SCHEME INFORMATION DOCUMENT

Principal Asset Allocation Fund of Funds

(**An open-ended Fund of Funds Scheme**)

Offer of Units of s. 10/- each for cash during the New Fund Offer and Continuous offer for Units at NAV based prices

Scheme/Plan(s)	**Product Labeling** **This product is suitable for investors who are seeking*:**
Conservative Plan	• Capital growth over a long term investment horizon • Investment primarily in debt/money market mutual funds with exposure in equity mutual funds • Medium Risk. **(YELLOW)**
Moderately Conservative Plan	• Capital growth over a long term investment horizon • Investment primarily in debt/money market mutual funds with exposure in equity mutual funds • Medium Risk. **(YELLOW)**
Moderate Plan	• Long term Capital growth • Investment primarily in equity mutual funds with exposure in debt/money market mutual funds. • High Risk. **(BROWN)**
Moderately Aggressive Plan	• Long term Capital growth • Investment primarily in equity mutual funds with exposure in debt/money market mutual funds. • High Risk. **(BROWN)**
Aggressive Plan	• Long term Capital growth • Investment primarily in equity mutual funds with exposure in debt/money market mutual funds. • High Risk. **(BROWN)**

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

Note:

	(BLUE) investors understand that their principal will be at low risk		*(YELLOW) investors understand that their principal will be at medium risk*		*(BROWN) investors understand that their principal will be at high risk*

New Fund Offer Opens on: _____, 2014

New Fund Offer Closes on: _____, 2014

Name of Mutual Fund	Principal Mutual Fund
Name of Asset Management Company	Principal Pnb Asset Management Company Private Limited
Name of Trustee Company	Principal Trustee Company Private Limited

Address, Website of the Entities:

Principal Mutual Fund **Principal Pnb Asset Management Company Private Limited** **Principal Trustee Company Private Limited**	**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

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 Pnb Asset Management Company Pvt. Ltd. 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 --------, 2014.

Table of Contents

PARTICULARS	PAGE NO
SECTION I – HIGHLIGHTS/ SUMMARY OF SCHEME	4
SECTION II – INTRODUCTION	
A. RISK FACTORS	7
B. REQUIREMENT OF MINIMUM NUMBER OF INVESTORS IN THE SCHEME	9
C. SPECIAL CONSIDERATIONS	9
D. DEFINITIONS / ABBREVIATIONS	11
E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY	16
SECTION III – INFORMATION ABOUT THE SCHEME	
A. TYPE OF THE SCHEME	17
B. WHAT IS THE INVESTMENT OBJECTIVES OF THE SCHEME?	17
C. WHAT ARE THE INVESTMENT STRATEGIES?	17
D. HOW WILL THE SCHEME/PLAN ALLOCATE ITS ASSETS?	18
E. MONITORING AND REBALANCING	20
F. INVESTMENT PROCESS	41
G.WHERE WILL THE SCHEME INVEST?	42
H. FUNDAMENTAL ATTRIBUTES	43
I. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?	44
J. WHO MANAGES THE SCHEME?	44
K. WHAT ARE THE INVESTMENT RESTRICTIONS?	44
L. HOW HAS THE SCHEME PERFORMED?	45
M. INVESTMENT BY AMC	45
SECTION IV- UNITS AND OFFER	
A. NEW FUND OFFER	46
B. ONGOING OFFER DETAILS	66
C. PERIODIC DISCLOSURES	75
D. COMPUTATION OF NAV	78
A. NEW FUND OFFER (NFO) EXPENSES	79
B. ANNUAL RECURRING EXPENSES	79
C. LOAD STRUCTURE & TRANSACTION CHARGES	80
SECTION VI- RIGHT OF UNITHOLDERS	84
SECTION VII- PENALTIES, PENDING LITIGATION OR PROCEEDINGS	84

SECTION I: HIGHLIGHTS/SUMMARY OF THE SCHEME

<table>
<tr><td>Name of the Scheme</td><td>Principal Asset Allocation Fund of Funds with five separate plans namely; (i) Conservative Plan; (ii) Moderately Conservative Plan; (iii) Moderate Plan; (iv) Moderately Aggressive Plan; (v) Aggressive Plan.</td></tr>
<tr><td>Investment Objective</td><td>At the Principal we believe that, investors should be guided to invest in asset classes which are best suited to their risk profiles. Investor risk profiles will naturally differ from person to person and the goals they are saving for. However, in order to extend this concept to a retail level, we have globally adopted 5 Investor Risk Profiles: (i) Conservative (ii) Moderately Conservative (iii) Moderate (iv) Moderately Aggressive and (v) Aggressive.
At the Principal, we also believe that, asset allocation is at least as, if not more important than stock selection and market timing. This asset allocation should however, be managed both at a strategic and tactical level; based on which the portfolio is rebalanced in a process oriented manner.
This Scheme will accordingly, have one Plan for each of the 5 Investor Risk Profiles mentioned above; operated as a “Fund of Funds” and will invest funds in proportion of the asset allocation relevant to the respective Investor Risk Profile.
The Scheme under its various Plans aims to optimize investment returns for the specified level of risk associated with the above 5 investor risk profiles. However, there can be no assurance that the investment objective of the Scheme/Plan will be realized.</td></tr>
<tr><td>Liquidity</td><td>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).

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% 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.

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.</td></tr>
<tr><td>Benchmark</td><td><table>
<tr><td>Conservative Plan</td><td>Composite Benchmark*

* consisting of 50% CRISIL 91 day T-bill Index and 50% CRISIL MIPEX</td></tr>
<tr><td>Moderately Conservative Plan</td><td>Composite Benchmark*
* consisting of 50% CRISIL MIPEX and 50% CRISIL Gilt Index</td></tr>
<tr><td>Moderate Plan</td><td>Composite Benchmark*
* consisting of 50% CRISIL Gilt Index and 50% CRISIL BalanceEX</td></tr>
</table></td></tr>
</table>

Moderately Aggressive Plan	Composite Benchmark* * consisting of 50% CRISIL Gilt Index and 50% CNX Nifty
Aggressive Plan	Composite Benchmark* * consisting of 50% CRISIL BalanceEX and 50% CNX Nifty

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

Transparency / NAV Disclosure.

St. obs. 17(a)

The NAVs of the Scheme/Plan will be calculated by the AMC for each Business Day and released to the Press, News Agencies and the Association of Mutual Funds of India (AMFI). Since the Scheme/Plan will predominantly invest in units of debt/liquid/ money market mutual fund schemes with an exposure to equity mutual fund schemes, the NAV of the scheme will based on the NAV of such underlying schemes.

As required under the SEBI Regulations, NAVs of Scheme/Plan will normally be declared on the next business day by 10.00 a.m. Accordingly, the NAV of the Scheme/Plan will be released with one day time lag which would be indicated with an asterix (*) in newspapers. Information on the NAV of the Scheme/Plan may be obtained by the Unit Holders, on any day, by calling the office of the AMC or any of the Investor Service Centers at various locations.

In case of any delay, the reasons for such delay would be explained to AMFI in writing.

The Scheme/Plan shall within one month of the close of each half year i.e. 31st March and 30th September, host its unaudited financial results of the Scheme/Plan 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.

The Fund shall on a monthly basis disclose portfolio (along with ISIN) as on the last day of the month for all the schemes of Principal Mutual Fund on its website www.principalindia.com, on or before the tenth day of the succeeding month in a user friendly and downloadable format (preferably in a spread sheet).

Further, the Fund shall within one month of the close of each half year that is 31st March and 30th September publish full portfolio of the Scheme/Plan in the prescribed format 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.

Loads (During NFO as well as ongoing basis) "Entry Load" "Exit Load" or "Redemption Load"

For each of the Plan(s) under the Scheme:

Entry Load: Not Applicable

Exit Load: If redeemed on or before 365 days from the date of allotment – 1%

(Load on Redemption / Switch out of Units)	No exit load will be applicable for switches made between the 5 plans i.e. Conservative Plan, Moderately Conservative Plan, Moderate Plan, Moderately Aggressive Plan and Aggressive Plan of the Scheme.
Minimum Application Amount (New Investor)	Minimum application amount will be Rs.5,000/- and any amount thereafter under each Plan/Sub-Plan. **Systematic Investment Plan:** Minimum Six installments of Rs.2000/- each. **Systematic Transfer Plan:** Minimum Six installments of Rs.1000/- each. **Systematic Withdrawal Plan:** Minimum Six installments of Rs.500/- each
Minimum Application Amount (Existing Investor)	Rs.1000/- and any amount thereafter under each Plan/Sub-Plan.
Minimum Repurchase/Redemption Amount	Rs. 500/- or 50 units
Sub-Plans (s) / Option(s)	The Scheme/Plan will have two Sub-Plans[#] i.e. Regular Plan & Direct Plan with a common portfolio and separate NAVs. Investors should indicate the Sub-Plan for which the subscription is being made by indicating the choice in the application form. Each of the Sub-Plans mentioned above offers Growth Option. # 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. 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.
Fund Manager	Mr. Rajat Jain

SECTION II. INTRODUCTION

A. RISK FACTORS

St. Obs. 2

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 Asset Allocation Fund of Funds 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-settlors are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of R25 lakhs made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme

Scheme Specific Risk Factors:

- The Scheme/Plan will invest in a combination of Equity, Debt/Liquid Mutual Fund schemes and gold based ETFs. Hence, the performance of the Scheme/Plan would depend upon the performance of underlying schemes.
- Investments in the underlying schemes, which also consist of equity funds, will have all the risks associated with investments in equity markets.
- Investments in Debt/Liquid Schemes will have all the risks associated with the debt markets including Interest Rate Risk, Credit Risk, Liquidity Risk and Reinvestment Risk.
- To the extent the underlying Debt/Liquid Schemes/Equity Schemes make investment in overseas financial assets, there may be risk associated with currency movements, restriction on repatriation and transaction procedures in overseas markets.
- To the extent the underlying Debt/Liquid Schemes/Equity Schemes engage in security lending, the Scheme/Plan will be subject to risks related to fluctuations in collateral value/ settlement/liquidity/counter party.
- To the extent the underlying Debt/Liquid Schemes/Equity Schemes are permitted to invest in derivative instruments the Scheme/Plan is exposed to the high risk, high return derivative instruments.
- If underlying scheme declares any day as a non-business day, AMC may also declare that day as a non-business day for this Scheme. However, if this information is received by the AMC from underlying scheme later in the day and the Scheme/Plan has already accepted transactions, such transactions will be processed on the next business day.
- While it would be the endeavour of the Fund Manager of the Scheme/Plan to invest in the target schemes in a manner, which will seek to maximize returns, the performance of the underlying funds may vary which may lead to the returns of the Scheme/Plan being adversely impacted.
- The performance of the Scheme/Plan may be affected by changes in Government policies, general levels of interest rates and risk associated with trading volumes, liquidity and settlement systems in equity and debt markets.
- This being a Fund of Funds Scheme, the investors are bearing the recurring expenses of the Scheme/Plan in addition to the expenses of the other underlying schemes in which the Scheme/Plan makes investments.
- The scheme specific risk factors of each of the underlying schemes become applicable since the Scheme/Plan invests in the underlying scheme. Investors who intend to invest in the Scheme/Plan are required to / and are deemed to have read and understood the risk factors of the underlying schemes relevant to the Scheme/Plan that they invest in.

Risk Associated with Investing in Equities & Units of Equity Mutual Fund Schemes (applicable where the asset allocation pattern of the Scheme provides such investment)

- The value of Scheme's / Plan'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 if 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/Plan 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/Plan may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme/Plan to make intended securities purchases due to settlement problems could cause the Scheme/Plan to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme's/Plan's portfolio may result, at times, in potential losses to the Scheme/Plan, should there be a subsequent decline in the value of securities held in the Scheme's / Plan's portfolio.

- The liquidity and valuation of the Scheme's / Plan'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/Plan is inherently restricted by trading volumes in securities in which it invests.

- Investment decisions made by the Investment Manager may not always be profitable.

To the extent the underlying mutual fund scheme(s) invest in Equity and Equity related Instruments, the Scheme/Plan which invest in Equity Mutual Fund Schemes (where the asset allocation pattern of the Scheme/Plan provides such investment) shall be affected by the afore mentioned risk factors. The Net Asset Value (NAV) of the units of the Scheme/Plan 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/Plan. Further, the liquidity of the Scheme's / Plan's investments may be inherently restricted by the liquidity of the underlying schemes in which it has invested.

Risk Associated with Investing in Money Market Instruments and/or units of Liquid/ Debt Mutual Fund Scheme(s)-

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. The fund could be exposed to the interest rate risk (i) to the extent of time gap in resetting of the benchmark rates, and (ii) to the extent the benchmark index fails to capture the interest rate movement.

Prepayments Risk In the event of prepayments, investors may be exposed to changes in tenor and yield.
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 Scheme/Plan shall be affected by the afore mentioned risk factors viz. Price Risk, Interest Rate Risk, Credit Risk, Reinvestment Risk, Interest Rate Movement Risk, Prepayment Risk, Spread Risk etc. The Net Asset Value (NAV) of the units of the Scheme/Plan 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/Plan. Further, the liquidity of the Scheme's/Plan's investments may be inherently restricted by the liquidity of the underlying schemes in which it has invested.

B. REQUIRMENT OF MINIMUM NUMBER OF INVESTORS

The Scheme/Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan. However, if such limit is breached during the NFO of the Scheme/Plan, 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/Plan, whichever is earlier, the Scheme/Plan complies with these two conditions. In case the Scheme/Plan 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/Plan 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

Investment in the Scheme/Plan should be viewed by an investor/unitholder as a long term investment as mutual funds carry normal market risks and there can be no assurance and no guarantee that the Scheme/Plan will achieve its objective. It is recommended that an investment in the Scheme/Plan 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/Plan 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/Plan. The name of the Scheme/Plan does not in any manner indicate the quality of the Scheme/Plan, its future prospects or the returns. Units may trade at a premium/discount to the Scheme's / Plan's NAV. The Scheme/Plan 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/Plan. 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/Plan can decrease as well as increase, depending on a variety of factors, which may affect the values and income generated by a Scheme's/Plan's portfolio of securities. The returns of a Scheme's/Plan'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/Plan, 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/Plan'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.

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.

D. DEFINITIONS/ABBREVIATIONS

AMC/Asset Management Company/Investment Manager/Principal: 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.
(vii) a day on which it is a non-business day for the underlying mutual fund(s).

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.

CBLO: Collateralized Borrowing and Lending Obligations is a Money Market Instruments approved by RBI, (developed by Clearing Corporation of India Limited). CBLO is a discounted instrument issued in an electronic book entry form for maturity ranging from one day to one year.

Co-Settlors:. Punjab National Bank is a co-settlor to the Principal Mutual Fund (Principal Financial Services Inc. through its wholly owned subsidiary 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 Citi Bank NA) 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.

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.

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.

