



FRANKLIN
TEMPLETON

Franklin Templeton Mutual Fund
Registered Office: One International Center, Tower 2, 12th and 13th Floor,
Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013

Addendum to the Scheme Information Document and Key Information Memorandum of Franklin India Multi-Asset Solution Fund

Franklin Templeton Mutual Fund proposes to change certain scheme features of Franklin India Multi-Asset Solution Fund (the Scheme) effective December 19, 2022. Given below are the changes in the features of the Scheme:

	Current Features	Proposed Features	
Name of the Scheme	Franklin India Multi-Asset Solution Fund	Franklin India Multi-Asset Solution Fund of Funds	
Type of Scheme	An open ended fund of fund scheme investing in funds which in turn invest in equity, debt, gold and cash	An open-ended fund of fund scheme investing in funds which in turn invest in equity, debt and gold.	
Product label	The product is suitable for investors who are seeking <ul style="list-style-type: none">Long term Capital appreciationA fund of funds investing in diversified asset classes through a mix of strategic and tactical allocationRiskometer: Moderately High	The product is suitable for investors who are seeking <ul style="list-style-type: none">Capital appreciation and Income generation over medium to long termA fund of funds investing in diversified asset classes through a mix of strategic and tactical allocationRiskometer: Moderately High	
Investment Objective	The Fund seeks to achieve capital appreciation and diversification through a mix of strategic and tactical allocation to various asset classes such as equity, debt, gold and cash by investing in funds investing in these asset classes. However, there is no assurance or guarantee that the objective of the scheme will be achieved.	The fund seeks to achieve capital appreciation and diversification through a mix of strategic and tactical allocation to various asset classes such as equity, debt and gold by investing in funds investing in these asset classes. However, there is no assurance or guarantee that the objective of the scheme will be achieved.	
Asset Allocation	Under normal market circumstances, the investment range would be as follows:		
	Instruments	Risk Profile	As % of Net Assets (Min. – Max.)
	Equity allocation in units of Franklin India Bluechip Fund (FIBCF)/ Franklin India Flexi Cap Fund (FIFCF) [formerly known as Franklin India Equity Fund (FIEF)]*	Medium to High	10% - 75%
	Debt allocation in units of Franklin India Short Term Income Plan (FISTIP) / Franklin India Income Opportunities Fund (FIIOF) ** \$	Low to Medium	10% - 75%
	Gold allocation into Gold ETF(s)	Low to Medium	1% - 50%
	Cash allocation in units of Franklin India Liquid Fund (FILF) [formerly known as Franklin India Treasury Management Account (FITMA)]***	Low	0% - 50%
	Cash and Money Market Instruments	Low to Medium	0% - 5%
	*In case the allocation of FIMAS reaches 20% of the corpus of both FIBCF and FIEF, then fresh subscription/switches into FIMAS would be suspended. **In case the allocation of FIMAS reaches 20% of the corpus of both FISTIP and FIIOF, then fresh subscription/switches into FIMAS would be suspended. ***In case the allocation of FIMAS reaches 20% of the corpus of FILF, then fresh subscription/switches into FIMAS would be suspended. \$ The schemes are under the process of winding up and fresh investments into the said schemes are not permitted with effect from April 24, 2020. An application for change in fundamental attributes has been filed with SEBI. Currently, temporary investments are being made in TREPS/ Money market instruments. Post receipt of no observation letter from SEBI, due process shall be followed as prescribed under Regulation 18(15A) of SEBI (Mutual Funds) Regulations, 1996 for implementing the proposed change. The Scheme does not intend to invest in overseas mutual funds / unit trusts. However, the underlying mutual fund schemes may have investments in overseas mutual funds / unit trusts / foreign securities. The scheme shall not participate in repo in corporate debt securities. However, the underlying mutual fund schemes may engage in repo in corporate debt securities. The scheme does not intend engaging in stock lending / short selling. However, the underlying mutual fund schemes may engage in stock lending / short selling. The scheme shall not invest in derivatives. However, the underlying mutual fund schemes may have investment in derivatives. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially (subject to and within the maximum limits prescribed above) depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. The asset allocation pattern described above may alter from time to time on a short-term basis on defensive considerations (As per SEBI circular number SEBI/HO/IMD/DF2/CIR/P/2021/024 dated March 4, 2021), keeping in view market conditions, market opportunities, applicable regulations and political and economic factors (i.e., for reasons other than downgrade in rating) and would, in such cases, shall be rebalanced within 30 calendar days from date of deviation. However, if the asset allocation pattern is to be altered for other reasons, as this is a fundamental attribute, the procedure outlined in the paragraph on fundamental attributes below, shall be followed.		
