

Abridged Annual Report For 2025 - 2026



FRANKLIN
TEMPLETON

FRANKLIN TEMPLETON MUTUAL FUND - Franklin India Corporate Debt Fund

Head Office : One International Center, Tower 2, 12th and 13th Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai - 400 013.

Trustee Report to Investors

Dear Investor,

The Board of Directors of Franklin Templeton Trustee Services Private Limited, Trustee to the Schemes of Franklin Templeton Mutual Fund, have the pleasure of presenting before you the **30th Annual Report of Franklin Templeton Mutual Fund ("FTMF" or "the Fund") for the financial year 2025-26 (FY 2025-26)**.

Along with the general information on the background and highlights of FTMF, investor services, etc., the Board of Directors of Franklin Templeton Trustee Services Private Limited ("Trustee or Trustee Company") have specifically provided information on the Schemes of FTMF.

Review of activities of Franklin Templeton Mutual Fund

During FY 2025-26, the mutual fund industry witnessed a robust growth of 12% in AUM. Equity mutual funds had positive net flows during the year to the tune of Rs 4.89 lakh crores. Flexi cap funds had the highest gross and net flows among equity categories during the year. (AUM Source: AMFI website, Month end AUM considered)

The AUM of FTMF increased 5.3% during the year to Rs 1,11,983 crore as at March 31, 2026 from Rs 1,06,327 crore a year ago.

During the FY 2025-26, Franklin Templeton Mutual Fund launched following 2 schemes:

1. Franklin India Multi Asset Allocation Fund
2. Franklin India Multi Factor Fund

As of March 31, 2026 the Fund offered 37 schemes across various categories.

At Franklin Templeton, we understand the importance of investor trust and act in a manner consistent with the trust investors have placed in us. Our brand, with its 78-year history globally and 30-year history in India, has been built on the core values of "Putting Clients First" and "Working with Integrity."

Additional distributions made by the defaulted securities:

There were recoveries from the default securities on account of interim distribution orders passed by National Company Law Tribunal ("NCLT") on May 14, 2025, March 25, 2026, and April 23, 2026, respectively. These distributions were made based on undertakings that the scheme will unconditionally refund the amount if NCLT directs so in the final order. Hence, these amounts are retained in the scheme books for further direction from NCLT.

Other than recoveries from default securities, the distribution of which is litigated, there are no additional recoveries/ distributions.

Key Investor Education & Awareness Initiatives undertaken during FY 2025-26

Change the Soch - Drive - On January 20, 2026, we flagged off #ChangeTheSoch, a nationwide investor awareness initiative to travel across Bharat and bring more women into financial conversations. Over 30 days, across 21 cities and 4,000+ kilometers, the drive travelled from Kanyakumari to Kashmir, with Avinash Satwalekar, driving across the length of the country.

The purpose was simple yet powerful: to listen, learn and help build financial confidence among women, so they understand money, ask questions, and take charge of their financial decisions.

Instead of travelling only to metros or branch offices, the journey intentionally went off the beaten path, into smaller towns, villages, factory clusters, and rural communities where conversations around financial awareness are often limited, yet deeply important. Along the way, our President met different women communities across Bharat & India.

These experiences form the heart of the #ChangeTheSoch Drive, an effort to challenge the long-standing biases around who participates in financial decision-making in India, and to encourage a more inclusive financial future.

Across the drive we travelled over 4,100kms covering 7 states and 21 cities, engaging directly with 4,324 participants, including 2,801 women. The objective was not just awareness, but immersion - listening to real investors, understanding barriers, and shaping our approach in real time.

#BeNonStop Print: In a year which was full of volatility with large highs and sudden lows, we continued to capitalize on the market situation by revisiting our investor education campaign asking people to #BeNonStop with their investments, irrespective of how the market behaves. The message was simple - When the markets correct, don't stop your SIPs.

We contextualized #BeNonStop for various moments and locations as well and launched a series of hoardings and Bus Shelter ads across Mumbai on December 31st, and at key locations like Carter Road, Bandstand, Elco, Linking Road etc.

Investor Awareness Programs (IAPs): 1112 IAPs were conducted during FY 2025-26 which were attended by 1,26,572 participants across various locations in the country.

Investor Services

As on March 31, 2026, FTMF had 39.70 lakhs active investor folios which are serviced through its 40 Investor Service Centres (ISCs) and 246 collection centres located across the country.

FTMF remains committed to leveraging technology to enhance customer satisfaction while encouraging investors and partners to adopt our comprehensive suite of digital offerings and services. As part of our ongoing digital transformation initiatives, we have fully revamped the investor and distributor portals and introduced new features and enhancements, to ensure that our digital platforms remain current, simplify the ease of doing business, and facilitate efficient and seamless digital client servicing.

Investors may also refer to the **Investor Charter** available on the website of the mutual fund at www.franklintempletonindia.com, detailing the services provided to Investors, Rights of Investors, various activities of Mutual Funds with timelines, Dos and Don'ts for Investors and Grievance Redressal Mechanism.

Significant Regulatory Changes

During the year various regulatory changes were made. Investors may note the following significant changes:

- **Specialized Investment Funds (SIFs)**
SEBI operationalized the SIF framework from April 01, 2025 creating a new regulated product category between traditional mutual funds and PMS, with higher flexibility and a minimum investment threshold.
- SEBI, through its circular dated May 23, 2025, mandated all regulated entities, including Mutual Funds and their service providers, to ensure that digital KYC and account-opening processes are accessible and inclusive for Persons with Disabilities (PwDs). The circular aims to facilitate equitable access to financial services through accessible digital interfaces, appropriate assistance during onboarding, and non-discriminatory investor onboarding practices.
- **Transaction charges to Mutual Fund Distributors discontinued**
SEBI removed the provision allowing AMCs to pay transaction charges to distributors, effective immediately from August 08, 2025 requiring related distributor remuneration to be aligned with the revised framework.
- **Comprehensive overhaul of Mutual Fund Regulations and expense framework**
SEBI issued a revised regulatory framework for mutual funds in January 2026, introducing changes to the expense ratio structure, including separate disclosure of Base TER, brokerage and transaction costs, regulatory levies, and statutory charges, aimed at enhancing transparency for investors. The revised framework came into effect on April 1, 2026.
- **Reclassification of REIT exposure**
Investments by Mutual Funds and SIFs in REITs would be treated as equity-related instruments from January 01, 2026, with implications for scheme classification and investment limits.
- **Scheme categorization and rationalization**
SEBI revised the categorization and rationalization framework for mutual fund schemes in February 2026, with emphasis on uniformity, "true-to-label" schemes, revised categories, portfolio-overlap controls and realignment requirements.