FII(s) : Foreign Institutional Investor(s), registered with SEBI under Securities and Exchange Board of India (Foreign Institutional 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.

Fixed Income Securities/Fixed Rate Debt Instruments: Debt Securities created and issued by, inter alia, Central Government, State Government, Local Authorities, Municipal Corporations, PSUs, Public Companies, Private Companies, Bodies Corporate, Unincorporated Special Purpose Vehicles (SPVs) and any other entities which may be recognised/permitted which yield at fixed or variable rate by way of interest, premium, discount or a combination of any of them.

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.

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, Usance Bill 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 / Sub-Plans 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 four 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 or Sri Lanka) 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 or Sri Lanka).

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.

Plan: Plan(s) (each with separate Portfolio) launched under the Scheme namely (i) Conservative Plan; (ii) Moderately Conservative Plan; (iii) Moderate Plan; (iv) Moderately Aggressive Plan; (v) Aggressive Plan.

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

Principal: 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.

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 Karvy Computershare 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 Asset Allocation Fund of Funds and Plan/Sub-Plansthereunder offered by the Scheme.

Scheme Information Document/SID: This document issued by Principal Mutual Fund, inviting to subscribe to the units of Principal Asset Allocation Fund of Funds.

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.

Sponsor: Principal Financial Services Inc., USA acting through its wholly owned subsidiary Principal Financial Group (Mauritius) Limited.

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.

Systematic 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 of Funds/Units of Mutual Fund Scheme(s): Units of Mutual Fund Schemes offered by Principal Mutual Fund and/or other Mutual Fund(s) registered in India.

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:

St. obs. 24

a. The Scheme Information Document for Principal Asset Allocation Fund of Funds 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 Pnb Asset Management Company Private Limited

Sd/-

Sudhin Padhye
Head- Operations Control, Risk & Compliance

Date: December 22, 2014

Note: The Due Diligence Certificate as stated above was submitted to Securities and Exchange Board of India.

SECTION III. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An open-ended Fund of Funds Scheme.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

At the Principal we believe that, investors should be guided to invest in asset classes which are best suited to their risk profiles. Investor risk profiles will naturally differ from person to person and the goals they are saving for. However, in order to extend this concept to a retail level, we have globally adopted 5 Investor Risk Profiles: (i) Conservative (ii) Moderately Conservative (iii) Moderate (iv) Moderately Aggressive and (v) Aggressive.

At the Principal, we also believe that, asset allocation is at least as, if not more important than stock selection and market timing. This asset allocation should however, be managed both at a strategic and tactical level; based on which the portfolio is rebalanced in a process oriented manner.

This Scheme will accordingly, have one Plan for each of the 5 Investor Risk Profiles mentioned above; operated as a "Fund of Funds" and will invest funds in proportion of the asset allocation relevant to the respective Investor Risk Profile.

The Scheme under its various Plans aims to optimize investment returns for the specified level of risk associated with the above 5 investor risk profiles. However, there can be no assurance that the investment objective of the Scheme/Plan will be realized.

C. WHAT IS THE INVESTMENT STRATEGY

St. obs. 7

Market movements; particularly in the equity and fixed income markets can be unpredictable and the resultant volatility can be intimidating for most retail investors seeking to invest in the long-term to meet their pre-identified goals.

Even experienced investment professionals are often unable to foresee exactly where the markets will be headed especially in the longer term. Therefore, spreading investments among several asset categories with different characteristics allows for more consistent performance under a variety of economic backdrops. Over time, a well-diversified portfolio of investments allows investors to take advantage of gains in performing asset classes in different market conditions and economic cycles; thereby reducing the impact of underperforming asset classes, moderating the portfolio's overall risk exposure and smoothing returns.

The asset allocation as described above is a thoughtful and scientific process that should be distinguished from the related concept of diversification, which simply means to distribute a portfolio's investment among a variety of asset classes.

This Scheme will use Mean Variance Optimization model to determine the most suitable asset allocation under each of its Plans. Mean Variance Optimization is a mathematical formulation of the concept of diversification in investing for collating asset classes in a portfolio with collectively lower risk than any individual asset.

Importantly, this Scheme is meant to empower individual retail savers to invest in a goal oriented manner into asset classes best suited for their investment risk profile. It is meant to provide them a platform to invest in mutual funds in the right manner after they have gone through the discipline of identifying their goals, considering the time horizon associated with the respective goals and after having undergone a profiling of their investment risk appetite.

This scheme is therefore, distinct from the normal hybrid funds because it aims to offer these investors access to (i) the right asset classes for their investor risk appetite (ii) diversified through a scientific strategic asset allocation process which optimizes risk and reward (iii) periodic rebalancing of the portfolio of each Plan by adjusting the asset allocation every quarter, thereby automatically forcing this valuable discipline on the investors and; (iv) tactical asset allocation to ensure that, the portfolios are responsive to market and economic conditions.

The Scheme will operate as a Fund of Funds to allow rebalancing between asset classes without investors being impacted by tax considerations.

The Investment strategy has been articulated below in the sections (D) How will the scheme allocate its assets and (E) Monitoring and rebalancing.

St. obs. 14

D. HOW WILL THE SCHEME/PLAN ALLOCATE ITS ASSETS

The Scheme will have 5 different Plans viz. Conservative Plan, Moderately Conservative Plan, Moderate Plan, Moderately Aggressive Plan and Aggressive Plan corresponding to five Investor Risk Profiles viz. Conservative, Moderately Conservative, Moderate, Moderately Aggressive and Aggressive. Each Plan will maintain a separate portfolio to provide the investors an opportunity to choose a suitable plan.

The Table 1 below displays the CRISIL benchmarks used to estimate the target risk associated with each profile by computing the Average Standard Deviation for the respective benchmark's entire history.

Table 1

Investment Risk Profiles	Definitions*
Conservative	**Average of Standard Deviation** of CRISIL 91 day T-bill Index and CRISIL MIPEX
Moderately Conservative	**Average of Standard Deviation** of CRISIL MIPEX and CRISIL Gilt Index
Moderate	**Average of Standard Deviation** of CRISIL Gilt Index and CRISIL BalanceEX
Moderately Aggressive	**Average of Standard Deviation** of CRISIL Gilt Index and CNX Nifty
Aggressive	**Average of Standard Deviation** of CRISIL BalanceEX and CNX Nifty

* Each Index is given 50% weightage

For each of the levels of target risks worked out above, we will work out optimum portfolios using the Mean Variance Optimisation model.

The Mean-Variance Optimization (MVO) technique:

The asset allocation will be derived using the Mean-Variance Optimization (MVO) technique. The Mean Variance Optimisation technique attempts to maximize a portfolio's expected return for a given level of expected risk, for the selected asset classes viz. equity mutual funds, debt and liquid funds and gold based mutual funds.

Considering that we have 5 investor risk profiles (as defined above) and an investment plan is required to cater to each one of these profiles; we have divided the spectrum into 5 asset allocations, which can be done by introducing **"constraints"** to define the borders for each investor risk profile. These constraints have to be placed in ranges to define the space for every asset allocation so that results can be derived in 5 levels through the Mean Variance Optimisation process.

The constraints applied to define each of the 5 investor risk profile are given below:

Asset class / instrument	Range of Constraints for Asset Allocation in 'Conservative' Plan		Risk associated to asset class
	Floor	Ceiling	
Units of Equity Mutual Fund	0	25	High
Units of Debt / Liquid Mutual Funds	75	100	Low to Medium

Units of Gold Mutual Funds /ETFs	0	0	High
Asset class / instrument	**Range of Constraints for Asset Allocation in 'Moderately Conservative' Plan**		**Risk associated to asset class**
	Floor	**Ceiling**	
Units of Equity Mutual Fund	15	40	High
Units of Debt / Liquid Mutual Funds	60	85	Low to Medium
Units of Gold Mutual Funds /ETFs	0	0	High
Asset class / instrument	**Range of Constraints for Asset Allocation in 'Moderate' Plan**		**Risk associated to asset class**
	Floor	**Ceiling**	
Units of Equity Mutual Fund	35	60	High
Units of Debt / Liquid Mutual Funds	30	65	Low to Medium
Units of Gold Mutual Funds /ETFs	0	10	High
Asset class / instrument	**Range of Constraints for Asset Allocation in 'Moderately Aggressive' Plan**		**Risk associated to asset class**
	Floor	**Ceiling**	
Units of Equity Mutual Fund	55	80	High
Units of Debt / Liquid Mutual Funds	20	45	Low to Medium
Units of Gold Mutual Funds /ETFs	0	10	High
Asset class / instrument	**Range of Constraints for Asset Allocation in 'Aggressive' Plan**		**Risk associated to asset class**
	Floor	**Ceiling**	
Units of Equity Mutual Fund	75	100	High
Units of Debt / Liquid Mutual Funds	5	25	Low to Medium
Units of Gold Mutual Funds /ETFs	0	10	High

Strategic Asset Allocation:
The output from the Mean Variance Optimisation analysis; using the above constraints (i.e. proportions of specified asset classes applicable to each investor risk profile) is called ***Strategic Asset Allocation*** and provides us maximum "expected" returns (as they have been assumed on historical returns) for the associated risk.

The Strategic Asset Allocation derived as at end December 2013 is given below as an illustration.

Asset Classes	**Plans**				
	Conservative	**Moderately Conservative**	**Moderate**	**Moderately Aggressive**	**Aggressive**
Units of Gold based Funds	**NA**	**NA**	10.00%	10.00%	**-0.00%**
Units of Equity Mutual Funds	9.14%	20.19%	40.48%	60.23%	81.58%
Units of Debt / Liquid Mutual Funds	90.86%	79.82%	49.52%	29.77%	18.42%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Tactical Asset Allocation:
The above Strategic Asset Allocation may, if required, thereafter be adjusted by the Fund Manager to reflect his view of the financial markets and macro economy. Such view may also be backed by independent research from a reputed agency. The resulting asset allocation, generated for each investor risk profile/plan is called ***Tactical Asset Allocation***

and is actually applied when deciding the proportion in which respective asset classes will be held in each of the investor risk profile/plan portfolio.

This process is intended to ensure that, the respective Plan portfolios stay adequately responsive to current market conditions and thereby try to maximize the opportunity to gain superior returns within their respective risk profiles.

The Tactical Asset Allocation will be computed at least quarterly (including as at the last working day of every calendar quarter and applied at the beginning of the following quarter).

In this case, the "Tactical Asset Allocation" i.e. the actual asset allocation for each Plan which reflects our view as at end December 2013 is:

Asset Classes	Plans				
	Conservative	Moderately Conservative	Moderate	Moderately Aggressive	Aggressive
Units of Gold based funds	**NA**	**NA**	10.00%	10.00%	**0.00%**
Units of Equity Mutual Funds	9.14%	20.19%	40.48%	60.23%	81.58%
Units of Debt / Liquid Mutual Funds	90.86%	79.82%	49.52%	29.77%	18.42%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

E. MONITORING AND REBALANCING

Research has long established that unless investors are disciplined enough to stick with the asset allocation relevant to their investment risk profile, by rebalancing their funds portfolio, the benefits of asset allocation, however scientifically done, will not be retained.

The Scheme's Fund Manager shall remain vigilant to developments in the financial markets and macro- economy. In this he may usually be backed by independent research from a reputed research agency.

The Tactical Asset Allocation will be computed at least quarterly (including as at the last working day of every calendar quarter and applied at the beginning of the following quarter.)

In the event the marked to market values of the asset classes in each Plan are in variance beyond a tolerance range of +/- 1% of the Tactical Asset Allocation of the asset class; they will be rebalanced to revert their marked to market values back to this Tactical Asset Allocation.

It is important to note that, the rebalancing has been set at quarterly intervals to ensure that, the portfolios are not subjected to changes which may prove to be reactive to short term changes in the markets. At the same time it will reduce the possibility of investors missing out on an opportunity to benefit from material changes in market conditions/trends because they were not adequately responsive as the gap between rebalancing dates is too long.

Indicative List of Underlying Schemes

An indicative list of underlying schemes is provided below. The Scheme/Plan may invest in other domestic mutual funds schemes in line with the investment objective, investment strategy and risk profile(s) of the respective Scheme/Plan.

Principal Cash Management Fund
Principal Income Fund – Short Term Plan
Principal Growth Fund
Principal Index Fund - Nifty
Principal Large Cap Fund
Principal Emerging Bluechip Fund
Principal Income Fund – Long Term Plan
Principal Government Securities Fund
Goldman Sachs Gold Exchange Traded Scheme

<table>
<tr><td>Scheme Name</td><td colspan="3">Principal Cash Management Fund</td><td colspan="3">Principal Income Fund – Short Term Plan</td></tr>
<tr><td>Basis/ Reasons for selecting the underlying scheme</td><td colspan="3">To meet the Investment Objective, risk profile and asset allocation pattern of the Plan</td><td colspan="3">To meet the Investment Objective, risk profile and asset allocation pattern of the Plan</td></tr>
<tr><td>Investment objective</td><td colspan="3">To provide investors with as high a level of income available from short-term investments as is considered consistent with preservation of capital and maintenance of liquidity, by investing in a portfolio of money market and investment grade debt instruments</td><td colspan="3">To generate regular income and capital appreciation/ accretion through investment in debt instruments and related securities besides preservation of capital and has been designed to achieve stable returns over shorter-term investment horizons.</td></tr>
<tr><td rowspan="6">Asset allocation (including maximum exposure that the scheme can take to derivatives and unrated securities)</td><td>Type of Instrument</td><td>Normal Allocation (% of Net Assets)</td><td>Risk Profile</td><td>Type of Instrument</td><td>Normal Allocation (% of Net Assets)</td><td>Risk Profile</td></tr>
<tr><td>Call / Term Money / Repos / Reverse Repos / Deposits with Banks</td><td>Upto 100%</td><td>Low to Medium</td><td>Debt Securities (including securitised debt upto 50%)</td><td>Upto 100%</td><td>Low to Medium</td></tr>
<tr><td>Bill Re-discounting</td><td>Upto 50%</td><td>Low</td><td>Money Market Instruments</td><td>Upto 100%</td><td>Low</td></tr>
<tr><td>Other equivalent Money Market Instruments</td><td>Upto 100%</td><td>Very Low</td><td colspan="3" rowspan="2">Investment in derivatives shall be upto 35% of the net assets of the Scheme.

Subject to the SEBI Regulations, the Mutual Fund may deploy upto 50% of its total net assets of the Scheme in Stock Lending.</td></tr>
<tr><td>Debt (including Securitised Debt) instruments other than those above</td><td>Upto 50%</td><td>Low to Medium</td></tr>
<tr><td colspan="3">The Scheme may upto 35% of the net assets of the Scheme invest in Derivatives. The Scheme may also invest in Overseas financial debt instruments including units of overseas mutual funds not exceeding than 25% of the net assets of the Scheme.

