwan:** Anima Bhavan, 1st Floor, Holding No. 42, Sreepally, G. T. Road, Burdwan – 713103, West Bengal. • **Calicut-** taSecond Floor,Manimuriyil Centre,BankRoad,Kasaba Village,Calicut-673001. **Chandigarh:** First floor, SCO 2469-70, Sec. 22-C, Chandigarh, Pin code- 160022 •**Chinsura:** No : 96, PO: Chinsurah, Doctors Lane, Chinsurah 712101. **Chennai:** Swati Court,Opp to Andhra Club, No.22, Vijaya Raghav Road, Parthasarathy puram, Tnagar Chennai - 600017• **Cochin:** Ali Arcade, 1st Floor, Kizhavana Road, Panampilly Nagar, Near Atlantis Junction, Ernakualm-682 036 • **Coimbatore:** 3rd Floor, Jaya Enclave, 1056/1057 Avinashi Road, Coimbatore-641 018 • **Cuttack:** Dargha Bazar Police station Dargha Bazar Po - Buxi Bazar -Cuttack, Pincode -753001 • **Dehradun:** Kaulagarh Road, Near Sirmaur Margabove, Reliance Webworld, Dehradun-248 001. **Davangere:** D. No 162/6 , 1st Floor, 3rd Main, P J Extension, Davangere taluk, Davangere Manda, Davangere 577002. **Darbhang:** Jaya Complex, 2nd Floor, Above Furniture Planet Donar, Chowk, Darbhanga 846003. **Dharwad** - Adinath Complex, Beside Kamal Automobiles, Bhoovi Galli, Opp. Old Laxmi Talkies, P. B. Road, Dharwad -580001 • **Dhanbad:** 208 New Market, 2nd Floor, Bank More, Dhanbad-826 001 • **Deoria:** K. K. Plaza, Above Apurwa Sweets, Civil Lines Road, Deoria 274001. **Dhule:** Ground Floor Ideal Laundry Lane No 4, Khol Galli Near Muthoot Finance, Opp. Bhavasar General Store, Dhule 424001. **Dindigul:** No 59B, New Pensioner street, Palani Road, Opp. Gomathi Lodge, Dindigul 624001. **Durgapur:** Mwav-16 Bengal Ambuja, 2nd Floor, City Centre, 16 Dt Burdwan, Durgapur-713 216 • **Erode:** Address No.38/1 Ground Floor,SathyRoad,(VCTVM Main Road),Sorna Krishna Complex,Erode -638003. **Eluru:** D No-23A-7-72/73 K K S Plaza Munukutla Vari Street, Opp Andhra Hospitals, R R Peta, Eluru 534002. **Faridabad:** A-2B 3rd Floor, Neelam Bata Road Peer ki Mazar, Nehru Groundnit, Faridabad, 121001 • **Ferozpur:** The Mall Road Chawla Bulding, Ist Floor, Opp. Centrail Jail, Near Hanuman Mandir, Ferozepur 152002. **Ghaziabad:** FF - 31, Konark Building, Rajnagar, Pin code: 201003, Ghaziabad, Uttar Pradesh • **Goa:** Flat No. 1-A, H. No. 13/70, Timotio Bldg. Heliodoro Salgado Road, Next to Navhind Bhavan (Market Area), Panaji, Goa - 403 001 • **Gonda:** House No. 782, Shiv Sadan, ITI Road, Near Raghukul Vidya Peeth, Civil Lines, Gonda – 271 001, Uttar Pradesh.. **Gaya:** Property No. 711045129, Ground Floor, Hotel Skylark, Swaraipuri Road, Gaya 823001. **Ghazipur:** House No. 148/19, Mahua Bagh, Ghazipur 233001. **Gonda:** H No 782, Shiv Sadan, ITI Road, Near Raghukul Vidyapeeth, Civil lines, Gonda 271001. **Gorakhpur:** Above V.I.P. Houseajdacent, A.D. Girls College, Bank Road, Gorakpur-273 001 • **Gurgaon:** 2nd Floor, Vipul Agora, M. G. Road, in the city of Gurgaon, Haryana, 122001 • **Guntur:** D No 6-10-27, Srinilayam, Arundelpet, 10/1, Guntur - 522 002. **Gulbarga:** H NO 2-231, Krishna Complex, 2ND floor, Opp. Municipal corporation Office, Jagat, Station Main Road, Kalaburagi, Gulbarga 585105. **Guwahati:** 1st Floor, Bajrangbali Building, Near Bora Service Station, G.S. Road, Guwahati - 781 007 • **Gwalior:** 2nd Floor, Rajeev Plaza, Jayendra Ganj, Lashkar, Gwalior. M.P.