- **Voluntary lock-in/ debit freeze facility for MF folios**

SEBI introduced a voluntary lock-in / debit-freeze facility for mutual fund folios, strengthening investor protection and control over folio-level transactions.

Investor Complaints Report

The Investor Complaints Report of FTMF for FY 2025-26 is given in **Annexure I** to this Report.

Valuation policy

Valuation policy and related disclosures are available on the website of the mutual fund at www.franklintempletonindia.com for reference of the investors.

Voting Policy and Disclosures of Votes Cast

FTMF has formulated a policy for exercise of voting rights by Franklin Templeton Asset Management (India) Private Limited (FTAMIL/AMC) in companies in whose securities Schemes of FTMF have invested. M/s. M. P. Chitale & Co., Chartered Accountants (Scrutinizer) have independently verified and issued an unqualified certificate regarding the votes cast by FTMF/FTAMIL. The Voting Policy and votes cast during FY 2025-26 along with Scrutinizer's certificate is available on the website of the mutual fund www.franklintempletonindia.com. Summary of proxy votes cast by FTMF/AMC during FY 2025-26:

Summary of proxy votes cast by FTMF/AMC during FY 2025-26:

Financial Year	Quarter	Total no. of resolutions	Break-up of Vote decision			
			For	Against	Abstained	None
2025-2026	Quarter 1	2865	2699	163	-	3
	Quarter 2	8610	7943	666	-	1
	Quarter 3	721	650	71	-	-
	Quarter 4	1610	1526	84	-	-
Total		13806	12818	984	-	4

Stewardship policy and implementation:

FTMF has formulated a Stewardship code, Stewardship Responsibility policy and other related policies (Policies). The Stewardship Report for FY 2025-26 along with Policies are available on the website of the mutual fund www.franklintempletonindia.com.

Scheme performance, future outlook and operations of the scheme:

For FY 2025-26, reflected a varied performance across equity schemes, with some schemes outperforming their respective benchmark indices while others lagged. Within debt schemes, a fair number of schemes outperformed their respective benchmark indices. Select hybrid schemes outperformed their respective benchmark indices. Overall, the performance of FTMF schemes versus benchmarks exhibited a mixed outcome during the period under review.

Brief commentary on the scheme's, one year and since inception performance vis-à-vis benchmarks, future outlook of the Fund and operations of the scheme are provided below.

Franklin India Corporate Debt Fund

Franklin India Corporate Debt Fund (FICDF) is an open-ended debt scheme predominantly investing in AA+ and above rated corporate bonds.

The fund's performance since inception and in the last one year ended March 2026 is summarized below:

Franklin India Corporate Debt Fund (FICDF) ^{^^^}	Last 1 Year	Since Inception
FICDF Growth	7.58%	8.46%
B: NIFTY Corporate Bond Index A-II#	5.29%	N.A
AB: Crisil 10 Year Gilt Index	2.11%	N.A
FICDF - Direct - Growth	8.17%	8.34%
B: NIFTY Corporate Bond Index A-II#	5.29%	7.60%
AB: Crisil 10 Year Gilt Index	2.11%	6.33%

Past performance may or may not be sustained in future and is not a guarantee of any future returns. Compounded and annualized returns. Inception date: FICDF -Growth: June 23, 1997, FICDF - Direct -Growth: January 1, 2013. B: Benchmark, AB: Additional Benchmark.

#The Index is adjusted for the period April 1, 2002 to June 4, 2018 with the performance of CRISIL Composite Bond Fund Index, for the period June 4, 2018 to November 15, 2019 with the performance of CRISIL Short Term Bond Fund Index and for the period November 15, 2019 to April 1, 2022 with the performance of CRISIL NIFTY Corporate Bond Index. and for the period April 1, 2022 to April 1, 2024 with the performance of NIFTY Corporate Bond Index B-III. NIFTY Corporate Bond Index A-II is the benchmark for FICDF effective April 1, 2024..

^{^^^}As the scheme was launched before the launch of the benchmark index, benchmark index figures since inception are not available.

The regular plan of the scheme outperformed its benchmark over last 1 year. The fund has consistently maintained high quality of portfolio with a tactical duration management. As the scheme was launched before the launch of the benchmark index, benchmark index figures since inception are not available. At the end of March 2026, around 93% of the portfolio was allocated to Sovereign/AAA/Cash and equivalents securities and the remaining in AA rated securities.

Key portfolio characteristics at end of March 2026 were as given below:

As of March 31, 2026	Average Maturity (in years)	Yield-to-Maturity [^]
FICDF	5.38	7.79%

[^]pre-fund expenses

The fund managers will continue to actively manage portfolio maturities, in line with their views on the macro-environment and policy developments and fine-tune the maturity profile. The strategy will be to take advantage of any opportunities that arise because of market volatility over the near term while positioning well for any capital gains over the medium term.

Future Outlook

Fixed income

Global financial markets continue to be shaped by a complex interplay of geopolitical tensions, evolving monetary policy paths, shifting macroeconomic conditions, and weather-related risks. Inflation across most advanced economies remains elevated alongside rising debt levels, while growth has shown resilience. This combination has left central banks in a difficult position, balancing the need to contain inflation without derailing growth and servicing debt at lower cost. Sovereign bond yields have been trending upward, with markets increasingly pricing in a higher interest rate environment in the future.

Emerging markets, meanwhile, face a multi-pronged set of challenges. Currency pressures and capital outflows driven by global risk aversion and flight-to-safety dynamics have tightened financial conditions. At the same time, geopolitical disruptions have pushed up energy prices, contributing to inflationary pressures. The potential impact of adverse weather conditions, including El Niño, poses additional risks to food production and food price inflation.

Global growth is expected to remain moderate and uneven. Developed economies are likely to expand at a slower pace due to tighter financial conditions, demographic constraints, and lingering post-pandemic effects, though a sharp downturn appears unlikely. In contrast, emerging markets are expected to outperform, supported by stronger domestic demand, favorable demographics, and ongoing structural reforms. Asia, particularly India and Southeast Asia, is likely to play a central role in driving global growth, alongside broader structural themes such as digital transformation, AI-driven productivity gains, and increased investment in sustainable infrastructure.

India has navigated the evolving macroeconomic landscape relatively well. Policy measures such as rationalization of direct and indirect taxes, along with pragmatic initiatives to attract capital flows will support stability. GDP growth in recent years has exceeded expectations, reflecting both base effects and genuine improvements in select sectors of the economy.