Subject to the SEBI Regulations, the Mutual Fund may deploy upto 50% of its total net assets of the Scheme in Stock Lending. Pursuant to the SEBI circular dated January 19, 2009 the Scheme can make investment in / purchase Debt and Money Market Instruments with the maturity of up to 91 days only.</td><td colspan="3"></td></tr>
</table>

Country/ region wise exposure	India	India
Exposure to unrated securities/ derivatives (exposure as on the latest date)	None	None
Risk profile/ control	Income over a short term investment horizon Investment in Debt & Money Market Instruments, with maturity not exceeding 91 days Low Risk. (BLUE)	Income over a medium term investment horizon Investment in Debt & Money Market Instruments Low Risk. (BLUE)
Category of eligible investors	Please refer note 1 below	
Performance (1, 3, 5 yrs since inception)	Please refer note 2 below	
Expense Ratio (as on Nov 30, 2014)	Regular Plan - 0.17 Direct Plan – 0.10	Regular Plan - 1.25 Direct Plan – 0.50
Top 10 Holdings	Please refer note 3 below	
Where will the scheme invest	Please refer note 4 below	

* Service Tax on Management Fees is charged in addition to the above stated Expense Ratios

Scheme Name	Principal Growth Fund				Principal Index Fund - Nifty			
Basis/ Reasons for selecting the underlying scheme	To meet the Investment Objective, risk profile and asset allocation pattern of the Plan				To meet the Investment Objective, risk profile and asset allocation pattern of the Plan			
Investment objective	To achieve long – term capital appreciation.				To invest principally in securities that comprise CNX Nifty (NSE) and subject to tracking errors endeavour to attain results commensurate with the Nifty.			
Asset allocation (including maximum exposure that the scheme can take to derivatives and unrated securities)	Type of Instrument	Normal Allocation (% of Net Assets)		Risk Profile	Type of Instrument	Normal Allocation (% of Net Assets)		Risk Profile
		Minimum	Maximum			Minimum	Maximum	
	Equity and Equity Related Instruments	65	100	High	Nifty Stocks	0	100	Medium to High

	Debt (including securitised debt*) and Money market instruments	0	35	Low to Medium	Money Market Instruments	0	10	Low
	Investment in Securitized Debt may be up to 35% of the net assets of the Scheme. The Asset Management Company (AMC) reserves the right to invest in Derivatives upto 50% of the net assets of the Scheme. The AMC further reserves the right to invest in ADRs / GDRs and / or Overseas Financial debt instruments including units of Overseas Mutual Funds not exceeding 15% of the net assets of the Scheme.				The Asset Management Company reserves the right to invest in derivatives up to 50% of the net assets of the Scheme. Subject to the SEBI Regulations, the Mutual Fund may deploy upto 50% of its total net assets of the Scheme in Stock Lending.			
	Subject to the SEBI Regulations, the Mutual Fund may deploy upto 50% of its total net assets of the Scheme in Stock Lending.							
Country/ region wise exposure	India				India			
Exposure to unrated securities/ derivatives (exposure as on the latest date)	None				None			
Risk profile/ control	Long term Capital Growth Investment in equity & equity related securities including equity derivatives of companies across market capitalization. High Risk. (BROWN)				Long term Capital Growth Investment in equity & equity related securities including equity derivatives of companies across market capitalization. High Risk. (BROWN)			
Category of eligible investors	Please refer note 1 below							
Performance (1, 3, 5 yrs since inception)	Please refer note 2 below							
Expense Ratio (as on Nov 30, 2014)	Regular Plan - 2.51* Direct Plan - 1.86*				Regular Plan – 1.00 Direct Plan – 0.50			
Top 10 Holdings	Please refer note 3 below							
Where will the scheme invest	Please refer note 4 below							

* Service Tax on Management Fees is charged in addition to the above stated Expense Ratios

Scheme Name	Principal Large Cap Fund	Principal Emerging Bluechip Fund
Basis/ Reasons for selecting the underlying scheme	To meet the Investment Objective, risk profile and asset allocation pattern of the Plan	To meet the Investment Objective, risk profile and asset allocation pattern of the Plan

<table>
<tr><td>Investment objective</td><td colspan="4">The Investment Objective of the scheme would be to provide capital appreciation and /or dividend distribution by predominantly investing in companies having a large market capitalization</td><td colspan="4">The primary objective of the Scheme is to achieve long-term capital appreciation by investing in equity & equity related instruments of mid cap & small cap companies</td></tr>
<tr><td rowspan="8">Asset allocation (including maximum exposure that the scheme can take to derivatives and unrated securities)</td><td>Type of Instrument</td><td colspan="2">Normal Allocation (% of Net Assets)</td><td>Risk Profile</td><td>Type of Instrument</td><td colspan="2">Normal Allocation (% of Net Assets)</td><td>Risk Profile</td></tr>
<tr><td></td><td>Mimimum</td><td>Maximum</td><td></td><td></td><td>Mimimum</td><td>Maximum</td><td></td></tr>
<tr><td>Large Cap Equity and Equity related instruments **</td><td>65</td><td>100</td><td>High</td><td>Equity & equity related instruments of Mid Cap companies</td><td>65</td><td>95</td><td>High</td></tr>
<tr><td>Equity & Equity related instruments (other than in (1) above)</td><td>0</td><td>35</td><td>High</td><td>Equity & equity related instruments of Small Cap companies</td><td>5</td><td>15</td><td>High</td></tr>
<tr><td>Money Market Instruments</td><td>0</td><td>30</td><td>Low to Medium</td><td>Equity & equity related instruments of Companies other than Mid & Small Cap companies</td><td>0</td><td>30</td><td>High</td></tr>
<tr><td colspan="4" rowspan="4">For the purpose of this Fund, Large Cap Companies are defined as those having market capitalization greater than R 750 crore as on the date of investment (or any such amount as may be specified by India Index Services and Products Limited (IISL) from time to time) being the upper limit of market capitalization as a criteria for inclusion of a company in CNX Midcap 200 Index. However, should IISL come out with a definition of „Large Cap companies", the same will be utilized</td><td>Cash & Money Market / Fixed Income Securities (including MIBOR Linked Short Term Papers & Securitised Debt*)</td><td>0</td><td>30</td><td>Low to Medium</td></tr>
<tr><td colspan="3">*Investment in Securitised Debt may be up to 30% of the net assets of the Scheme.

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

Subject to the SEBI Regulations, the Mutual Fund may deploy upto 50% of its total net assets of the Scheme in Stock Lending</td></tr>
<tr><td colspan="4"></td><td colspan="4"></td></tr>
<tr><td colspan="4"></td><td colspan="4"></td></tr>
<tr><td>Country/ region wise exposure</td><td colspan="4">None</td><td colspan="4">None</td></tr>
</table>

Exposure to unrated securities/ derivatives (exposure as on the latest date)	None	Stock Futures – 0.57%
Risk profile/ control	Long term Capital Growth Investment in equity & equity related securities including equity derivatives of large capitalization Companies . High Risk. (BROWN)	Long term Capital Growth Investment in equity & equity related securities including equity derivatives of mid & small capitalization Companies . High Risk. (BROWN)
Category of eligible investors	Please refer note 1 below	
Performance (1, 3, 5 yrs since inception)	Please refer note 2 below	
Expense Ratio (as on Nov 30, 2014)*	Regular Plan – 2.53 Direct Plan – 1.88	Regular Plan – 2.49 Direct Plan – 1.64
Top 10 holdings	Please refer note 3 below.	
Where will the scheme invest	Please refer note 4 below.	

* Service Tax on Management Fees is charged in addition to the above stated Expense Ratios

Scheme Name	Principal Income Fund – Long Term Plan			Principal Government Securities Fund		
Basis/ Reasons for selecting the underlying scheme	To meet the Investment Objective, risk profile and asset allocation pattern of the Plan			To meet the Investment Objective, risk profile and asset allocation pattern of the Plan		
Investment objective	To generate regular income and capital appreciation/ accretion through investment in debt instruments and related securities besides preservation of capital			To generate returns through investment in sovereign securities and thus provide capital gains and income distribution to its Unit holders.		
Asset allocation (including maximum exposure that the scheme can take to derivatives and unrated securities)	Type of Instrument	Normal Allocation (% of Net Assets)	Risk Profile	Type of Instrument	Normal Allocation (% of Net Assets)	Risk Profile
	Debt Securities	Upto 100%	Low to Medium	Government Securities	Upto 100%	Low to Medium
	Money Market Instruments	Upto 100%	Low	Investment in derivatives shall be upto 35% of the net assets of the Scheme. Investment in Overseas Financial Debt Instruments including units of Overseas Mutual Funds shall not be exceeding 25% of the Scheme's assets. Subject to the SEBI Regulations, the Mutual Fund may deploy upto 50% of its total net assets of the Scheme in Stock Lending.		
	Securitised Debt	Upto 50%	Low to Medium			

	Investment in derivatives shall be upto 35% of the net assets of the Scheme. Investment in Overseas Financial Debt Instruments including units of Overseas Mutual Funds shall not be exceeding 25% of the Scheme's assets. Subject to the SEBI Regulations, the Mutual Fund may deploy upto 50% of its total net assets of the Scheme in Stock Lending.	
Country/ region wise exposure	India	India
Exposure to unrated securities/ derivatives (exposure as on the latest date)	None	None
Risk profile/ control	Income over a long term investment horizon Investment in Debt & Money Market Instruments Low Risk. (BLUE)	Income over a long term investment horizon Investment in Debt & Money Market Instruments Low Risk. (BLUE)
Category of eligible investors	Please refer note 1 below	
Performance (1, 3, 5 yrs since inception)	Please refer note 2 below	
Expense Ratio (as on Nov 30, 2014)	Regular Plan – 1.74 Direct Plan - 1.11	Regular Plan – 1.50 Direct Plan – 1.00
Top 10 holdings	Please refer note 3 below	
Where will the scheme invest	Please refer note 4 below	

* Service Tax on Management Fees is charged in addition to the above stated Expense Ratios

Scheme Name	**Goldman Sachs Gold Exchange Traded Scheme**
Basis/ Reasons for selecting the underlying scheme	To meet the Investment Objective, risk profile and asset allocation pattern of the Plan
Investment objective	The investment objective of the Scheme is to provide returns that, before expenses, closely correspond to the returns provided by the domestic price of gold through physical gold

Asset allocation (including maximum exposure that the scheme can take to derivatives and unrated securities)	Type of Instrument	Normal Allocation (% of Net Assets)	Risk Profile
	Physical Gold and Gold Related Instruments #	90-100%	Medium
	Money Market Instruments, securitised debts*, bonds, including cash at call	0-10%	Low to Medium
	# Gold related instruments that may be permitted by SEBI from time to time. * Investments in securitised debts can be made by the Schemes upto 5% of the net assets.		
Country/ region wise exposure	Not Applicable		
Exposure to unrated securities/ derivatives (exposure as on the latest date)	None		
Risk profile/ control	Portfolio diversification through asset allocation investment in Physical Gold. High Risk (BROWN)		
Category of eligible investors	Please refer note 1 below		
Performance (1, 3, 5 yrs since inception)	Please refer note 2 below		
Expense Ratio (as on October 31, 2014)*	Growth Option- 0.92		
Top 10 Holdings	Not Applicable		
Where will the scheme invest	Please refer note 4 below		

***Financial Year to date expense ratio to average AUM. As permitted under SEBI Regulation, service tax on investment & advisory fees will be charged at the applicable rate in addition to the expense ratio mentioned above.**

Notes to the above table on indicative list of underlying schemes:

1. Categories of Eligible Investors (in the underlying schemes):

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:

a. Applicable to all underlying schemes except **Goldman Sachs Gold Exchange Traded Scheme**

(i) Resident Indian Nationals who are:

- 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
- Banks (including Co-operative Banks and Regional Rural Banks), Funds, Financial and Investment Institutions and 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
- 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 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); 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) 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.

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

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

(viii) 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(s).

The Scheme(s) has not been and will not be registered in any country outside India. To ensure compliance with any 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 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 in breach of the law or requirements of any governmental, statutory authority including, without limitation, exchange control regulations. The Trustees may compulsorily redeem any Units held directly or beneficially in contravention of these 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.

b. Applicable to Goldman Sachs Gold Exchange Traded Scheme

(i) Resident adult individuals, either singly or jointly (not exceeding three) or on anyone or survivor basis.
(ii) Minors through parents/lawful guardian.
(iii) Hindu Undivided Family ("HUF") through its karta.
(iv) Partnership firms.
(v) Companies, body corporates, societies, association of persons, body of individuals, clubs and public sector undertakings registered in India if authorized and permitted to invest under applicable Laws and regulations.
(vi) Banks (including co-operative banks and regional rural banks), financial institutions and investment institutions incorporated in India or the Indian branches of banks incorporated outside India
(vii) Mutual Funds registered with SEBI.
(viii) Non-Resident Indians (NRIs) / Persons of Indian Origin (PIOs) residing abroad on repatriation basis and on non-repatriation basis.
(ix) Foreign Institutional Investors (FII) registered with SEBI on repatriation basis (subject to RBI approval).
(x) Charitable or religious trusts, wakf boards or endowments and registered societies (including registered co-operative societies) and private trusts authorized to invest in Units of mutual fund schemes under their trust deeds.
(xi) Army, air force, navy, para-military funds and other eligible institutions.
(xii) Scientific and industrial research organizations.
(xiii) Multilateral funding agencies or bodies corporate incorporated outside India with the permission of GOI/RBI.

(xiv) 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 GOI.

(xv) Provident / pension / gratuity / superannuation and such other retirement and employee benefit and other similar funds as and when permitted to invest.

(xvi) Other associations, institutions, bodies etc. authorized to invest in the Units.

(xvii) Apart from the above, all other categories of Investors permitted at present and in future are eligible to invest in the Scheme.

2. <u>Performance of underlying schemes</u>

i. Principal Cash Management Fund – Regular Plan – Growth Option

As on 30/11/2014	**From**	**To**	**PRINCIPAL Cash Management Fund - Growth**
1 Year	29/11/2013	30/11/2014	9.11
3 Year	30/11/2011	30/11/2014	9.32
5 Year	30/11/2009	30/11/2014	8.35
Since Inception	30/08/2004	30/11/2014	7.56

* Regular Plan - August 30, 2004

Note: Returns more than 1 year are calculated on compounded annualized basis.

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

ii. Principal Income Fund – Short Term Plan - Regular Plan – Growth Option

As on 28/11/2014	From	To	PRINCIPAL Income Fund – Short Term Plan- Growth
1 Year	29/11/2013	28/11/2014	9.79
3 Year	30/11/2011	28/11/2014	9.32
5 Year	30/11/2009	28/11/2014	8.37
Since Inception	09/05/2003	28/11/2014	7.77

* Regular Plan - May 9, 2003

Note: Returns more than 1 year are calculated on compounded annualized basis.

