

SUMMARY OF THE PROPOSED COMBINATION

*[in terms of Regulation 13(1B) of the Competition Commission of India
(Procedure in regard to the transaction of business relating to
combinations) Regulations, 2011, as amended]*

A. Name of the Parties:

1. Parties to the combination:

- (i) Principal International India Limited (**Acquirer**);
- (ii) Principal Pnb Asset Management Company Private Limited
(**Target AMC**);
- (iii) Principal Trustee Company Private Limited (**Target Trustee**);
- (iv) Principal Mutual Fund (**Target Mutual Fund**).

B. Type of Combination

- 2. The proposed transaction amounts to a combination in terms of Section 5 (a) (i) (A) of Competition Act, 2002.
- 3. The proposed combination involves acquisition of 21.38% of paid-up equity share capital of Target AMC and 30% of paid-up equity share capital of Target Trustee by the Acquirer resulting in Principal Financial Group's sole control of Target AMC, Target Trustee and sponsorship, trusteeship and management of Target Mutual Fund through its Group companies the Acquirer herein and PFGM.



C. Area of Activity of the Parties to the combination

4. The Acquirer is a company incorporated under the laws of England and Wales on 25th September 2017. The Acquirer, being an investment entity, does not carry on any business activity.
5. The Acquirer is a direct wholly owned subsidiary of Principal Financial Services Asia Limited and ultimate wholly owned subsidiary of Principal Financial Services Inc. USA ("PFSI").
6. PFSI is the part of Principal Financial Group of USA which is existing Sponsor to the Target Mutual Fund registered with and regulated by SEBI.
7. PFSI has a WOS in Mauritius i.e. Principal Financial Group (Mauritius) Limited ("PFGM") which already owns 78.62% of paid-up equity share capital of Target AMC and 70% of paid-up equity share capital of Target Trustee.
8. The Target AMC is a company incorporated in India. It is a JV between PFGM (78.62%) and Punjab National Bank (21.38%). It has been appointed as the asset management company of the Target Mutual Fund. It is registered with **SEBI** as a portfolio manager also. However, the Target AMC currently, does not carry on the business of portfolio management services.



9. The Target Trustee is a company incorporated in India. It is a joint venture between PFGM (70%) and Punjab National Bank (30%). It is not a market facing entity and is only engaged in trustee services to Target Mutual Fund.
10. The Target Mutual Fund is a mutual fund established as a trust in accordance with Indian Trusts Act, 1882 and is registered with SEBI (Reg. No. MF/019/94/0 dated 13th December 1994). The Target Mutual Fund is sponsored by PFSI through its wholly owned subsidiary PFGM with Punjab National Bank as its co-settlor.

D. Relevant Markets

11. The relevant markets are Mutual Funds and Portfolio Management markets in India. The Acquirer itself has no presence in these markets save for presence of Principal Financial Group through PFGM's existing equity shareholding in Target AMC and Target Trustee. Thus, there are no overlaps between the Target Companies and the Acquirer in the relevant Indian markets.

For **Principal International India Limited**



(Amit Raheja)
Authorized Signatory