-474 009 • **Hassan:** **Haldwani:** Shop No. 5, KMVN Shopping Complex, Haldwani – 263139, Uttarakhand. **Hubli:** R R Mahalaxmi Mansion, Above Indusind Bank, 2nd Floor, Desai Cross, Pinto Road, Hubballi 580029. SAS no-212, Ground Floor, Sampige Road, 1st cross, Near Hotel Souther Star K R Puram, Hassan 573201. **Hoshiarpur** - The Mall Complex, Unit # SF-6, 2nd Floor, Opposite Kapila Hospital , Sutheri Road, City-Hoshiarpur, Punjab, Pin Code-146001. • **Hissar:** Shop No. 20, Ground Floor, R D City Centre, Railway Road, Hissar 125. **Hyderabad:** Karvy HOUSE, No. 46, 8-2-609/K, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034. • **KARVY SELENIUM,** Plot No. 31 & 32, Tower B, Survey No. 115 /22, 115/24 & 115/25, Financial District, Gachibowli, Nanakramguda, Serlingampally Mandal, Ranga Reddy District, Hyderabad - 500 032 • **Indore:** 2nd Floor, 203-205, Balaji Corporates, Above ICICI Bank, 19/1 New Palasia, Indore-452 001 • **Jaunpur:** R N Complex 1-1-9-G, R. N. Complex, Opposite Pathak Honda, Above Oriental Bank of Commerce, Jaunpur 222002. **Jabalpur:** Grover Chamber, 43 Naya Bazar Malviya Chowk, Opp. Shyam Market, Jabalpur-482 00. **Jhansi:** 1st Floor, Puja Tower, Near 48 Chambers, ELITE Crossing, Jhansi 2840. **Jaipur:** Office Number 101, 1st Floor, Okay Plus Tower, Next to Kalyan Jewellers, Government Hostel Circle , Ajmer road , Jaipur – 320001, Rajasthan • **Jalpaiguri:** D B C Road, Opp. Nirala Hotel, Opp. Nirala Hotel, Opp. Nirala Hotel, Jalpaiguri 735101. **Jalandhar:** Office No 7, 3rd Floor, City Square building, E-H197 Civil Lines, Jalandhar 144001 • **Jalgaon:** 269 Jae Vishwa, 1st Floor, Above United Bank of India, Baliram Peth, Near Kishor Agencies, Jalgaon - 425 001 • **Jammu:** Gupta's Tower, 2nd Floor, CB-12, Rail Head Complex, Jammu-180 012 **Jamnagar:** 131 Madhav Piazza, ,Opp. Sbi Bank, Nr Lal Bunglow, Jamnagar-361008. **Jamshedpur:** Madhukunj, 3rd Floor, Q Road, Sakchi, Bistupur, East Singhbhum, Jamshedpur-831001 • **Jodhpur:** 203, Modi Arcade, Chopasni Road, Jodhpur-342 001 • **Junagadh:** 124-125 Punit Shopping Center, M.G. Road, Ranavav Chowk, Junagadh-362 001 • **Kanpur:** 15/46, B, Gr. Floor, Opp. Muir Mills, Civil Lines, Kanpur-208 001 • **Karnal:** 18/369, Char Chaman, Kunjpura Road, Behind Miglani Hospital, Karnal-132 001. **Kannur:** 2nd Floor, Global Village, Bank Road, Kannur 670001. **Karur:** No 88/11, BB plaza, NRMP street, K S Mess Back side, Karur 639002. **Karimnagar:** 2nd Shetter, HNo. 7-2-607 Sri Matha Complex,, Mankammathota, KarimNagar, Telangana, 505001 • **Kharagpur:** Holding No 254/220, SBI building, Malancha Road, Ward No.16,