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

iii. Principal Growth Fund – Regular Plan – Growth Option

As on 28/11/2014	From	To	PRINCIPAL Growth Fund - Growth
1 Year	29/11/2013	28/11/2014	60.25
3 Year	30/11/2011	28/11/2014	30.73
5 Year	30/11/2009	28/11/2014	14.31
Since Inception	25/10/2000	28/11/2014	17.30

* Regular Plan – October 25, 2000

Note: Returns more than 1 year are calculated on compounded annualized basis.

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

iv. Principal Index Fund - Nifty– Regular Plan – Growth Option

As on 28/11/2014	From	To	Principal Index Fund - Nifty - Growth
1 Year	29/11/2013	28/11/2014	38.87
3 Year	30/11/2011	28/11/2014	21.29
5 Year	30/11/2009	28/11/2014	11.38
Since Inception	27/07/1999	28/11/2014	12.26

* Regular Plan – July 27, 1999
Note: Returns more than 1 year are calculated on compounded annualized basis.
Past performance may or may not be sustained in the future

v. Principal Large Cap Fund - Regular Plan – Growth Option

As on 28/11/2014	From	To	Principal Large Cap Fund - Growth
1 Year	29/11/2013	28/11/2014	51.44
3 Year	30/11/2011	28/11/2014	24.33
5 Year	30/11/2009	28/11/2014	13.59
Since Inception*	11/11/2005	28/11/2014	18.48

* Regular Plan – November 11, 2005
Note: Returns more than 1 year are calculated on compounded annualized basis.
Past performance may or may not be sustained in the future

vi. Principal Emerging Bluechip Fund -Regular Plan – Growth Option

As on 28/11/2014	From	To	Principal Emerging Bluechip Fund - Growth
1 Year	29/11/2013	28/11/2014	87.66
3 Year	30/11/2011	28/11/2014	38.83
5 Year	30/11/2009	28/11/2014	18.92
Since Inception*	12/11/2008	28/11/2014	35.64

* Regular Plan – November 12, 2008
Note: Returns more than 1 year are calculated on compounded annualized basis.
Past performance may or may not be sustained in the future

vii. PRINCIPAL Income Fund – Long Term Plan - Regular Plan - Growth

As on 28/11/2014	From	To	PRINCIPAL Income Fund - LTP - Growth
1 Year	29/11/2013	28/11/2014	11.53
3 Year	30/11/2011	28/11/2014	9.25
5 Year	30/11/2009	28/11/2014	7.95

Since Inception*	09/05/2003	28/11/2014	7.42

* Regular Plan – May 09, 2003
Note: Returns more than 1 year are calculated on compounded annualized basis.
Past performance may or may not be sustained in the future

viii. PRINCIPAL Government Securities Fund - Regular Plan - Growth

As on 28/11/2014	Date	Cl Date	PRINCIPAL Govt Securities Fund - Growth
1 Year	29/11/2013	28/11/2014	12.95
3 Year	30/11/2011	28/11/2014	8.75
5 Year	30/11/2009	28/11/2014	6.25
Since Inception*	23/08/2001	28/11/2014	7.62

* Regular Plan – August 23, 2001
Note: Returns more than 1 year are calculated on compounded annualized basis.
Past performance may or may not be sustained in the future

ix. **Goldman Sachs Gold Exchange Traded Scheme – Growth Option**

As on 28/11/2014	Date	Cl Date	**Goldman Sachs Gold Exchange Traded Scheme -Growth**
1 Year	29/11/2013	28/11/2014	-6.90
3 Year	30/11/2011	28/11/2014	-4.34
5 Year	30/11/2009	28/11/2014	6.84
Since Inception*	08/03/2007	28/11/2014	9.08

* Growth Option - March 8, 2007
Note: Returns more than 1 year are calculated on compounded annualized basis.

PAST PERFORMANCE MAY OR MAY NOT BE SUSTAINED IN THE FUTURE

3. Top 10 Holdings in portfolios of Underlying Schemes (as on November 30, 2014)

i. Principal Cash Management Fund

Name of Instrument	Instrument Type	% to Net Assets
91 DAY T-BILL 18DEC14	Treasury Bill	7.94%
CORPORATION BANK 9.00% 09DEC14	Fixed Deposit	6.93%
NABARD 08DEC14	Commercial Paper	6.92%
TATA CAP HOUSING FIN LTD 31DEC14	Commercial Paper	6.68%
ADITYA BIRLA NUVO LTD 08DEC14	Commercial Paper	5.81%
TVS CREDIT SERVICES LTD 26DEC14	Commercial Paper	3.44%
EDELWEISS COMMODITIES SER LTD 29DEC14	Commercial Paper	3.44%
AU FINANCIERS INDIA PVT LTD 29DEC14	Commercial Paper	3.44%
INDOSTAR CAPITAL FIN PVT LTD 27JAN15	Commercial Paper	3.42%
EDELWEISS COMMODITIES SER LTD 26DEC14	Commercial Paper	2.88%

ii. Principal Income Fund – Short Term Plan

Name of Instrument	Instrument Type	% to Net Assets
LIC HSG FINANCE LTD 09.69% 11JAN17	BONDS & NCDs	9.64%
GOI 08.35% 14MAY22	Sovereign	9.55%
TATA MOTORS LTD 09.05% 30OCT15	BONDS & NCDs	9.49%
IFMR CAPITAL FINANCE PRIVATE LTD 27FEB15	Commercial Paper	6.47%
POWER GRID COR LTD(S - A) 9.30% 04SEP19	BONDS & NCDs	4.87%
POWER FINANCE CORP 09.32% 17SEP19	BONDS & NCDs	4.87%
REC LTD (SER 109) 09.25% 27AUG17	BONDS & NCDs	4.83%
REC LTD 9.04% 12OCT19	BONDS & NCDs	4.82%
POWER FIN COR LTD (S-115) 9.11% 07JUL17	BONDS & NCDs	4.80%
PGC LTD 8.93% (STRIP A) 20OCT18	BONDS & NCDs	4.79%

iii. Principal Growth Fund – Regular Plan

Name of Instrument	Rating / Industry	% to Net Assets
ICICI Bank Limited	Banks	5.00%
State Bank of India	Banks	3.97%
Maruti Suzuki India Limited	Auto	3.11%
Reliance Industries Limited	Petroleum Products	3.07%
Infosys Limited	Software	2.74%
ITC Limited	Consumer Non Durables	2.65%
Bank of Baroda	Banks	2.58%
Tata Motors Limited	Auto	2.39%
HDFC Bank Limited	Banks	2.37%
Tech Mahindra Limited	Software	2.36%

iv. Principal Index Fund – Nifty

Name of Instrument	Rating / Industry	% to Net Assets
Infosys Limited	Software	7.25%
ICICI Bank Limited	Banks	7.00%
ITC Limited	Consumer Non Durables	6.95%
Housing Development Finance Corporation Limited	Finance	6.28%
HDFC Bank Limited	Banks	6.17%
Reliance Industries Limited	Petroleum Products	5.63%
Tata Consultancy Services Limited	Software	4.66%
Larsen & Toubro Limited	Construction Project	4.61%
State Bank of India	Banks	3.43%
Tata Motors Limited	Auto	3.30%

v. Principal Large Cap Fund

Name of Instrument	Rating / Industry	% to Net Assets
ICICI Bank Limited	Banks	7.33%
Infosys Limited	Software	6.28%
Larsen & Toubro Limited	Construction Project	5.85%
State Bank of India	Banks	5.08%
Tata Motors Limited	Auto	4.95%
Tech Mahindra Limited	Software	4.27%
Shree Cements Limited	Cement	4.25%
Divi's Laboratories Limited	Pharmaceuticals	3.82%
HDFC Bank Limited	Banks	3.79%
Housing Development Finance Corporation Limited	Finance	3.67%

vi. Principal Emerging Bluechip Fund

Name of Instrument	Rating / Industry	% to Net Assets
Motherson Sumi Systems Limited	Auto Ancillaries	3.70%
Eicher Motors Limited	Auto	3.34%
ICICI Bank Limited	Banks	3.27%
Tech Mahindra Limited	Software	3.26%
The Federal Bank Limited	Banks	3.17%
Sadbhav Engineering Limited	Construction Project	2.95%
Aurobindo Pharma Limited	Pharmaceuticals	2.78%
Amara Raja Batteries Limited	Auto Ancillaries	2.66%
Shree Cements Limited	Cement	2.54%
Symphony Limited	Consumer Durables	2.22%

vii. Principal Income Fund – Long Term Plan

Name of Instrument	Instrument Type	% to Net Assets
GOI 09.20% 30SEP30	Sovereign	31.33%
GOI 08.28% 21SEP27	Sovereign	23.33%
GOI 07.16% 20MAY23	Sovereign	17.77%
PFC SERIES 118 B-I LTD 9.39% 27AUG19	BONDS & NCDs	10.12%
TATA SONS LTD 9.87% 16APR17	BONDS & NCDs	7.16%
GOI 08.60% 02JUN28	Sovereign	3.64%
RECL 7.30% 30JUN2015	BONDS & NCDs	0.56%

viii. Principal Government Securities Fund

Name of Instrument	Instrument Type	% to Net Assets
GOI 09.20% 30SEP30	Sovereign	48.81%
GOI 07.16% 20MAY23	Sovereign	22.64%
GOI 08.28% 21SEP27	Sovereign	19.68%
GOI 08.60% 02JUN28	Sovereign	5.96%
KARNATAKA BANK SDL 7.02% 13JAN15	Sovereign	0.69%

St. obs. 15

4. Where each of the Underlying Scheme(s) will Invest

Scheme(s)	Where will it invest
Principal Income Fund – Short Term Plan	➢ The corpus of PIF – STP will be predominantly invested in Debt Securities including securitised debt and Money Market Instruments. PIF – STP may also invest its assets in a portfolio of debt instruments and related securities of government, quasi-government, corporate issuers and money market instruments (rated investment grade or higher or other-wise comparable, if not rated) with average residual maturity of up to 36 months and varying risks. ➢ The Asset Management Company further reserves the right to invest in derivatives subject to SEBI or any other Regulatory Authorities permitted from time to time. ➢ PIF – STP may also invest in another schemes managed by the same AMC or by the AMC of any other mutual fund without charging any fees on such investments, within the limits specified under SEBI Regulations. ➢ PIF - STP may participate in securities lending as permitted under the Regulations. And such other Securities as may be prescribed by SEBI/RBI from time to time.
Principal Cash Management Fund	➢ The corpus of the Scheme will be invested in Debt securities (including securitised debt), Money Market Instruments, Bills Re-discounting and Call/Term Money/ Repos / Reverse Repos / Deposits with Banks. The investments will be in securities, which the investment manager believes present minimal liquidity and/or credit risks. The investment composition for each of the options would be in instruments having varied yields, either listed or unlisted. ➢ Pursuant to the SEBI circular dated January 19, 2009, the scheme will invest in the following manner: • The scheme shall make investment in / purchase Debt and Money Market Instruments with the maturity of up to 91 days only. • Inter scheme transfers in the Scheme shall be carried out in Debt and Money Market Instruments with the maturity of upto 91 days. ➢ The Asset Management Company further reserves the right to invest in derivatives and overseas financial debt instruments including units of overseas debt instruments subject to SEBI / RBI or any other Regulatory Authorities permitted from time to time. Investment in foreign securities will only be made in instruments denominated in US Dollar, Singapore Dollar, Japanese Yen, Euro or Sterling Pound or any other liquid currency as may be decided by AMC from time to time. **Overseas Financial Debt Instruments including units of overseas debt instruments shall without limitation include:-**

	• Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies • Money market instruments rated not below investment grade • Repos in the form of investment, where the counterparty is rated not below investment grade • Government securities where the countries are rated not below investment grade • Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities • Short term deposits with banks overseas where the issuer is rated not below investment grade • Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets) And such other Securities as may be prescribed by SEBI/RBI from time to time. ➢ The Scheme may also invest in another schemes managed by the same AMC or by the AMC of any other mutual fund without charging any fees on such investments, within the limits specified under SEBI Regulations. At present Mutual Funds are not permitted to participate in Inter Bank Calls. The Scheme will participate in Inter Bank Calls only when Mutual Funds are permitted to do so. The Scheme may participate in securities lending as permitted under the Regulations
Principal Growth Fund	• The corpus of the Scheme shall be predominantly invested in equity and equity related instruments. The Scheme may invest a part of its corpus in debt oriented and money market securities/instruments/funds, to manage its liquidity requirements. 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; • The Scheme may also invest in another schemes managed by the same AMC or by the AMC of any other mutual fund without charging any fees on such investments, within the limits specified under SEBI Regulations; • The Scheme may participate in securities lending as permitted under the Regulations; • The Asset Management Company 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. **Foreign / Overseas securities shall without limitation include:-** • ADRs/ GDRs issued by Indian or foreign companies • Equity of overseas companies listed on recognized stock exchanges overseas • Initial and follow on public offerings for listing at recognized stock exchanges overseas

	• Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities • Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets). • Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies • Money market instruments rated not below investment grade • Repos in the form of investment, where the counterparty is rated not below investment grade • Government securities where the countries are rated not below investment grade • Short term deposits with banks overseas where the issuer is rated not below investment grade And such other Securities as may be prescribed by SEBI/RBI from time to time.
Principal Index Fund - Nifty	• Principal Index Fund is structured as an Index linked open ended equity scheme with the objective to invest principally in securities of companies whose securities are included in Nifty and subject to tracking errors endeavour to attain results commensurate with the Nifty. This would be done by investing in all the stocks comprising the CNX Nifty Index in approximately the same weightage that they represent in CNX Nifty Index. • The scheme has been designed with the intention of tracking the movement of securities from time to time included in the Nifty. The Scheme plans to do this by investing the entire corpus in the stocks that comprise the Nifty in similar weights to the weightage given by Nifty so that the portfolio would appreciate or depreciate (subject to tracking errors) in more or less the same manner as the Nifty. 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 to investors, it is proposed that income (by way of dividend or otherwise) will be invested in the Nifty securities. It is also proposed that disinvestment will take place only on investors exiting from the Scheme or any security ceasing to be included in the Nifty or to meet the cash flow requirements. • The Nifty is designed to reflect the perceptions of the investors about the Indian economy. This is sought to be achieved by IISL by including companies representing a cross-section of the various sectors of the Indian economy. By endeavouring to track the Nifty to the extent possible under the prevailing circumstances and environment objectives and the features of the Scheme, the Fund expects to generate returns approximating the performance of the Nifty. • 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 • At present Mutual Funds are not permitted to participate in Inter Bank Calls. The Scheme will participate in Inter Bank Calls only when Mutual Funds are permitted to do so. The Scheme may participate in securities lending as permitted under the Regulations.