India's growth-inflation dynamics are now entering a more balanced phase after the strong post-pandemic rebound. GDP growth is expected to stabilise in the 6.5-7% range, supported by resilient domestic demand, government initiatives, and steady private investment. Inflation is likely to remain in the upper half of the RBI's target band, driven by food price volatility, crude oil prices, and climate-related risks. While core inflation remains relatively anchored, the overall inflation trajectory may be uneven, keeping inflation expectations somewhat sticky.

In this context, the "lower-for-longer" interest rate narrative could be short lived than anticipated earlier. If supply-side pressures begin to translate into broader inflation, the RBI may need to act pre-emptively to anchor expectations, potentially through calibrated monetary tightening. In our assessment after taking above factors into consideration, a cumulative of 75-100 bps policy rate hike over FY27 remains a plausible scenario.

Against this backdrop, the fixed income market presents a structurally attractive opportunity despite near-term uncertainties. RBI's liquidity-enhancing measures, including FCNR deposit schemes and ECB relaxations, are expected to ease systemic liquidity, reduce funding pressures, and compress spreads in corporate bonds and money market instruments. These factors should support segments of the yield curve, particularly the short to medium term maturity bucket. At the same time, long-end government bond yields around 7.6% offer attractive entry points for investors with a medium-term horizon, despite potential interim volatility.

Equities

Indian equities navigated a challenging environment during FY 2025-26, underperforming global markets amid a combination of cyclical and external headwinds. While global equities were supported by strong momentum in AI-led sectors, Indian markets faced pressure from moderation in earnings growth and shifts in global capital allocation.

The slowdown in the domestic investment cycle, coupled with softer consumption trends, led to downward revisions in earnings expectations. In parallel, the lack of opportunities to play the global AI theme, led investors to rotate capital away from India. These factors collectively contributed to subdued market performance relative to global peers.

Geopolitical tensions, particularly in West Asia, introduced an additional layer of uncertainty towards the end of the financial year. A prolonged rise in oil prices could exert pressure on inflation, the fiscal balance and the current account. While India is in a relatively stronger macro position today with contained inflation, improved fiscal discipline, and a resilient services surplus its dependence on energy imports continues to pose a vulnerability.

Encouragingly, early signs of an earnings recovery are emerging after a prolonged slowdown. The stimulus measures undertaken by the Government and RBI in calendar year 2025 are showing positive effects. Credit growth has picked up through the year. Auto and commercial vehicle sales are strong while cement production growth has held up in high single digits. Within consumption, premiumization and formalization continue to be powerful themes reflecting in divergence in growth for beneficiary companies versus industry growth rates. Select capex themes continue to attract investments including data centres, electronics manufacturing and renewable power.

Consensus expectations suggest a gradual return to mid-teen earnings growth with earnings estimates for FY27 and FY28 holding up relatively well through to the end of Q4FY26 earnings releases. However, the recovery remains contingent on geopolitical stability and the ready availability of energy and fertilizers from the Middle East. With time correction over 18 months, equity valuations, particularly in large caps, have generally become more attractive.

Despite the near-term headwinds, confidence in India's long-term growth story remains intact. Structural drivers including favourable demographics, low penetration across consumption categories, ongoing infrastructure development, and policy continuity continue to underpin the outlook. Over the medium term, these factors are expected to support a more stable growth trajectory, even as markets navigate periods of consolidation such as FY25-26.

As required under Para 6.16.1. (I) of Master Circular a table showing scheme wise changes in Risk-o-meter from the period March 2025 to March 2026 is given below:

Fund name	Risk-o-meter level at start of the financial year (Mar 2025)	Risk-o-meter level at end of the financial year (Mar 2026)	Number of changes in Risk-o-meter during - (Mar 25-Mar26)
Franklin India Corporate Debt Fund	Moderate	Moderate	4

Product Label, Risk-o-meter of the scheme is given as **Annexure II**

Brief background of Trust, Sponsor, Trustee Company and Asset Management Company:

Franklin Templeton Mutual Fund

Franklin Templeton Mutual Fund ('FTMF') has been constituted as a trust on January 04, 1996 in accordance with the provisions of the Indian Trusts Act, 1882 and the Deed of Trust is registered under the Indian Registration Act, 1908. FTMF has been sponsored by Templeton International Inc., with Franklin Templeton Trustee Services Private Limited as the Trustee Company. Trustee Company entered into an Investment Management Agreement dated January 05, 1996 with Franklin Templeton Asset Management (India) Private Limited ('AMC') appointing it as the Investment Manager for all the schemes of FTMF. FTMF is registered with SEBI vide Registration No. MF/026/96/8 dated February 19, 1996.

Templeton International Inc.

Franklin Templeton Mutual Fund is sponsored by Templeton International, Inc. which is a wholly owned subsidiary of Templeton Worldwide Inc., which in turn is a wholly owned subsidiary of Legg Mason Inc., which in

turn is a wholly owned subsidiary of Franklin Resources Inc. The Sponsor was responsible for setting up and establishing the Franklin Templeton Mutual Fund.

Franklin Resources, Inc. [NYSE: BEN] is a global investment management organization with subsidiaries operating as Franklin Templeton and serving clients in over 150 countries. Franklin Templeton's mission is to help clients achieve better outcomes through investment management expertise, wealth management and technology solutions. Through its specialist investment managers, the company offers specialization on a global scale, bringing extensive capabilities in fixed income, equity, alternatives and multi-asset solutions. With more than 1,600 investment professionals, and offices in major financial markets around the world, the California-based company has over 78 years of investment experience and over \$1.68 trillion in assets under management as of March 31, 2026.

Franklin Templeton Trustee Services Private Limited

Franklin Templeton Trustee Services Private Limited ('Trustee'/'Trustee Company'), a company incorporated under the Companies Act, 1956 and having its registered office at One International Center, Tower 2, 12th, and 13th Floors, Senapati Bapat Marg, Elphinstone (West), Mumbai 400013 is the Trustee to FTMF. The Trustee is the exclusive owner of the trust fund and holds the same in trust for the benefit of the unitholders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed.

The Trustee seeks to ensure that FTMF and the schemes floated thereunder are managed by the Investment Manager in accordance with the Trust Deed, SEBI (Mutual Funds) Regulations, 2026 (erstwhile SEBI (Mutual Funds) Regulations, 1996) (the "Regulations"), directions and guidelines issued by SEBI, the stock exchanges, the Association of Mutual Funds in India (AMFI), and other regulatory agencies.

Board of Directors of the Trustee Company as on March 31, 2026:

- Ms. Sandra Martyres (Independent Director)
- Mr. Jayant Gokhale (Independent Director)
- Mr. Nikhilesh Panchal (Independent Director)
- Mr. Alok Sethi (Director)
- Mrs. Shilpa Shetty (Director)

During the year, there were no changes in board composition.