	Portfolio Rebalancing In the event of deviations the portfolio will be rebalanced in line with SEBI circular number SEBI/HO/IMD/IMD-II DOF3/P/CIR/2022/39 dated March 30, 2022. In the event of deviation from mandated asset allocation mentioned in the Scheme Information Document (SID) due to passive breaches (occurrence of instances not arising out of omission and commission of AMCs), rebalancing period shall be 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment committee shall then decide on the course of action. The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme. All the reporting and disclosure requirements as mentioned in the SEBI circular number SEBI/HO/IMD/IMD-II DOF3/P/CIR/2022/39 dated March 30, 2022 shall be complied with. This includes disclosure to investors in case the AUM of deviated portfolio is more than 10% of the AUM of main portfolio of scheme. Note: Fresh subscription/switches into FIMAS would be reopened subsequent to exposure of FIMAS falling less than 20% of the corpus of anyone of the underlying equity scheme and anyone of the underlying debt scheme and FILF. In case the Fund Manager decides to change the investment allocations between the underlying schemes, the redemptions from the underlying scheme(s) (excluding Gold ETFs) on account of such re-allocation of investments will be limited to 5% of the net assets of the underlying scheme(s) on a single day.		
	In case the allocation of FIMAS reaches 20% of the corpus of any of afore-mentioned underlying equity schemes, then further investments would not be made in the said scheme. In case the Fund Manager decides to change the investment allocations between the underlying schemes, the redemptions from the underlying scheme(s) on account of such re-allocation of investments will be limited to 5% of the net assets of the underlying scheme(s) on a single day. ** Units of domestic debt schemes of any SEBI registered Mutual fund(s) including Franklin India Overnight Fund, Franklin India Liquid Fund, Franklin India Savings Fund, Franklin India Floating Rate Fund, Franklin India Corporate Debt Fund, Franklin India Banking & PSU Debt Fund, Franklin India Government Securities Fund, Kotak Bond Short Term Plan, SBI Short Term Debt Fund, Aditya Birla Sun Life Medium Term Plan, HDFC Ultra Short Term Fund, HDFC Low Duration Fund or any other existing / prospective debt schemes of domestic Mutual Fund(s) registered with SEBI. This is an indicative list of debt funds and the actual investments in debt funds in the portfolio could differ from this list. The Scheme does not intend to invest in overseas mutual funds / unit trusts. However, the underlying mutual fund schemes may have investments in overseas mutual funds / unit trusts / foreign securities. The scheme shall not participate in repo in corporate debt securities. However, the underlying mutual fund schemes may engage in repo in corporate debt securities. The scheme does not intend engaging in stock lending / short selling. However, the underlying mutual fund schemes may engage in stock lending / short selling. The scheme shall not invest in derivatives. However, the underlying mutual fund schemes may have investment in derivatives. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially (subject to and within the maximum limits prescribed above) depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. The asset allocation pattern described above may alter from time to time on a short-term basis on defensive considerations (As per SEBI circular number SEBI/HO/IMD/DF2/CIR/P/2021/024 dated March 4, 2021), keeping in view market conditions, market opportunities, applicable regulations and political and economic factors (i.e., for reasons other than downgrade in rating) and would, in such cases, shall be rebalanced within 30 calendar days from date of deviation. However, if the asset allocation pattern is to be altered for other reasons, as this is a fundamental attribute, the procedure outlined in the paragraph on fundamental attributes below, shall be followed.		