	• The Scheme may also invest in another schemes managed by the same AMC or by the AMC of any other mutual fund without charging any fees on such investments, within the limits specified under SEBI Regulations. The Asset Management Company 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.
Principal Large Cap Fund	• The corpus of the Scheme shall be predominantly invested in equity and equity related instruments of Large Cap Companies. The Scheme may invest a part of its corpus in debt oriented and money market securities/instruments/funds, to manage its liquidity requirements. 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; • At present Mutual Funds are not permitted to participate in Inter Bank Calls. The Scheme will participate in Inter Bank Calls only when Mutual Funds are permitted to do so. The Scheme may participate in securities lending as permitted under the Regulations. • The Scheme may also invest in another schemes managed by the same AMC or by the AMC of any other mutual fund without charging any fees on such investments, within the limits specified under SEBI Regulations; • The Asset Management Company further reserves the right to invest in foreign securities and equity derivatives subject to SEBI / RBI or any other Regulatory Authorities permitted from time to time; **The Scheme shall not make investments in foreign debt instruments including foreign securitized debt.** **Foreign / Overseas securities shall without limitation include:-** • ADRs/ GDRs issued by Indian or foreign companies • Equity of overseas companies listed on recognized stock exchanges overseas • Initial and follow on public offerings for listing at recognized stock exchanges overseas • Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities • Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets). And such other Securities as may be prescribed by SEBI/RBI from time to time.
Principal Emerging Bluechip Fund	• The corpus of the Scheme shall be predominantly invested in equity and equity related instruments of Mid Cap Companies; • The Scheme may invest a part of its corpus in equity and equity related instruments of small cap and companies other than Mid and Small Cap; • Part of the Scheme corpus may also be invested in debt and money market securities/instruments/funds to manage its liquidity requirements;

	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; • At present Mutual Funds are not permitted to participate in Inter Bank Calls. The Scheme will participate in Inter Bank Calls only when Mutual Funds are permitted to do so. The Scheme may participate in securities lending as permitted under the Regulations. • The Scheme may also invest in another schemes managed by the same AMC or by the AMC of any other mutual fund without charging any fees on such investments, within the limits specified under SEBI Regulations The Asset Management Company further reserves the right to invest in equity derivatives and Foreign securities subject to SEBI / RBI or any other Regulatory Authorities permitted from time to time. **Foreign / Overseas securities shall without limitation include:-** • ADRs/ GDRs issued by Indian or foreign companies; • Equity of overseas companies listed on recognized stock exchanges overseas; • Initial and follow on public offerings for listing at recognized stock exchanges overseas; • Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities; • Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets); • Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies; • Money market instruments rated not below investment grade; • Repos in the form of investment, where the counterparty is rated not below investment grade; • Government securities where the countries are rated not below investment grade; and • Short term deposits with banks overseas where the issuer is rated not below investment grade • And such other Securities as may be prescribed by SEBI/RBI from time to time.
Principal Income Fund – Long Term Plan	➢ The corpus of the Scheme will be predominantly invested in Debt and Money Market Instruments including securitised debt. The scheme may invest in a wide range of fixed income instruments having varied yields, listed or unlisted etc. including: ▪ Govt. of India securities (including treasury bills) ▪ Debt instruments issued by Indian state or local govt. ▪ Debt instruments issued by Govt. agencies, statutory bodies, public sector undertakings and financial institutions. ▪ Debt instruments issued by banks ▪ Debt instruments issued by corporations

	▪ Money Market Instruments ▪ Other Debt instruments, listed or unlisted, as may be permitted ➢ The Asset Management Company further reserves the right to invest in Derivatives, Overseas Financial Debt Instruments including units of overseas mutual funds subject to of SEBI / RBI or any other Regulatory Authorities permitted from time to time. Investment in foreign securities will only be made in instruments denominated in US Dollar, Singapore Dollar, Japanese Yen, Euro or Sterling Pound or any other liquid currency as may be decided by AMC from time to time. **Overseas Financial Debt Instruments including units of overseas mutual funds shall without limitation include:-** • Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies. • Money market instruments rated not below investment grade. • Repos in the form of investment, where the counterparty is rated not below investment grade. • Government securities where the countries are rated not below investment grade • Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities. • Short term deposits with banks overseas where the issuer is rated not below investment grade. • Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets) And such other Securities as may be prescribed by SEBI/RBI from time to time. ➢ The Scheme may also invest in another schemes managed by the same AMC or by the AMC of any other mutual fund without charging any fees on such investments, within the limits specified under SEBI Regulations. ➢ The Scheme may participate in securities lending as permitted under the Regulations. •
Principal Government Securities Fund	• The assets under the Scheme will be invested solely in Government Securities. Investment Plan will be managed with a portfolio of government securities of any maturity. However to meet temporary liquidity needs, the Scheme may invest in overnight call money/notice money/bank deposits and/or repos. The Scheme may also invest a part of its assets in financial derivatives such as options and futures & IRS (comprising of government securities) that are permitted or may become permissible under SEBI/RBI Regulations. The proportion of assets to be so invested would be decided by the AMC at the appropriate time, and would be done in accordance with the relevant guidelines to be issued by SEBI/RBI and other authorities. • At present Mutual Funds are not permitted to participate in Inter Bank Calls. The Scheme will participate in Inter Bank Calls only when Mutual Funds are permitted to do so. • Being a scheme dedicated exclusively for investments in Government Securities, Principal Government Securities Fund is eligible to avail at any time liquidity

	support (from RBI) upto 20% (or such limits as may be permitted from time to time) of the outstanding value of its investments in government securities (as at the close of business on the previous working day), under its guidelines issued vide letter IDMC. No. 2741/03.01.00/95-96, dated April 20, 1996.
Goldman Sachs Gold Exchange Traded Scheme	• Investment in physical Gold - The Scheme, in general, will buy physical gold. • Investment in debt instruments - The Scheme would invest in Money Market Instruments, securitized debt, bonds including cash at call, etc. in order to meet the liquidity requirements of the Scheme. The investment restrictions and limits are specified in Schedule VII of SEBI (MF) Regulations.

F. 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.

As mentioned earlier, the Scheme will have 5 different Plans viz. Conservative Plan, Moderately Conservative Plan, Moderate Plan, Moderately Aggressive Plan and Aggressive Plan corresponding to five Investor Risk Profiles viz. Conservative, Moderately Conservative, Moderate, Moderately Aggressive and Aggressive. Each Plan will maintain a separate portfolio to provide the investors an opportunity to choose a suitable plan.

This Scheme will use Mean Variance Optimization model to determine the most suitable asset allocation under each of its Plans. To arrive at this allocation, the following process will be adopted.

a. The fund will use the below combinations of benchmark to estimate the target risk associated with the five investor risk profile as listed above.

Investment Risk Profiles	Definitions*
Conservative	**Average of Standard Deviation** of CRISIL 91 day T-bill Index and CRISIL MIPEX
Moderately Conservative	**Average of Standard Deviation** of CRISIL MIPEX and CRISIL Gilt Index
Moderate	**Average of Standard Deviation** of CRISIL Gilt Index and CRISIL BalanceEX
Moderately Aggressive	**Average of Standard Deviation** of CRISIL Gilt Index and CNX Nifty
Aggressive	**Average of Standard Deviation** of CRISIL BalanceEX and CNX Nifty

* Each Index is given 50% weightage

b. Having done that, the strategic asset allocation for respective risk profile may be estimated using the Mean Variance Optimization model.

c. The above Strategic Asset Allocation may, if required, thereafter be adjusted by the Fund Manager to reflect his view of the financial markets and macro economy. Such view may also be backed by independent research from a reputed agency. The resulting asset allocation, generated for each investor risk profile/plan is called Tactical Asset Allocation and is actually applied when deciding the proportion in which respective asset classes will be held in each of the investor risk profile/plan portfolio.

This process is intended to ensure that, the respective Plan portfolios stay adequately responsive to current market conditions and thereby try to maximize the opportunity to gain superior returns within their respective risk profiles. The Tactical Asset Allocation will be computed at least quarterly (including as at the last working day of every calendar quarter and applied at the beginning of the following quarter).

d. Depending upon the tactical asset allocation so derived, the fund will invest in underlying funds to reflect the tactical asset allocation.

Debt – Decision making process:

The debt team comprises the Head Fixed Income, Fund Managers, Credit Analyst and Fixed Income Dealer. Scheme wise responsibilities are allocated to the Fund Managers who are responsible for the performance of the schemes while adhering to prescribed regulatory and internal risk limits.
The Credit Analyst analysis all companies from a credit perspective and recommends investment in those which are found satisfactory to a committee consisting of the CEO, CFO, CIO and the Head of Fixed Income. The Credit Analyst also monitors the financial performance, the credit ratings and any major developments in respect of the companies in the portfolio.
While making investments, the Fund Managers keep in mind the mandate of the fund, the portfolio liquidity and the interest rate risk in addition to the credit risk mentioned above.
The Fixed Income team meets weekly to review the fixed income market scenario (market liquidity, macroeconomic parameters, interest rates etc., news flow etc.), the portfolio composition and fund performance.

Depository

Securities of the Scheme will 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.

G. WHERE WILL THE ASSET ALLOCATION FUND OF FUNDS SCHEME INVEST?

The corpus of each of the Plan(s) of the Scheme will be invested in the schemes of Mutual Funds that invest in debt, money market instruments and/or equity and equity related instruments and gold-based ETFs depending on the asset allocation pattern and Investment Objective of each of the Plan(s) as indicated in this document. As per SEBI guidelines, a Fund of Funds Scheme shall not invest its assets in other than in Mutual Fund Schemes, except to the extent of funds required to meet liquidity requirements for repurchases or redemptions.

It is the intention of the Fund Manager to stay fully invested in the underlying mutual fund schemes. However, the Fund Manager reserves the right to invest in money market instruments (including reverse repos having "government securities" as underlying security) and/or maintain adequate cash balance to meet the liquidity requirements for the purpose of repurchases or redemptions. Under normal circumstances, such exposure to money market instruments / cash & cash equivalents shall not exceed 10% of the net assets of the respective plan.

Subject to the Regulations, the amount collected under the Scheme/Plan can be invested in any (but not exclusively) of the following securities/ debt instruments:

(i) Units of Mutual Fund registered with SEBI.

(ii) Money market instruments including but not limited to overnight instruments such as Collateralized Borrowing and Lending Obligations, Repurchase and reverse repurchase obligations in securities, commercial papers, certificate of deposits and T-bills.

(iii) The Scheme/Plan may invest in reverse repos having "government securities" as underlying security as may be permitted by SEBI/RBI.

(iv) The Moderate Plan, Moderately Aggressive Plan and Aggressive Plan, may make investments in Gold Exchange Traded Funds.

(v) Pending deployment of the funds of the Scheme/Plan, the AMC may invest funds of the Scheme/Plan in short term deposits of scheduled commercial banks, subject to the following guidelines issued by SEBI vide its circular dated April 16, 2007, as amended from time to time:

a. The Scheme/Plan shall not invest more than 15% of its net assets in the short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with the prior approval of the Trustee. Also, investing 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.

b. The Scheme/Plan shall not invest more than 10% of its net assets in short term deposit(s) with any one scheduled commercial bank including its subsidiaries.

c. The AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks in case of liquid and debt oriented schemes.

d. The Trustee shall ensure that the funds of the Scheme/Plan are not invested in the short term deposits of a bank which has invested in the Scheme/Plan.

e. Short Term for such parking of fund by Mutual Fund shall be treated as a period not exceeding 91 days.

H. FUNDAMENTAL ATTRIBUTES

St. obs. 8

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 Fund of Funds Scheme

(ii) Investment Objective

- Main Objective - Please refer "What is the investment objective of the Scheme?" on page no.17
- Investment pattern - Please refer "How will the Scheme allocate its assets?" on page no. 18

(iii) Terms of Issue

- Liquidity provisions such as listing - Please refer section on "ongoing offer details" on page no. 66
- Aggregate fees and expenses charged to the scheme - Please refer section on "Fees and Expenses" on page no. 79
- 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) / Sub-Plan(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Plan(s) / Sub-Plan(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.

I. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

St. obs. 9

Conservative Plan	Composite Benchmark* * consisting of 50% CRISIL 91 day T-bill Index and 50% CRISIL MIPEX
Moderately Conservative Plan	Composite Benchmark* * consisting of 50% CRISIL MIPEX and 50% CRISIL Gilt Index
Moderate Plan	Composite Benchmark* * consisting of 50% CRISIL Gilt Index and 50% CRISIL BalanceEX
Moderately Aggressive Plan	Composite Benchmark* * consisting of 50% CRISIL Gilt Index and 50% CNX Nifty
Aggressive Plan	Composite Benchmark* * consisting of 50% CRISIL BalanceEX and 50% CNX Nifty

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

J. WHO MANAGES THE SCHEME?

St. obs. 10

Fund Manager	Name of the other Scheme(s) under his management	Age and Qualification	Brief Experience
Mr. Rajat Jain	Principal Global Opportunities Fund	51 years B.E. (Mech), PGDM	Mr. Jain is Chief Investment Officer at AMC. In his current role he oversees investments of Principal Mutual Fund and the overall portfolio strategy. He has over 22 years of experience in Investment Management at Mutual Funds out of which last 14 years have been with Principal Mutual Fund. In his previous assignment he was associated with SBI Mutual Fund as the Chief Investment Officer.

K. WHAT ARE THE INVESTMENT RESTRICTIONS?

St. obs. 11

Pursuant to SEBI Regulations, the following investment restrictions are applicable to the respective Plans under the Scheme:

a. The Scheme/Plan shall not invest in any other fund of funds scheme;
b. The Scheme/Plan shall not invest its assets other than in schemes of mutual funds, except to the extent of funds required for meeting the liquidity requirements for the purpose of repurchases or redemptions, as disclosed in the offer document of fund of funds scheme.

c. The Scheme/Plans shall not invest more than 30% of its net assets in money market instruments of an issuer. Provided that such limit shall not be applicable for investments in Government securities, treasury bills and collateralized borrowing and lending obligations.

d. Pending deployment of funds of the Scheme/Plan in terms of investment objective, the Scheme/Plan may invest them in short term deposits of scheduled commercial banks, subject to the following guidelines issued by SEBI vide its circular dated April 16, 2007, as amended from time to time:
   - The Scheme/Plan 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/Plan 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/Plan may be parked in short term deposit of a bank which has invested in that Scheme/Plan.
   - The AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks in case of liquid and debt oriented schemes.
   - Short Term for such parking of fund by Mutual Fund shall be treated as a period not exceeding 91 days read with the provisions of SEBI Circular dated December 11, 2008 bearing reference SEBI/IMD/CIR No. 12/147132/08

e. The Scheme/Plan 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.

f. 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.

g. Transfers of investments from one scheme to another scheme in the Fund shall be allowed only if,—
   (*a*) such transfers are done at the prevailing market price for quoted instruments on spot basis.
   (b) the securities so transferred shall be in conformity with the investment objective of the scheme /plan to which such transfer has been made.

h. The Scheme/Plan shall not make any investment in,—
   (*a*) any unlisted security of an associate or group company of the sponsor; or
   (*b*) any security issued by way of private placement by an associate or group company of the sponsor; or
   (*c*) the listed securities of group companies of the sponsor which is in excess of 25 per cent of the net assets.