PO: Kharagpur, PS: Kharagpur, Dist: Paschim Medinipur, Kharagpur 721304. **Kolhapur:** 605/1/4, E Ward, Shahupuri 2nd Lane, Laxmi Niwas, Near Sultane Chambers, Kolhapur-416 001 • **Kolkata:** Apeejay House (Beside Park Hotel), 15 Park Street, C Block, 3rd Floor, Kolkata-700 016. **Karimnagar:** 2nd Shutter H No. 7-2-607 Sri Matha, Complex Mankammathota, Karimnagar 505001. • **Kollam:** Ground Floor Narayanan Shopping Complex, Kausthubhsree Block, Kadapakada, Kollam 691008. **Korba:** Nidhi Biz Complex, Plot No 5, Near Patidar Bhawan, T. P. Nagar, Korba 495677. **Kota:** 259, 1st Floor, Near Lala Lajpat Rai Circle, Shopping Centre, Kota-324 007 • **Khammam:** 11-4-3/3 Shop No. S-9, 1st floor, Srivenkata Sairam Arcade, Old CPI Office Near PriyaDarshini College Nehru Nagar, Khammam 507002. **Kottayam** - 1st Floor Csiascension Square, Railway Station Road, Collectorate P.O., Kottayam -686002. **Kurnool:** Shop No:47, 2nd Floor, S komda Shopping mall, Kurnool, 518001. **Lucknow:** 1st Floor, A. A. Complex, Thaper House, 5 Park Road, Hazratganj, Lucknow - 226 001 • **Ludhiana:** SCO 122, Second floor, Above Hdfc Mutual fund, Feroze Gandhi Market, Ludhiana 141001 • **Margao:** 2nd Floor, Dalal Commercial Complex, Pajifond, Margao 403601. **Malappuram:** 2nd Floor, Peekays Arcade, Down Hill, Malappuram 676505. **Madurai:** G-16/17, AR Plaza, 1st floor, North Veli Street, Madurai-625010 • **Mandi:** House No. 99/11, 3rd Floor, Opposite GSS Boy School, School Bazar, Mandi 175001. **Malda:** Ram Krishna Pally; Ground Floor; English Bazar; Malda, Pin: 732101; West Bengal; • **Mangalore:** Mahendra Arcade, Opp. Court Road, Karangal Padi, Mangalore-575 003 **Meerut:** H No 5, Purva Eran, Opp Syndicate Bank, Hapur Road, Meerut, 250001, Uttar Pradesh **Mehsana:** UI-47, Apollo Enclave, Opp. Simandhar Temple, Modhera Cross Road, Mehsana-384 002. **Mathura:** Shop No. 9, Ground Floor, Vihari Lal Plaza, Opposite Brijwasi Centrum, Near New Bus Stand, Mathura 281001. **Mirzapur:** Ground Floor, Triveni Campus, Ratan Ganj, Mirzapur 231001. **Moradabad:** Chadha Complex, G. M. D. Road, Near Tadi Khana, Chowk, in the city of Moradabad – 244 001, Uttar Pradesh. **Moga:** 1st Floor Dutt Road, Mandir Wali Gali, Civil Lines Barat Ghar, Moga 142001. **Morena:** House No. HIG 959, Near Court, Front of Dr. Lal Lab, Old Housing Board Colony, Morena 476001. • **Mumbai:** 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind BSE Bldg., Fort, Mumbai-400 001 • **Mumbai - Borivali:** Gomati Smuti, Ground Floor, Jambli Gully, Near Railway Station, Borivali (West), Mumbai - 400 092 • **Mumbai - Thane:** 101, Yashwant Building, Ram Ganesh, Godkari Path, Ram Maruti Road, Naupada, Thane-400 602 • **Mumbai - Vashi:** C Wing Flat NO. 324 1st Floor, Vashi Plaza, Sector 17 Vashi, Navi Mumbai, Pincode 400 703 • **Mumbai - Vile Parle:** Shop No: 1, Ground Floor, Dipti Jyothi Cooperative Hsg Society, Near MTNL Office, P M Road, Vile Parle East Mumbai 400057. • **Muzaffarpur:** 1st Floor, Saroj Complex, Diwam Road, Near Kalyani Chowk, Muzaffarpur, Bihar, 842001, Bihar • **Mysore:** L-350, Silver Tower, Ashoka Road, Opp. Clock Tower, Mysore-570 001 • **Nadiad:** 104/105, Near Paras Cinema, City Point Nadiad, Nadiad-387 001 • **Nagercoil:** HNO 45, 1st Floor, East Car Street, Nagercoil 629001. **Nanded:** Shop No.4, Santakripa Market, G G Road, Opp. Bank Of India, Nanded 431601. **Nagpur:** Plot No. 2/1, House No 102/1, Mangaldeep Appartment, Mata Mandir Road, Opp. Khandelwal Jewelers, Dharampeth, Nagpur-440 010 • **Nasik:** S-9, Second Floor, Suyojit Sankul, Sharanpur Road, Nashik - 422 002. **Navsari:** 103, 1st Floor, Landmark Mall, Near Sayaji Library, Navsari - 396 445, Gujarat.