Franklin Templeton Asset Management (India) Private Limited

Franklin Templeton Asset Management (India) Private Limited ('AMC'), a company incorporated under the Companies Act, 1956 and having its registered office at One International Center, Tower 2, 12th and 13th Floors, Senapati Bapat Marg, Elphinstone (West), Mumbai 400013 is the Investment Manager of FTMF. The Investment Manager is approved by SEBI to act as the asset management company of FTMF vide letter no. IIMARP/406/96 dated February 19, 1996.

Board of Directors of the AMC as on March 31, 2026:

- Mr. V S Radhakrishnan (Independent director)
- Mr. Pradip Shah (Independent director)
- Ms. Tabassum Inamdar (Independent director)
- Mr. Avinash Satwalekar (Director)
- Mr. Sanjay Sapre (Director)
- Mr. Vitthal Dehadray (Director)

During the year, there were no changes in board composition.

Investment objectives of the scheme:

Franklin India Corporate Debt Fund (FICDF) is an open ended debt scheme predominantly investing in AA+ and above rated corporate bonds with an objective to provide investors regular income and capital appreciation.

Material Accounting Policies:

The Balance Sheet of Schemes of FTMF as on March 31, 2026, the Revenue Account for FY 2025-26 and the Auditors' Report thereon are annexed to this Report. The financial statements including notes to accounts have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India read with accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations. As mentioned in the Auditors' Report, the accounting policies are in accordance with Securities Exchange Board of India (Mutual Fund) Regulations 1996.

Unclaimed Income Distribution cum capital withdrawal (IDCW) [dividends] and redemptions as on March 31, 2026:

Scheme Name	Unclaimed Redemption		Unclaimed Dividend	
	Amount (Rs.)	Count	Amount (Rs.)	Count
Franklin India Corporate Debt Fund	21,68,588.91	103	97,01,500.17	1269

The details of Unclaimed Redemption for wound up schemes as on March 31, 2026, is given below. There was no Unclaimed Income Distribution cum Capital Withdrawal (IDCW / dividend) in these schemes.

Scheme Name	Unclaimed Redemption	
	Amt in INR Crs (AUM as on 31/03/2026)	Count
Franklin India Credit Risk Fund	8.67	5,209
Franklin India Dynamic Accrual Fund	12.15	18,321
Franklin India Income Opportunities Fund	1.81	1,821
Franklin India Low Duration Fund	1.25	5,508
Franklin India Short Term Income Plan	6.52	5,966
Franklin India Ultra Short Bond Fund Super Institutional Plan	3.70	18,806
Total	34.11	55,631

Statutory Information:

- The Sponsor, Templeton International Inc. is not responsible or liable for any loss resulting from the operation of the schemes of the Mutual Fund beyond its initial contribution of INR 1 lakh for setting up the Mutual Fund, and such other accretions/additions to the same.
- Since the amounts collected under the various schemes are deployed in securities markets, the price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments.

- Full Annual Report is available on the website of FTMF at www.franklintempletonindia.com and shall be made available for inspection at the head office of FTMF. Present and prospective investors can request for copies of the Trust Deed, detailed annual accounts of the schemes and the Annual Report of the AMC upon payment of the prescribed fee, if any.
- The valuation policy is available on our website www.franklintempletonindia.com

Acknowledgments:

The Board of Directors of Trustee Company wish to place on record their appreciation for the dedication and sincerity of the employees of the AMC. The Board would also like to thank the Government of India, the Securities and Exchange Board of India, the Reserve Bank of India and the Association of Mutual Funds in India for their ongoing support, co-operation and guidance during the year under review. The Board would like to take this opportunity to thank its family of investors for their support and wholehearted faith reposed in the Franklin Templeton Mutual Fund. In addition, the Trustee Company would also like to thank the Auditors, Custodians, Bankers, Registrar, Fund Administrators/ Accountants and all other service providers for their valuable support.

We look forward to your continued support and assure you of our commitment to quality products and services from Franklin Templeton Mutual Fund.

Yours sincerely,

**for Franklin Templeton Trustee Services Private Limited
(Trustee to Franklin Templeton Mutual Fund)**

Sd/-

Alok Sethi

Director

Date: July 16, 2026

Annexure I

Investor Complaints Report for the Financial Year 2025-26

Total Number of Folios: 39,70,214

Com- plaint Code	Type of Complaint#	(a) No. of complaints pending at the beginning of the year	Action on (a) and (b)									
			(b) No. of Complaints received during the year	Resolved				Non Ac- tion- able *	Pending			
				Within 30 days	30- 60 days	60- 180 days	Beyond 180 days		0-3 mon- ths	3-6 mon- ths	6-9 mon- ths	9-12 mon- ths
I A	Non receipt of amount declared under Income Distribution cum Capital Withdrawal option	0	0	0	0	0	0	0	0	0	0	0
I B	Interest on delayed payment of amount declared under Income Distribution cum Capital Withdrawal option	0	0	0	0	0	0	0	0	0	0	0
I C	Non receipt of Redemption Proceeds	0	2	2	0	0	0	0	0	0	0	0
I D	Interest on delayed payment of Redemption	0	0	0	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/ Unit Certificate	0	0	0	0	0	0	0	0	0	0	0
II B	Discrepancy in Statement of Account	0	0	0	0	0	0	0	0	0	0	0
II C	Data Corrections in Investor details	3	173	175	0	0	0	0	1	0	0	0
II D	Non receipt of Annual Report/ Abridged Summary	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	1	1	0	0	0	0	0	0	0	0
III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0
III D	Wrong or excess charges/load	0	0	0	0	0	0	0	0	0	0	0
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	0	32	32	0	0	0	0	0	0	0	0
IV	Others	0	86	84	0	1	0	0	1	0	0	0
Total		3	294	294	0	1	0	0	2	0	0	0

Franklin Templeton Mutual Fund for FY 2025-26 Complaints Summary

Particulars	Count
Total Complaints Received	294
Total Number of Folios	3970214
Percentage Complaints Against Folios	0.007%

including against its authorized persons/ distributors/ employees. etc.