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.

L. HOW HAS THE SCHEME PERFORMED?

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

M. INVESTMENT BY AMC

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/Plan. 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/Plan's units and collectively constitute a major investment in the Scheme/Plan. The AMC reserves the right to invest its own funds in the Scheme/Plan as may be decided by the AMC form time to time. The AMC shall not charge any fees on investment by the AMC in the units of the Scheme/Plan.

St. obs. 1

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**: **NFO closes on**: 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/- and any amount thereafter under each Plan/Sub-Plan.
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 Crores for each Plan under the Scheme
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.
Sub-Plans / Options offered	The Scheme/Plan will have two Sub-Plans i.e. Regular Plan & Direct Plan. Both the Sub-Plans, offer Growth Option. Each Plan will have a separate portfolio. However, the Sub-Plans (Regular and Direct Plan) under the Plan(s) will share a common portfolio. **Regular Plan:** 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. **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 [except through Stock Exchange Platforms for Mutual Funds and all other Platform(s) where investors' applications for subscription of units are routed through Distributors]. Investors desirous of subscribing under Direct Plan of the Scheme/Plan will have to ensure to indicate "Direct Plan" against the Scheme/Plan name in the application form. Further, Investors should also indicate "Direct" in the ARN column of the application form. **Growth Option** Under this option, the Mutual Fund will not declare any dividend. The income earned by the Scheme/Plan will remain invested in the Scheme/Plan 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. **Default Sub-Plan** In case of Subscriptions, where in case Distributor code is mentioned in the application form, but "Direct Plan" is indicated against the Scheme/Plan name, the Distributor code will be ignored and the application will be processed under Direct Plan. Further, where application is received for Regular Plan without Distributor code or "Direct" mentioned in the ARN Column, the application will be processed under Direct Plan. Refer table below for understanding the result for various options selected by the investor for applications –

Plan selected by the Investor	**Whether ARN provided by the Investor in the application form**	**Plans under which the units will be allotted**
Direct	Yes	Direct
Direct	No	Direct
Regular	Yes	Regular
Regular	No	Direct
No Plan Selected	Yes	Regular
No Plan Selected	No	Direct

As mentioned above Investors should indicate the Sub-Plan for which the subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form.

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.

Those unitholders who opt for allotment of units in demat form shall receive the allotment advice and subsequently the account statement will be sent directly by the respective depository participant.

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 document 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 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.

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.

Unit Certificates

Normally no unit certificates will be issued under the Scheme/Plan. However, if the unitholder so desires, the AMC shall issue a non-transferable unit certificate to the unitholder within 30 days of the receipt of request for the certificate. The cost of stamp duty paid for issuing the unit certificate will form part of the annual ongoing expenses and/or may be recovered from the Unitholder.

Units With Depository

	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). The AMC shall issue units in demat form to the unitholder within 2 business days of receipt of request from unitholder. 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. **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 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.
Refund	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. If the Scheme/Plan fails to collect the minimum subscription amount, the Fund shall be liable to refund the money to the applicants.
Who can invest This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.	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/Plan. (i) Resident Indian Nationals who are : o Adult individuals as sole holder, o Adult individuals not exceeding three jointly or on an either/anyone or survivor basis. o Parents/Lawful guardians on behalf of Minors. o Partnership Firms o Hindu Undivided Families(HUF), through their Karta acting or on behalf of the HUF o 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. o Banks (including Co-operative Banks and Regional Rural Banks), Funds, Financial and Investment Institutions o 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 o Scientific and Industrial Research Organizations o Association of Persons/Body of Individuals, whether incorporated or not o Army/Air Force/Navy, other paramilitary units and bodies created by such institutions besides other eligible institutions o 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 Institutional Investors (FIIs) 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. x) Qualified Foreign Investor (QFI) subject to the conditions prescribed by SEBI, RBI, any other regulatory authorities and the AMC from time to time. QFI shall mean a person who fulfills the following criteria: (i)Resident in a country that is a member of Financial Action Task Force (FATF) or a member of a group which is a member of FATF; and (ii)Resident in a country that is a signatory to IOSCO's MMOU (Appendix A Signatories) or a signatory of a bilateral MOU with SEBI: Provided that the person is not resident in a country listed in the public statements issued by FATF from time to time on-(i) jurisdictions having a strategic Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) deficiencies to which counter measures apply, (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies. Provided further such person is not resident in India. Provided further that such person is not registered with SEBI as Foreign Institutional Investor or Sub-account or Foreign Venture Capital Investor. Explanation.-For the purposes of this definition: (1)The term "Person" shall carry the same meaning under section 2(31) of the Income Tax Act, 1961; (2) The phrase "resident in India" shall carry the same meaning as in the Income Tax Act, 1961; (3) "Resident" in a country, other than India, shall mean resident as per the direct tax laws of that country. (4) "Bilateral

	MoU with SEBI" shall mean a bilateral MoU between SEBI and the overseas regulator that inter alia provides for information sharing arrangements. (5) Member of FATF shall not mean an Associate member of FATF 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. The Scheme/Plan 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.

Who cannot invest	It should be noted that the following persons cannot invest in the Scheme/Plan: 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 Karvy Computershare Private Limited ('Karvy') - 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. The Office of the Registrar & Transfer Agent, Karvy Computershare Private Limited is located at 'Karvy Registry House, #8-2-596, Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500034.'. 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.
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	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 /Plan are not proposed to be listed.
Minimum amount for purchase/redemption/switches	Rs.5,000/- under each of the Plans/Sub-Plans and any amount thereafter. **Additional Purchase** – Rs.1000/- and any amount thereafter under each Plans/Sub-Plans **Systematic Investment Plan:** Minimum Six installments of Rs.2000/- each. **Systematic Transfer Plan:** Minimum Six installments of Rs.1000/- each. **Systematic Withdrawal Plan:** Minimum Six installments of Rs.500/- each **Minimum Redemption / Sale Amount:** Rs.500/- or 50 units.
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/Plan are as follows: **1. Switch Option** Investors can opt to switch between Regular Plan & Direct Plan at NAV based prices. Switching will also be allowed from any select open ended scheme(s) managed under the Fund into either scheme existing on the date of switch or during the NFO period of the new 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(s).

Example

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

Month	**NAV**	**Amount (** Rs.**)**	**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, at an average per unit cost of Rs. 9.40.

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. SIP Applications will be accepted on any working day of the month. Accordingly the units will be allotted on the date of receipt of valid SIP Application along with a SIP investment cheque dated not beyond the date of the Application. Thereafter the date for the first SIP installment shall be 1st, 5th, 15th or 25th of a particular month ("specified dates for SIP investments") as selected by the Investor OR the nearest date amongst the Specified Date subsequent to receipt

of the application, as the case may be after completing a minimum time gap of 30 days from the date of the first SIP investment cheque. E.g. If a duly completed SIP enrolment is received within the applicable cut-off timings on January 27, 2013 along with a valid cheque dated not beyond January 27, 2013, for a SIP investment of Rs.2,000- per month (together with 5 or more post dated cheques each for a minimum of Rs. 2,000/-), units will be allotted on January 27, 2013 with the scheme applicable NAV, and the next SIP date [first SIP Installment date] will be March 1, 2013 or immediately following business day if March 1, 2013 is a non-business day OR such other date amongst the Specified Dates as per the application form.

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. Dishonoured 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.

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 through payroll deductions, 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 at least be equal to the minimum application amount of SIP. The employee has an option to select either 1st or 5th of every month for such investment.

4. 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. Systematic Withdrawal Plan

A unitholder may avail of the Systematic 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 Systematic 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 Systematic 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 daily, weekly, monthly, quarterly, semi-annual or annual basis to transfer 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:

(i) Daily – Each Business Day
(ii) 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 subject to an exit load, if any, thus switched shall be converted into the respective scheme units at the applicable NAV, (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/Plan [except Direct Plan] 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, Systematic Investment Plan, Systematic Transfer Plan, Systematic Withdrawal Plan will not be permitted through this facility.

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). 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 Pnb Asset Management Company Pvt. Ltd. (AMC) will be eligible to offer this facility to the investors. Further, only for the purpose of processing redemption requests, Depository Participants of Registered Depositories are eligible for processing redemption transactions.

   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 (through MFSS) 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.

6. Investors have an option to hold units in physical form or in dematerialized form.

7. 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).

8. 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/Karvy Computershare Pvt. Ltd. (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 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. Applications for purchase/redemption of units which are incomplete / invalid are liable to be rejected.

10. 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.

11. Investors will have to comply with KYC norms as prescribed by NSE/CDSL/NSDL and Principal Mutual Fund from time to time.

12. 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).

13. This facility shall be subject to the terms and conditions specified and guidelines issued by SEBI/AMFI/NSE from time to time.

14. AMC reserves the right to change / modify or discontinue this facility at any time in future.

6. TRIGGERS

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 upto 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 minimise the loss and/or book timely profits. In case of triggers linked with events/dates, on realisation 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 upto 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 closing prices of the securities on the primary stock exchange *(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 minimise 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. *BSE Sensex reaches or crosses a particular value* **Eg. BSE Sensex reaches or crosses 16000** **Or when BSE Sensex falls to or closes below 16000** Trigger Activation

If BSE Sensex on the date of allotment of investment is less than 16000, then trigger will be activated when BSE Sensex rises to 16000 or more on close of any business day. If BSE Sensex at the time of investment is more than 16000, then trigger will be activated when BSE Sensex falls to 16000 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 BSE Sensex reaches or crosses or falls to or closes below 16000 mark.

5. *NSE Nifty reaches or crosses a particular value*

Eg. NSE Nifty reaches or crosses 5000

Or when NSE Nifty falls to or closes below 5000

Trigger Activation

If NSE Nifty on the date of allotment of investment is less than 5000, then trigger will be activated when NSE Nifty rises to 5000 or more on close of any business day. If NSE Nifty on the date of allotment of investment is more than 5000, trigger will be activated when NSE Nifty falls to 5000 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 NSE Nifty reaches or crosses or falls below 5000 mark.

6. *On a particular day or date*

Eg. On 31/1/2013

Trigger Activation

Trigger will be activated on 31/1/2013. All transactions linked with trigger will be on the basis of NAV of 31/1/2013 or on 1/2/2013 if 31/1/2013 is not a business day.

7. *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.

8. *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. *9. 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.** *10. Change in the BSE Sensex at least by a certain percentage* **Eg. Change in BSE Sensex at least by (+ or — or +/-) 10%** Trigger Activation Trigger will be activated when the BSE Sensex rises by 10% or more on close of any business day compared with the BSE Sensex on the date of allotment of investment; or Trigger will be activated when the BSE Sensex falls by 10% or more on close of any business day compared with the BSE Sensex on the date of allotment of investment; or Trigger will be activated when the BSE Sensex either rises by 10% or more or falls by 10% or more on close of any business day compared with the BSE Sensex on the date of allotment of investment. Percentage rise or fall in BSE Sensex will be calculated comparing BSE Sensex on a particular business day with the BSE Sensex on the date of allotment of investment. *11. Change in the NSE Nifty at least by a certain percentage* **Eg. Change NSE Nifty at least by (+ or — or +/-) 10%** Trigger Activation Trigger will be activated when the NSE Nifty rises by 10% or more on close of any business day compared with the NSE Nifty on the date of allotment of investment; or Trigger will be activated when the NSE Nifty falls by 10% or more on close of any business day compared with the NSE Nifty on the date of allotment of investment; or Trigger will be activated when the NSE Nifty either rises by 10% or more or falls by 10% or more on close of any business day compared with the NSE Nifty on the date of allotment of investment. **Percentage rise or fall in NSE Nifty will be calculated comparing NSE Nifty on a particular business day with the NSE Nifty 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, BSE Sensex, NSE Nifty will be compared with the value of units, NAV, BSE Sensex and NSE Nifty 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 BSE Sensex or NSE Nifty will always compare the value of BSE Sensex or NSE Nifty on close of business day. In case BSE or 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 BSE or NSE is reached, the same would be considered for trigger purposes. For eg. A unit holder has opted for full redemption if NSE Nifty reaches or crosses 5000 mark. If NSE is open on January 1, 2013, 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 Nifty as on January 1, 2013, is 5000 or more. The closing value of BSE Sensex/NSE Nifty 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 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.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	**POSSIBLE DEFERRAL OF REDEMPTION/ REPURCHASE REQUESTS** Whilst every effort will be made to ensure that the Scheme/Plan will have sufficient liquidity to enable the repurchase cheques to be collected/dispatched within the deadline stated in the foregoing clause, unit holders should note that where the Scheme/Plan is obliged to arrange for the disposal of the underlying securities/borrow, in order to satisfy redemption/repurchase requests, unit holders may experience some delays in receiving repurchase cheques, reflecting the time

involved in settling the underlying sales of securities/borrowing. However in any case, the Fund will ensure that the collection/dispatch of repurchase cheques is not delayed beyond ten working days (when Principal Mutual Fund is open for business) from the date of receipt of the repurchase request in accordance with Regulation 53(b) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

SUSPENSION OF SALE/REPURCHASE/SWITCH OPTIONS OF THE UNITS

The Fund at its sole discretion reserves the right to withdraw sale, repurchase and/or switch of the units under the Scheme/Plan, temporarily or indefinitely, if in the opinion of the AMC the general market conditions are not favourable. However, the suspension of sale/repurchase/switch either temporarily or indefinitely will be made applicable only after the approval of the Board of Directors of the AMC and Trustee. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.

The sale, repurchase and switch of the units may be temporarily suspended under any or all of the following conditions :

- Under uncertain conditions when the market (capital/stock/money etc. become extremely volatile and the AMC so decides in the best interest of the unit holders)
- If the stock/money markets stop functioning or trading is restricted
- Declaration of war or occurrence of insurrection, civil commotion or any other serious or sustained financial, political or industrial emergency or disturbance or any natural calamity
- In extreme cases or complete breakdown or dislocation of business in the financial markets.
- Breakdown in the means of communication used for the valuation of investments in the Scheme(s), without which the value of the securities held in the Scheme/Plan cannot be accurately calculated.
- In the event of any force majeure or disaster that affects the normal functioning of the AMC or the ISC
- SEBI by order so permits
- During the period of Book Closure/Record Date
- On a requisition made by three-fourth's of the unit holders.

- If AMC views that enhancement in the size of the corpus further may prove detrimental to the existing unit holders of the Scheme(s).

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/Plan will reopen for subscriptions and redemptions within five business days from the date of allotment of units.
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.
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** • 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 In respect of purchase/switch- in, in the Scheme/Plan for an amount equal to or more than Rs.2 Lakhs, the closing NAV (Net Asset Value) of the day shall be applicable subject to realisation of the funds upto 3.00 p.m. and receipt of application (duly time stamped). Further, in case of multiple applications for purchases/switch-ins in any of the Scheme/Plan (irrespective of its Sub-Plan) for an aggregate investment amount equal to or more than Rs.2 Lakh on the same business day, such application shall be consolidated at PAN level to determine the NAV applicability. **Cut Off Time For Redemptions / Switch–out** • In respect of valid applications received upto 3.00 p.m. at the Official Points of Acceptance of Transactions, same day's closing NAV will be applicable • In respect of valid applications received after 3.00 p.m. at the Official Points of Acceptance of Transactions, the closing NAV of the next business day shall be applicable.