• **Nellore:** ,D No:16-5-66 Ramarao Complex, No:2 Shop No:305, 3rd Floor, Nagula Mitta Rodad, Opp. Bank of Baroda, Nellore 524001. **New Delhi:** 305, New Delhi House, 27, Barakhamba Road, New Delhi -110 001 • **Noida:** F - 21, Sector - 18, in the city of Noida, Uttar Pradesh, Noida, 201301. **Palghat:** No: 20 & 21, Metro Complex H.P.O.Road Palakkad, H.P.O.Road, Palakkad 678001. **Pathankot:** 2nd Floor Sahni Arcade Complex, Adj. Indra colony Gate Railway Road, Pathankot 145001. **Pollachi:** 146/4 Ramanathan Building, 1st Floor New Scheme Road, Pollachi 642002. • **Panipat:** 1st Floor, Java Complex, Above Vijaya Bank, G.T. Road, Panipat-132103 • **Patiala:** SCO-27 D, Chotti Baradari, Near Car Bazaar, Patiala-147 001. **Panjim** - H. No. T-9, T-10, Affran Plaza, 3rd Floor, Near Don Bosco High School, Panjim Goa - 403001. **Patialia** - B-17/423 Opp. Modi College, Lower Mall, Patiala - 147001. • **Patna:** 3-A, 3rd Floor, Anand Tower, Exhibition Road, Opp. ICICI Bank, Patna-800 001 • **Pune:** Mosaic building, 3rd Floor, CTS no 1216/1, Fergusson College Road, Shivaji Nagar, Pune, Pincode- 411004 • **Pondicherry:** No 122(10b), Muthumariamman koil street, Pondicherry 605001 . **Ratlam:** 1 Nagpal Bhawan Free Ganj Road, Do Batti, Near Nokia Care, Ratlam 457001. **Raipur:** Office No S-13, Second Floor, Raheja Tower, Fafadih Chowk, Jail Road, Raipur (C.G.) - 492 001 • **Rajahmundry:** D.No.6-1-4, Rangachary Street, T.Nagar, Near Axis Bank Street, Rajahmundry - 533 101. **Rajkot:** 302, Metro Plaza, Near Moti Tanki Chowky, Rajkot, Gujarat - 360 001 • **Ranchi:** Room No. 307, 3rd Floor, Commerce Tower, Beside Mahabir Tower, Ranchi-834001 • **Rourkela:** 2nd floor, main road, udit nagar, rourkela; sundargarh; pin: 769012; Orissa. **Roorkee:** Shree Ashadeep Complex 16, Civil Lines, Near Income Tax Office, Roorkee 247667. **Rohtak:** Shop No 14, Ground Floor, Delhi Road, Rohtak 124001. **Rewa:** Shop No. 2, Shree Sai Anmol Complex, Ground Floor, Opp. Teerth Memorial Hospital, Rewa 486001. **Renukoot:** C/o Mallick Medical Store, Bangali Katra Main Road, Dist. Sonebhadra (U.P.), Renukoot 231217. • **Saharanpur:** 18 Mission Market, Court Road, Saharanpur 247001. **Sagar:** II floor Above Shiva Kanch Mandir, 5 civil lines, Sagar, Sagar 470002. **Satna:** 1st Floor Gopal Complex, Near Bus Stand, Rewa Road, Satna 485001. **Salem:** No. 40, 2nd Floor, Brindavan Road, Fairlands, Near Perumal Koil, Salem-636 016 • **Srikakulam:** D No 4-4-97 First Floor Behind Sri Vijayaganapathi Temple, Pedda relli veezhi, Palakonda Road, Srikakulam 532001 . **Sambalpur:** First Floor; Shop