*Nonactionable means the complaint that are incomplete / outside the scope of the mutual fund

** As on April 13, 2026, all 2 pending complaints are resolved.

Classification of complaints	
Type of Complaint	
TYPE I	Delay/Non-receipt of money
I A	Dividend on Units
I B	Interest on delayed payment of Dividend
I C	Redemption Proceeds
I D	Interest on delayed payment of Redemption
TYPE II	Statement of Account/Unit Certificate/Annual Report
II A	Non receipt of Statement of Account/Unit Certificate
II B	Discrepancy in Statement of Account
II C	Data Corrections in Investor Details
II D	Non receipt of Annual Report/ Abridged Summary
TYPE III	Service related
III A	Wrong switch between Schemes
III B	Unauthorized switch between Schemes
III C	Deviation from Scheme attributes
III D	Wrong or excess charges/load
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc
TYPE IV	Others

Note:

- During the financial year 2025-26, the AMC has received 27 communications relating to winding-up of six debt schemes of FTMF which were duly responded to investors.
- 99% of the complaints have been resolved within 30 days. The time shown above is the average time for resolution of complaints from receipt of initial complaint till eventual closure. Delays could be caused by a variety of factors including the dependencies on external and internal stakeholders and client for ensuring complete resolution, such as coordination and retrieval of additional information, transaction requests, time taken for detailed investigation and providing end to end resolution and verification of details received from clients.

Annexure II

Fund Name	Product Labeling This product is suitable for investors who are seeking*			
	Nature of scheme & indicative time horizon	Brief about the investment objective & kind of product	Risk level based on portfolio as on March 31, 2026	Risk level of primary benchmark as on March 30, 2026
Franklin India Corporate Debt Fund Primary Benchmark: NIFTY Corporate Bond Index A-II	Medium term capital appreciation with current income	A bond fund – focuses on AA+ and above rated Corporate/PSU Bonds.	The risk of the Scheme is Moderate risk	The risk of the Benchmark is Low to Moderate risk

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

Fund Name	Potential Risk Matrix Potential Risk Class (PRC) Matrix is in accordance with Para 17.5 of SEBI Master Circular on Mutual Funds dated June 27, 2024 Potential Risk Matrix contains Maximum Interest rate risk (calculated using Macaulay Duration of the scheme) and Maximum Credit Risk (calculated using the Credit Risk Value)																			
Franklin India Corporate Debt Fund (FICDF)	Max. Interest Rate Risk ↓	Max. Credit Rate Risk → <table><tr><td>POTENTIAL RISK CLASS</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td>B-III</td><td></td></tr></table>			POTENTIAL RISK CLASS	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)	Relatively Low (Class I)				Moderate (Class II)				Relatively High (Class III)		B-III	
POTENTIAL RISK CLASS	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)																	
Relatively Low (Class I)																				
Moderate (Class II)																				
Relatively High (Class III)		B-III																		
Description of potential risk: Relatively high interest rate risk and moderate credit risk																				

Report of the Auditors

To the Board of Trustees of

FRANKLIN TEMPLETON MUTUAL FUND - FRANKLIN INDIA CORPORATE DEBT FUND

Report on the abridged financial statements

The accompanying abridged financial statements, which comprise of the abridged balance sheet as at 31 March 2026 and the abridged revenue account for the year ended 31 March 2026 and related notes of Franklin India Corporate Debt Fund (the 'Scheme') of Franklin Templeton Mutual Fund (the 'Fund'), are derived from the audited financial statements of the Scheme for the year ended 31 March 2026. We expressed an unmodified audit opinion on those financial statements in our report dated 16 July 2026.

The abridged financial statements do not contain all the disclosures required by the accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended (the 'Regulations'). Reading the abridged financial statements, therefore, is not a substitute for reading the audited financial statements of the Scheme.

Responsibilities of the AMC and the Board of Directors of the Trustees for the abridged financial statements

Franklin Templeton Asset Management (India) Private Limited (the 'AMC') and the Board of Directors of Franklin Templeton Trustee Services Private Limited (the 'Trustees') are responsible for the preparation of the abridged financial statements from the audited financial statements of the Scheme pursuant to Regulation 56 (1) of the Regulations, and in accordance with the format prescribed by the Securities and Exchange Board of India ('SEBI') vide master circular number SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated 27 June 2024 (the 'Circular') and are derived from the audited financial statements of the Schemes for the year ended 31 March 2026, prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Regulations and Generally Accepted Accounting Principles in India and covered by our report of even date to the Trustees of the Fund.

In preparing the Scheme's financial statements, the AMC and the Board of Directors of the Trustees are responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the abridged financial statements

Our responsibility is to express an opinion on the abridged financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

We are also responsible to conclude on the appropriateness of the AMC and of Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the abridged financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.

Opinion

In our opinion, the abridged financial statements, derived from the audited financial statements of the Scheme for the year ended 31 March 2026 are a fair summary of those financial statements, in accordance with the Generally Accepted Accounting Principles in India and are in accordance with the format prescribed by the Circular.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sameer Mota

Partner

Membership No: 109928

UDIN: 26109928GNTAPM1140

Place: Mumbai

Date: 16 July 2026

Abridged Balance Sheet as at March 31, 2026

	As at March 31, 2026	Rupees in Lakhs As at March 31, 2025
LIABILITIES		
1 Unit Capital	12,282.03	8,200.03
2 Reserves and Surplus		
2.1 Unit Premium Reserve	(61,359.72)	(61,578.88)
2.2 Unrealised Appreciation Reserve	224.03	(669.53)
2.3 Retained Surplus	174,314.18	129,962.73
3 Current Liabilities and Provisions		
3.1 Current Liabilities	351.83	5,355.48
TOTAL	125,812.35	81,269.83
ASSETS		
1 Investments		
1.1 Listed Securities		
1.1.1 Other Debentures and Bonds	98,522.42	57,453.51
1.2 Government Securities	18,111.33	13,213.93
1.3 Treasury Bills	-	-
1.4 Alternative Investment Fund	371.08	215.67
2 Other Current Assets		
2.1 Cash and Bank Balances	104.28	55.26
2.2 Reverse Repo Lending	5,505.56	4,714.20
2.3 Others	3,197.68	5,617.26
TOTAL	125,812.35	81,269.83