	Cut off time as mentioned above shall be reckoned at the Official Points of Acceptance of transactions as disclosed in the SID and the website www.principalindia.com.
Where can the applications for purchase/redemption switches be submitted?	The applications filled up and duly signed by the applicants should be submitted at the offices of AMC or Karvy Computershare Private Limited ('Karvy') - 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. The Office of the Registrar & Transfer Agent, Karvy Computershare Private Limited is located at 'Karvy Registry House, #8-2-596, Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500034.' 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.
Minimum amount for purchase/redemptions/switches	Rs.5,000/- under each of the Plan(s)/Sub-Plans and any amount thereafter. **Additional Purchase** – Rs.1000/- and any amount thereafter under each of the Plan(s)/Sub-Plans **Systematic Investment Plan:** Minimum Six installments of Rs.2000/- each. **Systematic Transfer Plan:** Minimum Six installments of Rs.1000/- each. **Systematic Withdrawal Plan:** Minimum Six installments of Rs.500/- each **Minimum Redemption / Sale Amount:** Rs.500/- or 50 units.
Minimum balance to be maintained and consequences of non maintenance	There is no minimum balance requirement in the Scheme/Plan.
Special Products	Please refer disclosure on Special Products under New Fund Offer details.
Accounts Statements **St. obs. 18**	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 :- (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. (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). **Half Yearly Account Statement:** ^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, Systematic Investment Plan, Systematic Withdrawal Plan, Systematic Transfer Plan and Bonus Transactions. **Account Statements for investors holding units of the scheme in demat accounts:** Existing unitholder having an account statement who may wish to seek dematerialization of their Units, would have to submit a request with his/her Depository Participant by filing up the Dematerialisation Request Form (DRF) along with the account statement issued by the Fund. The same number of Units held in the physical mode shall be continued in the demat mode. Account statement for transactions of demat units of the scheme in the market may be obtained from the depository participants with whom the investor holds the DP account.
Redemption	**Repurchase Procedure** The units of the Scheme/Plan 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.

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.

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.

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.

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 / Sub-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/Plan shall be redeemed.

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.

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 (1-1.00% 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 within the cut off time, prescribed in this behalf 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 within the cut off time, prescribed in this behalf 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 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 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.

St. obs. 19

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 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 up to 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 Parents / Grand-Parents / related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs.50,000/- (each regular purchase or per SIP installment). However, this limit of Rs. 50,000/- will not be applicable for payments made by a Guardian whose name is registered in the records of Principal Mutual Fund for the concerning Folio; • 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. *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 (Guardian in case of Minor) and the Person making the payment. b) "Third Party Declaration Form" from the Investor (Guardian in case of Minor) 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

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.

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 in 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 and redemption. Investor shall also have the option to register any one of their account as a default bank account for credit of redemption 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". In the event of rejection of such registration application for any reason, the redemption proceeds shall be processed as per specified service standards and the last registered bank account information in the records of Registrar & Transfer Agent - Karvy Computershare Private Limited, will be relied upon and used for such payments. 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. 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.
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)

C. PERIODIC DISCLOSURES

Net Asset Value 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.	The NAVs of the Scheme/Plan will be calculated by the AMC for each Business Day and released to the Press, News Agencies and the Association of Mutual Funds of India (AMFI). Since the Scheme will predominantly invest in different mutual fund schemes the NAV of the scheme will be based on the NAV of such underlying schemes. As required under the SEBI Regulations, NAVs of the Scheme/Plan will normally be declared on the next business day by 10.00 a.m. Accordingly, the NAV of the Scheme/Plan will be released with one day time lag which would be indicated with an asterix (*) in newspapers. Information on the NAV of the Scheme/Plan may be obtained by the Unit Holders, on any day, by calling the office of the AMC or any of the Investor Service Centres at various locations. In case of delay, the reasons for such delay would be explained to AMFI in writing. NAVs would however be endeavored to be made available before commencement of business hours 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.
Monthly Portfolio Disclosures	The Fund shall on a monthly basis disclose portfolio (along with ISIN) as on the last day of the month for the Scheme/Plan on its website www.principalindia.com, on or before the tenth day of the succeeding month in a user friendly and downloadable format (preferably in a spread sheet).
Half yearly Disclosures: Portfolio / Financial Results This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures advertisement.	The mutual fund shall publish a complete statement of the scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th, September) by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the mutual fund is located. The mutual fund may opt to send the portfolio statement to all unit holders in lieu of the advertisement referred above.
Half Yearly Results	The AMC shall, before the expiry of one month from the close of each half year, i.e. 31st March and 30th September, host its unaudited financial results of the Scheme(s) 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	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 or physical copies (if investor's e-mail address is not registered), not later than four months after the close of each financial year.

	Such Unitholders who have mentioned their e-mail address will receive the Annual Report/Abridged Summary of Annual Report only by e-mail and not in physical copy. However, 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. Physical Copy(ies) of Annual Report will be available for inspection at the Registered Offices of the AMC at all times.
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	

Particulars	**Resident investors**	**Mutual Funds**
Tax on Distributed Income (DDT)	Nil	Distributions to: - Individual & HUF - 25%[#] - Other than Individual & HUF - 30%[#] - Non-resident (in case of an infrastructure debt fund) - 5%[#]
Long-term Capital Gains [##]	10% * (without indexation) or 20% (with indexation) – transfer from 1.4.2014 to 10.7.2014 20% * (with indexation) transfer from 11.07.2014 to 31.03.2015	Nil
Short-term Capital Gains [##]	Individual/HUF/AOP/BOI – Taxable as per the applicable slab rates* Companies/Firms – 30%*	Nil

[1]Investors may be subject to Minimum Alternate Tax / Alternate Minimum Tax under section 115JB of the Act / Section 115JC of the Act respectively.

* Plus applicable surcharge; and education cess at the rate of 2% on income-tax and surcharge and secondary and higher education cess at the rate of 1% on income-tax and surcharge. For rates of surcharge, please refer to the clause on Taxation in the SAI.

	** This chart is prepared on assumption that the investment in units of Mutual Fund would be characterised as capital assets in the hands of the unit holder. Where the Fund receives any income from investments made in overseas jurisdiction, the same may be subject to withholding tax (or any other tax) in the relevant jurisdiction from which the income is received. As the income of the fund is exempt from tax in India, credit / refund in respect of such foreign taxes may not be available in India. # Rates are exclusive of surcharge at the rate of 10% and education cess at the rate of 3%. Further, with effect from 1 October 2014, as per Finance (No. 2) Act, 2014, additional tax on income distributed to unit-holders would be levied on the amount of income to be distributed including such additional tax (i.e. grossing-up), as against levy on only the amount of income to be distributed, thereby resulting in a higher effective rate of tax on distributed income. ## Capital gains arising on the transfer or redemption of other than equity oriented units (from 1 April 2014 to 10 July 2014) held for a period of 12 months or more, immediately preceding the date of transfer should be regarded as 'long term capital gains'. Capital gains arising on transfer or redemption of such units on or after 11 July 2014 should be regarded as long-term capital gains if such units are held for a period of 36 months or more, immediately preceding the date of transfer. For further details on taxation please refer to the clause on Taxation in the 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/Plan for each option at any time shall be determined by dividing the net assets of the Scheme/Plan by the number of outstanding units on the valuation date.

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

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

The NAV will be calculated up to four decimals. The NAV will be declared as of the close of every Business Day with one day time lag by 10.00 a.m. on the next business day.

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 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 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 and released for publication in at least two daily newspapers having circulation all over India as per applicable regulatory requirements as prescribed by SEBI from time to time.

SECTION V: FEES AND EXPENSES

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

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/Plan shall be borne by the AMC.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme/Plan. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

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

Nature of Expenses	% of daily net assets
A. Investment Management and Advisory Fees charged by the AMC^	2.50
B. Other expenses relating to administration of the Plan -	
– Trustee Fees	
– Registrar and Transfer Agent Fees	
– Audit Fees	
Custodian Fees	
– Costs related to investor communications	
– Marketing and Selling Expenses	
– Costs of fund transfer from one location to another,	
– Cost of providing account statements and repurchase cheques and warrants	
– Costs of statutory advertisements	
– Cost towards investor education & awareness (at least 0.02 percent)	
– Brokerage & transaction cost (inclusive of service tax) over and above 0.12 percent for cash market trades #	
– Service tax on expenses other than Investment Management and advisory fees	
– Expenses of respective underlying schemes	
Total Annual Recurring Expenses (A+B)	**2.50**

^Principal Pnb Asset Management Company Private Limited (PAMC) may charge the Scheme/Plan with Investment and Advisory Fees which shall be within the limits of total expenses prescribed under Regulation 52.

It is clarified that the sum total of A plus B shall not exceed 2.50% of the daily net assets of the Scheme/Plan.

Total Expense Ratio including the weighted average of the Total Expense Ratio/s of the underlying schemes shall not exceed 2.50% of the daily net assets of the Scheme/Plan.

Direct Plan under the Scheme/Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.
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/Plan 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; 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. Any payment towards brokerage and transaction costs(including service tax, if any incurred) for the execution of trades over and the said 0.12% of the cash market transactions may be charged to the scheme within the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI(MF) Regulations. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost. if any) shall be borne by the AMC or by the Trustee or Sponsor

(b) Expenses not exceeding 0.30% of daily net assets, if the new inflows from such cities as specified by SEBI from time to time are at least (i) 30% of gross inflows in the Scheme/Plan OR (ii) 15% of the average assets under management (year to date) of the Scheme/Plan- 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/Plan 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 Scheme/Plan in case the said inflows are redeemed within a period of one year from the date of investment.

(c) Additional expenses incurred towards different heads mentioned under sub-regulation 52(2) & 52(4) of the Regulation not exceeding 0.20% of the daily net assets of the Scheme/Plan.

AMC may charge service tax on investment and advisory fees of the Scheme/Plan 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 / Plan will be subject to limits prescribed from time to time under the SEBI Regulations. Expenses over and above the permissible limits will be borne by the AMC and/or the Trust and/ or the sponsor. 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/Plan will bear directly or indirectly

Any other expenses that are directly attributable to the Scheme / Plan, 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 Fund 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.

C. LOAD STRUCTURE & TRANSACTION CHARGES

1) Exit Load is an amount which is paid by the investor to redeem the units from the scheme.

2) 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 (applicable for each of the Plan(s) under the Scheme	If redeemed on or before 365 days from the date of allotment – 1% No exit load will be applicable for switches made between the 5 plans i.e. Conservative Plan, Moderately Conservative Plan, Moderate Plan, Moderately Aggressive Plan and Aggressive Plan of the Scheme.

3) Switch of investments from Regular Plan to Direct Plan under the same Scheme/Plan shall be subject to applicable exit load, unless the investments were made directly i.e. without any distributor code. However, any subsequent switch-out or redemption of such investments from Direct Plan will not be subject to any exit load.

4) No exit load shall be levied for switch-out from Direct Plan to Regular Plan. However, any subsequent switch-out or redemption of such investment from Regular Plan shall be subject to exit load based on the original date of investment in the Direct Plan.

5) Switch of investments between Plans under a Scheme having separate portfolios, will be subject to applicable exit load.

6) 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.

7) Further, with effect from August 01, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by the scheme in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses. Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the respective scheme immediately.

8) 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.

St. obs. 16

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/ CDSC in the statement of accounts issued after the introduction of such load/CDSC.

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.

9) Bonus Units and units issued on reinvestment of dividends shall not be subject to exit load.

10) 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 Rs. 11.25 x (1-1.00% of Rs. 11.25) = Rs. 11.1375.

11) 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. **St. obs. 17(b)**

12) 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.

13) No exit load shall be chargeable on any transaction/s made by any "Fund of Funds Scheme/s" managed by Principal Pnb Asset Management Company Pvt. Ltd. or managed by any other Asset Management Company, in any of the existing schemes (or any scheme/s launched from time to time unless specified otherwise) of Principal Mutual Fund.]

Transaction Charges –

In accordance with SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, 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 ₹ 150/- for subscription of ₹ 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 ₹. 100/- per subscription of ₹ 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.

Further, in accordance with SEBI CIR/IMD/DF/21/2012 dated September 13, 2012, the Distributors/Agents shall have the option to either opt-in or opt-out of levying transaction charges based on type of product.

(iii) **Transaction charges shall not be deducted for:**

- purchases /subscriptions for an amount less than ₹ 10,000/-;
- transaction other than purchases/ subscriptions relating to new inflows such as Switch/ Systematic Transfer Plan of the Scheme/Plan 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 continue to 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.

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.

St. obs. 20

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 share holders 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.	SEBI in January 2013 had initiated adjudicating proceedings against the Principal Mutual Fund, Principal Pnb Asset Management Company Private Limited ("AMC") and Principal Trustee Company Private Limited ("Trustee") to enquire and adjudge the alleged violations of Clause 5 under Schedule II of SEBI Circular no. SEBI/IMD/Cir no.11/78450/06 dated October 11, 2006 and SEBI Circular no. SEBI/IMD/CIR No. 6/98057/07 dated July 05, 2007. The adjudicating officer vide its order dated September 26, 2013 levied a penalty of Rs. 10 lakh each on the AMC and Trustee, respectively under section 15D(b) of the SEBI Act. The penalty amount was duly paid by the AMC and Trustee

		within the prescribed timeline.
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 pending against Mr. Rajat Jain, Chief Investment Officer of Principal Pnb Asset Management Company Pvt. Ltd. in the "Court of Sessions of Greater Bombay". The case was filed at the instance of CBI, Economic Offences Wing, Mumbai pertaining to a matter alleged during Mr. Jain's previous employment with SBI Mutual Fund, prior to his joining Principal Pnb Asset Management Company Pvt. Ltd. The case pertains to the purchase of certain shares at SBI Mutual Fund where Mr. Rajat Jain was, at that time, Chief Investment Officer.

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.

St. obs. 22

Note: The Scheme/Plan under this Scheme Information Document was approved by the Board of Directors of Principal Trustee Company Private Limited vide their resolution dated November 21, 2013. The Trustees have ensured that the Scheme/Plan approved is a new product offered by Principal Mutual Fund and is not a minor modification of its existing schemes.