No. 219, Sahej Plaza, Golebazar; Sambalpur,768001. **Solapur:** Block No 06, Vaman Nagar, Opp. D-Mart, Jule Solapur, Solapur 413004. **Solan:** Disha Complex, 1st Floor, Above Axis Bank, Rajgarh Road, Solan 173212. **Sitapur:** 12/12 Surya Complex, Station Road, Uttar Pradesh, Sitapur 261001. **Sonepat:** 2nd floor, DP Tower, Model Town, Near Subhash Chowk, Sonepat 131001. **Silchar:** N.N. Dutta Road, Chowchakra Complex, Premtala, Silchar 788001. **Shimoga:** Jayarama Nilaya, 2nd Corss, Mission Compound, Shimoga 577201. **Sikar:** First Floor Super Tower, Behind Ram Mandir, Near Taparya Bagichi, Sikar 332001. **Shivpuri:** A. B. Road, In Front of Sawarkar Park, Near Hotel Vanasthali, Shivpuri 473551. **Shillong:** Annex Mani Bhawan, Lower Thana Road, Near R K M Lp School, Shillong-793 001 • **Shimla:** 1st Floor, Hills View Complex, Near Tara Hall, Shimla-171001. • **Siliguri:** 2nd Floor, Nanak Complex, Sevoke Road, Siliguri-734001 • **Surat:** G-5, Empire State Buliding, Near Udhna Darwaja, Ring Road, Surat-395002. **Gandhinaga** 123, First Floor, Megh Malhar Complex, Opp.Vijay Petrol Pump, Sector- 11, Gandhinagar, Gujarat, Pin code – 382011. • **Sultanpur:** 1st Floor, Ramashanker Market, Civil Line, Sultanpur 228001. **Tirupathi:** H.No:10-13-425, 1st Floor, Tilak Road, Opp. Sridevi Complex, Tirupathi - 517 501. **Tirunelveli:** 55/18, Jeney Building, S.N. Road, Near Aravind Eye Hospital, Tirunelveli-627 001 • **Trichur:** 2nd Floor, Brothers Complex, Naikkanal Junction, Shornur Road Near Dhanalakshmi Bank H O, Thrissur-680 001 • **Trichy:** No 23C/1 E V R road, Near Vekkaiammam Kalyana Mandapam, Putthur, Trichy – 6200017, Tamilnadu • **Tirupur:** No 669A, Kamaraj Road, Near old collector office, Tirupur 641604. **Tiruvalla:** 2nd Floor Erinjery Complex, Ramanchira, Opp Axis Bank, Thiruvalla 689107. **Trivandrum:** 2nd Floor, Akshaya Tower, Sasthamangalam, Trivandrum-695 010. **Thanjavur:** No 1, Basement, Nallaiyah Complex, Srinivasam pillai road, Thanjav. **Tuticorin:** 4 - B A34 - A37, Mangalmal Mani Nagar, Opp. Rajaji Park Palayamkottai Road, Tuticorin 628003 • **Udaipur:** 201-202, Madhav Chambers, Opp. GPO, Chetak Circle, Udaipur-313 001 • **Ujjain:** 101 Aashta Tower, 13/1 Dhanwantri Marg, Freeganj, Ujjain 456010. **Vadodara:** 203, Corner point, Jetalpur Road, Vadodara - 390 007 • **Valsad:** 406 Dreamland Arcade, Opp Jade Blue, Tithal Road, Valsad -396001, Gujarat. • **Vapi:** Shop No. 12, Ground Floor, Sheetal Appatment, Near K.P. Tower, Vapi-396 195 • **Varanasi:** D-64/132, 2nd Floor , KA, Mauza, Shivpurwa, Settlement Plot No 478, Pargana : Dehat Amanat, Mohalla Sigr,Varanashi,221010,Uttar Pradesh • **Vellore:** No. 1, M. N. R. Arcade, Officers Line, Krishna Nagar, Vellore-632 001 • **Vijayawada:** 39-10-7, Opp. Municipal Water Tank, Labbipet, Vijayawada-520 010 • **Vijayanagaram:** D No: 20-20-29, 1st Floor, Surya Nagar, Kalavapuvvu Meda, Near Ayodhya Stadium, Dharmapuri Road, Vizianagaram 535002. **Visakhapatnam:** DNO : 48-10-40, Ground Floor, Surya Ratna Arcade, Srinagar, Opp Roadto Lalitha Jeweller Showroom , Beside Taj Hotel Ladge,Visakhapatnam – 530016b • **Warangal:** Shop No22 , Ground Floor Warangal City Center,15-1-237, Mulugu Road Junction, Warangal Pin-506002. **Yamuna Nagar:** B-V, 185/A, 2nd Floor, Jagadri Road, Near DAV Girls College, (UCO Bank Building) Pyara Chowk, Yamuna Nagar 135001.