Notes to Accounts - Annexure I

Abridged Revenue Account for the year ended March 31, 2026

		Year ended March 31, 2026	Rupees in Lakhs Year ended March 31, 2025
1	INCOME & GAINS		
1.1	Dividend	-	-
1.2	Interest	8,192.88	5,678.64
1.3	Realised Gains / (Losses) on External sale / redemption of investments	1,317.73	235.61
1.4	Realised Gains / (Losses) on Foreign Exchange Transactions	-	-
1.5	Realised Gains / (Losses) on Derivative Transactions	556.25	-
1.6	Realised Gains / (Losses) on Interscheme Sale of Investments	-	-
1.7	Other Income	9.03	0.08
	(A)	10,075.89	5,914.33
2	EXPENSES & LOSSES		
2.1	Management Fees	180.97	115.39
2.2	GST on Management Fees	32.58	20.77
2.3	Transfer Agents Fees and Expenses	16.81	11.90
2.4	Custodian Fees	2.41	1.62
2.5	Trusteeship Fees	6.61	5.09
2.6	Commission to Agents	309.42	292.19
2.7	Marketing and Distribution Expenses	8.91	5.47
2.8	Investor Education Expense	22.66	15.27
2.9	Audit Fees	1.26	0.89
2.10	Investor Communication Expenses	0.91	0.60
2.11	Brokerage & Transaction Costs	18.49	12.38
2.12	Finance Costs	3.29	0.01
2.13	Other Operating Expenses	4.38	2.42
	(B)	608.70	484.00
3	NET REALISED GAINS / (LOSSES) FOR THE YEAR	(A - B = C)	5,430.33
4	Change in Unrealised Depreciation in the value of Investments	(D)	61.04
5	NET GAINS / (LOSSES) FOR THE YEAR	(C - D = E)	5,369.29
6	Change in Unrealised Appreciation in the value of Investments	(F)	582.45
7	NET SURPLUS / (DEFICIT) FOR THE YEAR	(E + F = G)	5,951.74
7.1	Add: Balance transferred from Unrealised Appreciation Reserve	669.53	-
7.2	Less: Balance transferred to Unrealised Appreciation Reserve	224.03	(669.53)
7.3	Add / (Less): Equalisation Credit / (Debit)	37,671.12	(4,164.36)
8	Total	45,764.83	2,456.91
9	Dividend Appropriation		
9.1	Income Distributed during the Year	(74.32)	(61.69)
9.2	Tax on Income Distributed during the Year	-	-
10	Retained Surplus / (Deficit) carried forward to Balance sheet	45,690.51	2,395.22

Key Statistics for the year ended March 31, 2026

	Year ended March 31, 2026	Year ended March 31, 2025
1 NAV per unit (Rs.):		
Open:		
Growth Plan	96.1892	89.1340
Direct Growth Plan	104.0135	95.8500
Annual IDCW Plan	16.4206	16.1923
Direct Annual IDCW Plan	18.4107	18.1200
Monthly IDCW Plan	15.0811	14.8590
Direct Monthly IDCW Plan	16.9356	16.6221
Quarterly IDCW Plan	11.8576	11.8483
Direct Quarterly IDCW Plan	13.4773	13.3904
Half Yearly IDCW Plan	12.4122	12.4484
Direct Half Yearly IDCW Plan	14.5988	14.4509
High:		
Growth Plan	103.9221	96.1892
Direct Growth Plan	112.9587	104.0135
Annual IDCW Plan	17.7407	17.4008
Direct Annual IDCW Plan	19.9943	19.5792
Monthly IDCW Plan	15.5299	15.0980
Direct Monthly IDCW Plan	17.4542	16.9519
Quarterly IDCW Plan	12.3311	12.0637
Direct Quarterly IDCW Plan	14.0311	13.6769
Half Yearly IDCW Plan	13.0380	12.9162
Direct Half Yearly IDCW Plan	15.3782	15.0646
Low:		
Growth Plan	96.5662	89.1954
Direct Growth Plan	104.4246	95.9187
Annual IDCW Plan	16.4849	16.2034
Direct Annual IDCW Plan	18.4834	18.1330
Monthly IDCW Plan	15.1249	14.8410
Direct Monthly IDCW Plan	16.9148	16.5948
Quarterly IDCW Plan	11.9011	11.8103
Direct Quarterly IDCW Plan	13.5067	13.3643
Half Yearly IDCW Plan	12.3098	12.3626
Direct Half Yearly IDCW Plan	14.5093	14.4613
End:		
Growth Plan	103.4834	96.1892
Direct Growth Plan	112.5109	104.0135
Annual IDCW Plan	16.5166	16.4206
Direct Annual IDCW Plan	18.5159	18.4107
Monthly IDCW Plan	15.1320	15.0811
Direct Monthly IDCW Plan	16.9237	16.9356
Quarterly IDCW Plan	11.9067	11.8576
Direct Quarterly IDCW Plan	13.5138	13.4773
Half Yearly IDCW Plan	12.3156	12.4122
Direct Half Yearly IDCW Plan	14.5169	14.5988
2 Closing Assets Under Management (Rs in Lakhs)		
End	125,460.52	75,914.35
Average (AAuM)**	113,121.61	76,310.67
3 Gross income as % of AAuM** (Gross Income = (A) in Revenue Account):	8.91%	7.75%
4 Expense Ratio:		
a. Total Expense as % of AAuM**		
Regular Plan	0.79%	0.79%
Direct Plan	0.25%	0.24%

Key Statistics for the year ended March 31, 2025

	Year ended March 31, 2025	Year ended March 31, 2024
b. Management Fee (including GST) as % of AAuM**		
Regular Plan	0.19%	0.18%
Direct Plan	0.19%	0.18%
5 Net Income as a percentage of AAuM** (Net Income = (C) in Revenue Account):	8.39%	7.13%
6 Portfolio turnover ratio:	230.59%	270.00%
7 Total Distributions per unit during the year (Rs):		
Monthly IDCW Plan		
Individuals/HUF	1.0700	0.9200
Others	1.0700	0.9200
Direct Monthly IDCW Plan		
Individuals/HUF	1.3650	1.0600
Others	1.3650	1.0600
Quarterly IDCW Plan		
Individuals/HUF	0.8350	0.9000
Others	0.8350	0.9000
Direct Quarterly IDCW Plan		
Individuals/HUF	1.0450	1.0200
Others	1.0450	1.0200
Half Yearly IDCW Plan		
Individuals/HUF	1.0250	1.0000
Others	1.0250	1.0000
Direct Half Yearly IDCW Plan		
Individuals/HUF	1.2600	1.0600
Others	1.2600	1.0600
Annual IDCW Plan		
Individuals/HUF	1.1500	1.0500
Others	1.1500	1.0500
Direct Annual IDCW Plan		
Individuals/HUF	1.4000	1.2500
Others	1.4000	1.2500
8 Returns:		
a. Last One Year		
Scheme		
Growth Plan	7.58%	7.92%
Direct Growth Plan	8.17% (Plan A)	8.52% (Plan A)
Benchmark (NIFTY Corporate Bond Index A-II ^^^^^)	5.29%	768.20%
b. Since Inception		
Scheme		
Growth Plan	8.46% (23-06-1997)	8.49% (23-06-1997)
Direct Growth Plan	8.34% (Plan A, 01-01-2013)	8.35% (Plan A, 01-01-2013)
Benchmark (NIFTY Corporate Bond Index A-II ^^^^^)	N.A / 7.60% (DIP - Plan A)	N.A / 7.79% (DIP - Plan A)

March 31, 2025 and March 31, 2026, are Non-business days. NAV Computed for disclosure purposes only.