St. obs. 25

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

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

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

Agra: 1st Floor, Deepak Wasan Plaza, Behind Holiday Inn, Opp. Megdoot Furnitures, Sanjay Place, Agra-282 002 • **Ahmedabad:** 201/202 Shail, Opp. Madhusudan House, Navrangpura, Ahmedabad-380 006 • **Ajmer:** S. No. 1 & 2, 2nd Floor, Ajmer Tower, Kutchery Road, Ajmer-305 001 • **Aligarh:** 1st Floor, Kumar Plaza, Aligarh-202 001 • **Allahabad:** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S.P. Marg, Civil Lines, Allahabad-211 001 • **Amritsar:** 72-A, Taylor's Road, Opp. Aga Heritage Club, Amritsar-143 001 • **Anand:** B-42 Vaibhav Commercial Center, Nr TVS Down Town Show Room, Grid Char Rasta, Anand-380 001 • **Asansol:** 114/71, G.T. Road, Near Sony Centre, Bhanga Pachil, Asansol-713 303 • **Aurangabad:** Ramkunj Niwas, Railway Station Road, Near Osmanpura Circle, Aurangabad-431 005 • **Bangalore:** 59, Skanda Puttanna Road, Basavanagudi, Bangalore-560 004 • **Bankura:** Ambika Market Complex, Gr. Floor, Nutanganj, Post & Dist Bankura, Bankura-722 101 • **Bareilly:** 1st Floor, 165, Civil Lines, Opp. Hotel Bareilly Palace, Near Railway Station, Bareilly-243 001 • **Belgaum:** CTS No. 3939/ A2 A1, Above Raymonds Show Room, Beside Harsha Appliances, Club Road, Belgaum-590 001 • **Bharuch:** Shop No. 147-148, Aditya Complex, Near Kasak Circle, Bharuch-392 001 • **Bhatinda:** #2047-A 2Nd Floor, The Mall Road, Above Max New York Life Insurance, New Delhi-151 001 • **Bhavnagar:** G-11 Giranjali Complex, Beside Bhavnagar Municipal Corporation & Collector Office, Kalanala, Bhavnagar-364 001 • **Bhilai:** Shop No . 1, First Floor, Plot No.1, Commercial Complex, Nehru Nagar (East), Bhilai-490 020 • **Bhopal:** Kay Kay Business Centre, 133, Zone I, M.P. Nagar, Above City Bank, Bhopal-462 011 • **Bhubaneshwar:** A/181 , Back Side of Shivam Honda Show Room, Saheed Nagar, Bhubaneswar-751 007 • **Bikaner:** 70-71, 2nd Floor, Dr. Chahar Building, Panchsati Circle, Sadul Ganj, Bikaner-334 001 • **Bokaro:** B-1, 1st Floor, City Centre, Sector-4, Near Sona Chandi Jwellars, Bokaro-827 004 • **Burdwan:** 63 G.T. Road, Halder Complex 1st Floor, Burdwan-713 101 • **Calicut:** 2nd Floor, Soubhagya Shopping Complex, Arayidathpalam, Mavoor Road, Calicut-673 004 • **Chandigarh:** SCO 2423-2424, Sector 22-C, Chandigarh-160 022 • **Chennai:** F-11, Akshaya Plaza, 1st Floor, 108, Adhithanar Salai, Egmore, Opp. Chief Metropolitan Court, Chennai-600 002 • **Cochin:** Ali Arcade, 1st Floor, Kizhavana Road, Panampilly Nagar, Near Atlantis Junction, Ernakualm-682 036 • **Coimbatore:** 1057/1058 Jaya Enclave, 2nd Floor, Avinashi Road, Coimbatore-641 018 • **Cuttack:** P.O. - Buxi Bazar, Cuttack, Opp. Dargha Bazar, Dargha Bazar, Cuttack-753 001 • **Dehradun:** Kaulagarh Road, Near Sirmaur Margabove, Reliance Webworld, Dehradun-248 001 • **Dhanbad:** 208 New Market, 2nd Floor, Bank More, Dhanbad-826 001 • **Durgapur:** 1st Floor, Old Dutta Automobile Bldg., Nachan Road, Benachity, Durgapur-713 213 • **Erode:** No. 4, Veerappan Traders Complex, KMY Salai, Sathy Road, Opp. Erode Bus Stand, Erode-638 003 • **Faridabad:** A-2B, 1st Floor, Nehru Groundnit, Faridabad-121 001 • **Ghaziabad:** 1st Floor, C-7, Lohia Nagar, Ghaziabad-201 001 • **Gorakhpur:** Above V.I.P. Houseajdacent, A.D. Girls College, Bank Road, Gorakpur-273 001 • **Gurgaon:** Shop No.18, Gr. Floor, Sector-14, Opp. AKD Tower, Near Huda Office, Gurgaon-122 001 • **Guwahati:** 54 Sagarika Bhawan, 2nd Floor, R.G. Barooah Road, AIDC, Near Baskin Robbins, Guwahati-781 024 • **Gwalior:** 37/38, Lashkar, MIB Roadshinde Ki Chhawani, Near Nadi Gate Pul, Gwalior-474 001 • **Hubli:** 22 & 23, 3rd Floor, Eureka Junction, Travellers Bunglow, Hubli-580 029 • **Hyderabad:** 8-2-596, Avenue 4, Karvy Plaza, Street No. 1, Banjara Hills, Hyderabad-500 034 • **Indore:** 213 -B City Center, M.G. Road, Opp. High Court, Indore-452 001 • **Jabalpur:** Grover Chamber, 43 Naya Bazar Malviya Chowk, Opp. Shyam Market, Jabalpur-482 002 • **Jaipur:** S-16/A 3rd Floor, Land Mark Building, Opp. Jai Club, Mahaver Marg C-Scheme, Jaipur-302 001 • **Jalandhar:** Arora Prime Tower, Lower Ground Floor, Office No. 3, Plot No. 28, Jalandhar-144 001 • **Jalgaon:** 113, Navi Peth, B/H Mahalaxmi Dairy, Jalgaon-425 001 • **Jammu:** 5 A/D Extension 2, Near Panama Chowk Petrol Pump, Panama Chowk, Jammu-180 012 • **Jamnagar:** 136-137-138 Madhav Palaza, Opp. SBI Bank, Near Lal Bunglow, Jamnagar-361 001 • **Jamshedpur:** Kanchan Tower, 3rd Floor, Main Road, Bistupur, Near Traffic Signal, Jamshedpur-831 001 • **Jodhpur:** 203, Modi Arcade, Chopasni Road, Jodhpur-342 001 • **Junagadh:** 124-125 Punit Shopping Center, M.G. Road, Ranavav Chowk, Junagadh-362 001 • **Kanpur:** 15/46, B, Gr. Floor, Opp. Muir Mills, Civil Lines, Kanpur-208 001 • **Karnal:** 18/369, Char Chaman, Kunjpura Road, Behind Miglani Hospital, Karnal-132 001 • **Kolhapur:** 605/1/4, E Ward, Shahupuri 2nd Lane, Laxmi Niwas, Near Sultane Chambers, Kolhapur-416 001 • **Kolkata:** 166 A, Rashbihari Avenue, 2nd Floor, Opp. Fortish Hospital, Kolkata-700 029 • **Kota:** 29,1st Floor, Near Lala Lajpat Rai

Circle, Shopping Centre, Kota-324 007 • **Kottayam:** 1st Floor Csiascension Square, Railway Station Road, Collectorate P. O., Kottayam-686 002 • **Lucknow:** 24, Prem Nagar, Ashok Marg, Lucknow-226 001 • **Ludhiana:** SCO-136, 1st Floor, Above Airtel Showroom, Feroze Gandhi Market, Ludhiana-141 001 • **Madurai:** Rakesh Towers, 30-C, 1st Floor, Bye Pass Road, Opp. Nagappa Motors, Madurai-625 010 • **Malda:** Sahis Tuli, Under Ward No.6, No.1 Govt Colony, English Bazar Municipality, Malda-732 101 • **Mangalore:** Mahendra Arcade, Opp. Court Road, Karangal Padi, Mangalore-575 003 • **Meerut:** 1st Floor, Medi Centre, Opp. ICICI Bank, Hapur Road, Near Bachha Park, Meerut-250 002 • **Mehsana:** Ul-47, Apollo Enclave, Opp. Simandhar Temple, Modhera Cross Road, Mehsana-384 002 • **Moradabad:** Om Arcade, Parker Road, Above Syndicate Bank, Chowk Tari Khana, Moradabad-244 001 • **Mumbai:** 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind BSE Bldg., Fort, Mumbai-400 001 • ***Mumbai - Borivali:*** Gr. Floor, Himanshu Bldg., Sodawala Lane, Lina Chandawarkar Road, Borivali, Mumbai-400 091 • ***Mumbai - Thane:*** 101, Yashwant Building, Ram Ganesh, Godkari Path, Ram Maruti Road, Naupada, Thane-400 602 • **Muzaffarpur:** 1st Floor, Uma Market, Thana Gumtimoti Jheel, Muzaffarpur-842 001 • **Mysore:** L-350, Silver Tower, Ashoka Road, Opp. Clock Tower, Mysore-570 001 • **Nadiad:** 104/105, Near Paras Cinema, City Point Nadiad, Nadiad-387 001 • **Nagpur:** Plot No. 2/1, House No 102/1, Mangaldeep Appartment, Mata Mandir Road, Opp. Khandelwal Jewelers, Dharampeth, Nagpur-440 010 • **Nasik:** S-12,Suyojit Sankul, Sharanpur Road, Near Rajiv Gandhi Bhavan, Nasik-422 002 • **Navsari:** 1/1 Chinmay Aracade, Opp. Sattapir Road, Tower Road, Navsari-396 445 • **New Delhi:** 305, New Delhi House, 27, Barakhamba Road, New Delhi -110 001 • **Noida:** 307, Jaipuria Plaza, D-68-A, 2nd Floor, Opp. Delhi Public School, Sector 26, Noida-201 301 • **Panipat:** 1st Floor, Krishna Tower, Above Amertex, G.T. Road, Panipat-132 103 • **Panjim:** City Business Centre, Coelho Pereira Building, Room No. 18,19 & 20, Dada Vaidya Road, Panjim-403 001 • **Patiala:** SCO-27 D, Chotti Baradari, Near Car Bazaar, Patiala-147 001 • **Patna:** 3-A, 3rd Floor, Anand Tower, Exhibition Road, Opp. ICICI Bank, Patna-800 001 • **Pondicherry:** No. 7, Thiayagaraja Street, Pondicherry-605 001 • **Pune:** Office # 16, Gr. Floor, Shrinath Plaza, Near Dyaneshwar Paduka Chowk , F. C. Road, Pune-411 005 • **Raipur:** 2 & 3, Lower Level, Millenium Plaza, Room No. L 1, 2 & 3, Behind Indian Coffee House, Raipur-492 001 • **Rajkot:** 104, Siddhi Vinyak Complex, Opp. Ramkrishna Ashram, Dr. Yagnik Road, Rajkot, Rajkot-360 001 • **Ranchi:** Room No. 307, 3rd Floor, Commerce Tower, Beside Mahabir Tower, Ranchi-834 001 • **Rourkela:** 1st Floor, Sandhu Complex, Kachery Road, Uditnagar, Rourekla-769 012 • **Salem:** No. 40, 2nd Floor, Brindavan Road, Fairlands, Near Perumal Koil, Salem-636 016 • **Shillong:** Annex Mani Bhawan, Lower Thana Road, Near R K M Lp School, Shillong-793 001 • **Shimla:** Triveni Building, By Pas Chowkkhallini, Shimla-171 002 • **Siliguri:** Nanak Complex, Sevoke Road, Siliguri-734 001 • **Surat:** G-5, Empire State Buliding, Near Udhna Darwaja, Ring Road, Surat-395 002 • **Tirunelveli:** 55/18, Jeney Building, S.N. Road, Near Aravind Eye Hospital, Tirunelveli-627 001 • **Trichur:** 2nd Floor, Brothers Complex, Naikkanal Junction, Shornur Road, Near Dhanalakshmi Bank H O, Thrissur-680 001 • **Trichy:** 60, Sri Krishna Arcade, Thennur High Road, Trichy-620 017 • **Trivandrum:** 2nd Floor, Akshaya Tower, Sasthamangalam, Trivandrum-695 010 • **Udaipur:** 201-202, Madhav Chambers, Opp. G P O., Chetak Circle, Udaipur-313 001 • **Vadodara:** SB-5, Mangaldeep Complex, Opp. Masonic Hall, Productivity Road, Alkapuri, Baroda-390 007 • **Valsad:** Shop No. 2 , Phiroza Corner, Opp. Next Show Room, Tithal Road, Valsad-396 001 • **Vapi:** Shop No. 12, Ground Floor, Sheetal Appatment, Near K.P. Tower, Vapi-396 195 • **Varanasi:** D-64/132, 1st Floor, Anant Complex, Sigra, Varanashi-221 010 • **Vellore:** No. 1, M. N. R. Arcade, Officers Line, Krishna Nagar, Vellore-632 001 • **Vijayawada:** 39-10-7, Opp. Municipal Water Tank, Labbipet, Vijayawada-520 010 • **Visakhapatnam:** Door No. 47-14-5/1, Eswar Paradise, Dwarakanagar Main Road, Visakhapatnam-530 016 • **Warangal:** 5-6-95, 1st Floor, Opp. B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal-506 001.

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.

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

Allahabad Bank, Andhra Bank, Axis Bank Ltd., Bank of America N. A., Bank of Baroda, Bank of India, Bank of Maharashtra, BNP Paribas, Canara Bank, Central Bank of India, CITI Bank, City Union Bank Ltd., Corporation Bank, DBS Bank Ltd., Dena Bank, Deutsche Bank, Dhanlaxmi Bank Limited, HDFC Bank Ltd., HSBC Ltd., ICICI Bank Ltd, IDBI Bank Ltd., Indian Bank, Indian Overseas Bank, IndusInd Bank, ING Vysya Bank, J P Morgan Chase Bank, N.A., Karnataka Bank Ltd., Karur Vysya Bank Ltd., Kotak Mahindra Bank Ltd., Nutan Nagarik Sahakari Bank Ltd., Oriental Bank of

Commerce, Punjab National Bank, South Indian Bank, Standard Chartered Bank, State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of India, State Bank of Mysore, State Bank of Patiala, State Bank of Travencore, Syndicate Bank, Tamilnad Mercantile Bank Ltd., The Ahmedabad Mercantile Co-Op. Bank Ltd., The Federal Bank, The Kalupur Commercial Co-operative Bank Ltd., The Lakshmi Vilas Bank Ltd., The Saraswat Co-Opearative Bank Ltd, The Surat Peoples Co-op Bank Ltd, UCO Bank, Union Bank of India, United Bank of India, Vijaya Bank, YES Bank Ltd.

For the complete list of controlling / designated branches of above mentioned SCSBs, please refer to the websites of SEBI, BSE and NSE at www.sebi.gov.in, www.bseindia.com and www.nseindia.com

Name, Address and Website of Registrar:

Karvy Computershare Pvt. Ltd. (Unit: Principal Mutual Fund), 'Karvy Registry House, #8-2-596, Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500034.'.

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