In addition to above, for all the Schemes, Eligible Brokers/Clearing Members/Depository Participants as defined in the SID will be considered as the Official Point of Acceptance for the transactions preferred through the MFSS.

Points of Service (“POS”) of MF UTILITIES INDIA PRIVATE LIMITED (“MFUI”) as Official Point of Acceptance: The Online Transaction Portal of MF Utility is www.mfuonline.com and the list of POS of MFUI is published on the website of MFUI at www.mfuindia.com as updated from time to time

List of Self Certified Syndicate Banks (SCSBs) under the ASBA process

1. Axis Bank Ltd 2. State Bank of Hyderabad 3. Corporation Bank 4. State Bank of Travencore 5. IDBI Bank Ltd. 6. State Bank of Bikaner and Jaipur 7. YES Bank Ltd. 8. Punjab National Bank 9. Deutsche Bank 10. Union Bank of India 11. HDFC Bank Ltd. 12. Bank of Baroda 13. ICICI Bank Ltd 14. Vijaya Bank 15. Bank of Maharashtra 16. State Bank of India 17. Andhra Bank 18. HSBC Ltd. 19. Kotak Mahindra Bank Ltd. 20. Bank of India 21. CITI Bank 22. IndusInd Bank 23. Allahabad Bank 24. Karur Vysya Bank Ltd. 25. The Federal Bank 26. Indian Bank 27. Central Bank of India 28. Oriental Bank of Commerce 29. Standard Chartered Bank 30. J P Morgan Chase Bank, N.A. 31. Nutan Nagarik Sahakari Bank Ltd. 32. UCO Bank 33. Canara Bank 34. United Bank of India.

Name, Address and Website of Registrar:

KFIn Technologies Private Limited. (Unit: Principal Mutual Fund),

Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal | Hyderabad - 500032.

• Tel.: (040) 2331 2454. • www.karvyfintech.com