**Average Assets Under Management.

In case of schemes with multiple plans, returns have been calculated based on the growth plan.

The returns are calculated based on the last declared NAV.

DIP - Direct Plan

Benchmarks returns calculated based on Total Return Index Values. NR: Net Returns.

^^^^ Index is adjusted for the period April 1, 2002 to June 4, 2018 with the performance of CRISIL Composite Bond Fund Index, for the period June 4, 2018 to November 15, 2019 with the performance of CRISIL Short Term Bond Fund Index, for the period November 15, 2019 to April 1, 2022 with the performance of NIFTY Corporate Bond Index and for the period April 1, 2022 to April 1, 2024 with the performance of NIFTY Corporate Bond Index B-III. NIFTY Corporate Bond Index A-II is the benchmark for FICDF effective April 1, 2024.

Notes to Accounts - Annexure I to the Abridged Balance Sheet as at March 31, 2026 and Revenue Account for the Year ended March 31, 2026

Rupees in Lakhs

Particulars 2026 2025

1 Investments:

1.1 Investments of the Scheme are held in trust by the trustees for the benefits of the Schemes Unitholders.

1.2 Exposure to Derivative Instruments: NIL NIL

Position type	As at March 31, 2026	As at March 31, 2025
IRS - Pay Fixed / Receive Floating	5,000.00	-

1.3 Investments in Associates and Group Companies: NIL NIL

1.4 Securities Borrowed and/or Lend by the scheme: NIL NIL

1.5 Securities classified as below investment grade or default:

- Aggregated Market Value (Unlisted Securities - Other debentures and bonds) - -
- Provisions for Accrued Interest - 94.48

1.6 Aggregate Unrealised Gain / Loss as at the end of the Financial Year and percentage to net assets.

Alternative Investment Fund

- appreciation 36.46 20.01
- depreciation - -
- Net Unrealised Gain/Loss as a percentage of Net assets as on March 31 0.03 0.03

Listed Securities / Securities Awaited Listing:

(Other debentures and bonds)

- appreciation 128.06 580.11
- depreciation 1,215.40 179.30
- Net Unrealised Gain/Loss as a percentage of Net assets as on March 31 (0.87) 0.53

Central and State Government Securities

- appreciation 0.51 69.37
- depreciation 338.31 0.91
- Net Unrealised Gain/Loss as a percentage of Net assets as on March 31 (0.27) 0.09

Interest Rate Swaps

- appreciation 58.99 -
- depreciation - -
- Net Unrealised Gain/Loss as a percentage of Net assets as on March 31 0.05 -

Triparty Repo (TREPs)

- appreciation 0.02 0.02
- depreciation - -
- Net Unrealised Gain/Loss as a percentage of Net assets as on March 31 0.00 0**

* Amount less than 0.01 lakhs

** Less than 0.01%

1.7 Aggregate Value of Purchase and Sale with Percentage to average assets.

Purchases

- amount 320,760.52 206,036.48
- as a percentage of average daily net assets 283.55 270.00

Sales

- amount 260,850.49 206,663.01
- as a percentage of average daily net assets 230.59 270.82

1.8 Aggregate value of Non-Traded securities and percentage to Net assets:

Debt 100,703.62 59,032.99

Total 100,703.62 59,032.99

Percentage of Non Traded securities to Net Assets as on March 31 80.27 77.76

Notes to Accounts - Annexure I to the Abridged Balance Sheet as at March 31, 2026 and Revenue Account for the Year ended March 31, 2026

Particulars	Rupees in Lakhs			
	2026		2025	
2 Details of Transaction with Associates under regulation 25(8) :				
- Brokerage Paid to Associates/Related Parties/Group companies of Sponsor/AMC			NIL	NIL
- Commission Paid to Associates/Related Parties/Group companies of Sponsor/AMC			NIL	NIL
3 Large Holdings (over 25% of the NAV of the Scheme) :			NIL	NIL
4 Unit Capital movement during the year ended :				
Units of Rs 10 each fully paid up				
	Quantity		Amount	
	2026	2025	2026	2025
Growth Plan				
Outstanding, beginning of year	51,512,974.409	60,245,515.355	5,151.29	6,024.54
Issued during the year, (including dividend reinvestment, if any)	18,884,155.091	13,529,876.163	1,888.42	1,352.99
Redeemed during the year	(10,615,482.215)	(22,262,417.109)	(1,061.55)	(2,226.24)
Outstanding, end of year	59,781,647.285	51,512,974.409	5,978.16	5,151.29
Direct Growth Plan				
Outstanding, beginning of year	24,503,476.163	21,005,155.016	2,450.35	2,100.52
Issued during the year, (including dividend reinvestment, if any)	84,232,716.168	7,746,875.526	8,423.27	774.69
Redeemed during the year	(53,204,852.302)	(4,248,554.379)	(5,320.49)	(424.86)
Outstanding, end of year	55,531,340.029	24,503,476.163	5,553.13	2,450.35
IDCW Plan - Annual				
Outstanding, beginning of year	2,099,413.011	2,360,771.023	209.93	236.07
Issued during the year, (including dividend reinvestment, if any)	180,760.246	148,413.105	18.08	14.84
Redeemed during the year	(329,635.027)	(409,771.117)	(32.96)	(40.98)
Outstanding, end of year	1,950,538.230	2,099,413.011	195.05	209.93
Direct IDCW Plan - Annual				
Outstanding, beginning of year	220,652.271	141,921.419	22.06	14.19
Issued during the year, (including dividend reinvestment, if any)	650,652.812	101,600.008	65.07	10.16
Redeemed during the year	(636,889.131)	(22,869.156)	(63.69)	(2.29)
Outstanding, end of year	234,415.952	220,652.271	23.44	22.06
IDCW Plan - Monthly				
Outstanding, beginning of year	1,191,532.782	1,327,937.091	119.16	132.80
Issued during the year, (including dividend reinvestment, if any)	1,109,486.896	37,714.862	110.95	3.77
Redeemed during the year	(336,004.476)	(174,119.171)	(33.60)	(17.41)
Outstanding, end of year	1,965,015.202	1,191,532.782	196.51	119.16

Notes to Accounts - Annexure I to the Abridged Balance Sheet as at March 31, 2026 and Revenue Account for the Year ended March 31, 2026

Particulars	Rupees in Lakhs			
	Quantity		Amount	
	2026	2025	2026	2025
Direct IDCW Plan - Monthly				
Outstanding, beginning of year	220,467.041	223,890.604	22.05	22.40
Issued during the year, (including dividend reinvestment, if any)	941,564.304	126,747.031	94.16	12.67
Redeemed during the year	(340,981.395)	(130,170.594)	(34.10)	(13.02)
Outstanding, end of year	821,049.950	220,467.041	82.11	22.05
IDCW Plan - Quarterly				
Outstanding, beginning of year	1,390,964.594	1,832,143.268	139.11	183.23
Issued during the year, (including dividend reinvestment, if any)	176,051.537	48,634.145	17.61	4.86
Redeemed during the year	(235,040.640)	(489,812.819)	(23.50)	(48.98)
Outstanding, end of year	1,331,975.491	1,390,964.594	133.22	139.11
Direct IDCW Plan - Quarterly				
Outstanding, beginning of year	194,846.899	173,518.897	19.49	17.36
Issued during the year, (including dividend reinvestment, if any)	572,194.802	58,997.264	57.22	5.90
Redeemed during the year	(330,935.294)	(37,669.262)	(33.09)	(3.77)
Outstanding, end of year	436,106.407	194,846.899	43.62	19.49
IDCW Plan - Half Yearly				
Outstanding, beginning of year	608,231.516	606,257.776	60.81	60.61
Issued during the year, (including dividend reinvestment, if any)	40,074.125	86,376.315	4.01	8.64
Redeemed during the year	(46,865.005)	(84,402.575)	(4.69)	(8.44)
Outstanding, end of year	601,440.636	608,231.516	60.13	60.81
Direct IDCW Plan - Half Yearly				
Outstanding, beginning of year	57,780.363	190,359.476	5.78	19.03
Issued during the year, (including dividend reinvestment, if any)	136,704.475	9,761.516	13.67	0.98
Redeemed during the year	(27,718.518)	(142,340.629)	(2.77)	(14.23)
Outstanding, end of year	166,766.320	57,780.363	16.68	5.78
5 Contingent Liability			NIL	NIL
6	"In case where the Surplus / (Deficit) for the period (after adjustment of income equalisation) is lower than the amount of distributed income (including tax on income distributed), the income has been distributed by the Scheme to its unitholders out of the distributable surplus available with the Scheme, which consists of the Surplus / (Deficit) for the period (after adjustment of income equalisation) and the retained earnings / accumulated reserves of earlier period(s).			

An error in presentation of balances in unrealised appreciation reserves and revenue reserves (both within reserves and surplus account), pertaining to the previous financial year, was identified during the current period. This was due to a positive balance in unrealised appreciation reserves being presented as a negative balance thereby understating unrealised appreciation reserves and overstating the revenue reserves. The error did not have any impact on the total reserve and surplus balance or net assets of the Scheme.

- 7 During the year ended March 31, 2026 the Scheme has borrowed in the Triparty Repo Dealing And Settlement (TREPS segment) market, the details of which are as given below:

Date of borrowing	Amount borrowed	Amount borrowed as a % of Net Assets on the date of borrowing	Date of Repayment	Interest on borrowing borne by the Fund	Rate of Borrowing
February 27, 2026	580.29	0.43%	March 2, 2026	0.23	4.90%
March 2, 2026	709.28	0.53%	March 4, 2026	0.19	4.85%
March 4, 2026	560.60	0.42%	March 5, 2026	0.07	4.69%
March 5, 2026	406.81	0.30%	March 6, 2026	0.05	4.57%
March 11, 2026	6,227.98	4.99%	March 12, 2026	0.82	4.78%
March 12, 2026	3,608.16	2.89%	March 13, 2026	0.46	4.65%
March 13, 2026	3,523.30	2.82%	March 16, 2026	1.47	5.08%

During the year ended March 31, 2025 the Scheme has borrowed in the Triparty Repo Dealing And Settlement (TREPS segment) market, the details of which are as given below:

Date of borrowing	Amount borrowed	Amount borrowed as a % of Net Assets on the date of borrowing	Date of Repayment	Interest on borrowing borne by the Fund	Rate of Borrowing
September 11, 2024	44.99	0.06%	September 12, 2024	0.01	6.30%

The borrowings made by the Scheme were within the limits permissible under the SEBI Regulations.

The cost of the borrowing has been shared between the Scheme and the AMC in such a manner that the residual investors of the scheme do not suffer at the cost of the redeeming investors. Pursuant to AMFI circular dated March 23, 2018, the borrowing cost to the extent of gross portfolio yield or the actual rate of borrowing, whichever is lower, has been borne by the scheme and has been adjusted against interest income.

- 8 Expenses other than management fee is inclusive of GST where applicable.
- 9 Effective April 1, 2023, in accordance with SEBI Regulations and Ind AS, brokerage and transaction costs incurred for the purpose of execution of transactions is charged as expense under Regulation 52 (6A) (a) up to 12 bps and 5 bps for cash market transactions and derivatives transactions, respectively. Prior to April 1, 2023, such costs were included in the cost of investments.
- 10 Other Income, if any, is mainly on account of load (net of GST) credited to schemes, clawback of additional expenses charged on account of inflows from beyond top 30 cities and compensation/reimbursements, if any.
- 11 There are certain categories / sub-categories wherein the schemes do not hold any balances as on March 31, 2026. Accordingly, if there are NIL balances, the category/ sub-category have not been disclosed.
- 12 The scheme has received INR 13.66 crores on April 8, 2026, towards its proportionate exposure in Reliance Broadcast Network Limited (ISIN: INE445K07106, 9.50% Reliance Broadcast, maturity date: July 20, 2020) on account of completion of corporate insolvency resolution process of put guarantor i.e. Reliance Capital Limited.

Proxy Voting:

The general voting policies and procedures of Franklin Templeton Asset Management (India) Private Limited for the Schemes of Franklin Templeton Mutual Fund and the actual exercise of votes in the general meetings of investee companies for financial year 2025-26 have been disclosed on www.franklintempletonindia.com and in full Annual Report for financial year 2025-26.



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The contents of this document are only for informative purposes and are not to be used or considered to be an offer to sell or buy units of Franklin Templeton Mutual Fund schemes. **Risk Factors: Mutual Fund investments are subject to market risks, read all scheme related documents carefully.** The NAV of the scheme may go up or down depending upon the factors and forces affecting the securities market including the fluctuations in the interest rates. The past performance of the mutual funds managed by the Franklin Templeton Group and its affiliates is not necessarily indicative of future performance of the scheme. The Mutual Fund is not guaranteeing or assuring any dividend distribution under the scheme and the same is subject to the availability and adequacy of distributable surplus. The Mutual Fund is also not assuring that it will make any dividend distributions under the dividend plan of the scheme though it has every intention of doing so and payment of dividend is at the sole discretion of Trustees. The investments made by the scheme are subject to external risks. Investors are requested to review the prospectus carefully and obtain expert professional advice with regard to specific legal, tax and financial implications of the investment/participation in the scheme.