	Portfolio Rebalancing In the event of deviations the portfolio will be rebalanced in line with SEBI circular number SEBI/HO/IMD/IMD-II DOF3/P/CIR/2022/39 dated March 30, 2022. In the event of deviation from mandated asset allocation mentioned in the Scheme Information Document (SID) due to passive breaches (occurrence of instances not arising out of omission and commission of AMCs), rebalancing period shall be 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment committee shall then decide on the course of action. The Investment Committee, if so desires, can extend the timelines up to sixty (60) Business Days from the date of completion of mandated rebalancing period. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme. All the reporting and disclosure requirements as mentioned in the SEBI circular number SEBI/HO/IMD/IMD-II DOF3/P/CIR/2022/39 dated March 30, 2022 shall be complied with. This includes disclosure to investors in case the AUM of deviated portfolio is more than 10% of the AUM of main portfolio of scheme.		
Where will the scheme invest	Subject to the SEBI Regulations and guidelines issued by SEBI on overseas investments, the Scheme may invest in various types of instruments including, but not limited to, any of the following: <ul style="list-style-type: none">Units of domestic mutual fund schemes including Gold ETFs.Domestic Commercial Paper (CP), Certificate of Deposits (CD), treasury bills, TREPs, Repo/Reverse Repo and other Money Market Instruments as may be permitted by SEBI / RBI from time to time.Deposits with domestic banks and other bodies corporate as may be permitted by SEBI from time to time Being a fund of funds scheme, as per the prevailing SEBI Regulations, investment in assets other than units of mutual fund schemes will be restricted to the extent of funds required for meeting the liquidity requirements for the purpose of repurchases or redemptions. The securities mentioned above could be listed, unlisted, publicly offered, privately placed, secured, unsecured, rated or unrated and of varying maturity. The securities may be acquired through public offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals. The Scheme may also enter into repurchase and reverse repurchase obligations in all securities held by it as per the guidelines and regulations applicable to such transactions.	Subject to the SEBI Regulations and guidelines issued by SEBI on overseas investments, the Scheme may invest in various types of instruments including, but not limited to, any of the following: <ul style="list-style-type: none">Units of domestic mutual fund schemes including Gold ETFs.Domestic Commercial Paper (CP), Certificate of Deposits (CD), treasury bills, TREPs, Repo/Reverse Repo and other Money Market Instruments as may be permitted by SEBI / RBI from time to time.Deposits with domestic banks and other bodies corporate as may be permitted by SEBI from time to time Being a fund of funds scheme, as per the prevailing SEBI Regulations, investment in assets other than units of mutual fund schemes will be restricted to the extent of funds required for meeting the liquidity requirements for the purpose of repurchases or redemptions. The securities mentioned above could be listed, unlisted, publicly offered, privately placed, secured, unsecured, rated or unrated and of varying maturity. The securities may be acquired through public offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals. The Scheme may also enter into repurchase and reverse repurchase obligations in all securities held by it as per the guidelines and regulations applicable to such transactions. The scheme endeavours to provide long term capital appreciation and income from a mix of investments in domestic equity, debt and gold oriented schemes of mutual fund(s).	
Investment Strategy	The investment strategy of the fund is to provide an asset allocation solution to the investors. The asset allocation will be dynamically managed across Equity, Debt, Gold and Money Market based on proprietary model. The fund proposes to primarily invest in our existing local equity, fixed income, liquid products and in domestic Gold ETFs. Allocation to the asset classes will be made based on a proprietary model which is a mix of quantitative and qualitative analysis and uses a combination of economic, valuation and momentum/sentiment factors. The proprietary model uses strategic and tactical allocation. While strategic allocation determines long term allocation to different asset classes, tactical allocation uses a combination of economic, valuation and momentum/sentiment factors to determine the allocation towards a particular asset class/security. How will the model work? The investment strategy of the fund is to provide an asset allocation solution to the investors. Step 1 - Determination of Strategic allocation: Strategic allocation determines long term allocation to different asset classes viz. Equity, Debt, Gold and Money Market instruments. Step 2 - Determination of Tactical allocation: Tactical allocation is based on a combination of economic, valuation and momentum/sentiment factors. The tactical allocations to the asset classes/securities are guided by the specific states of different indicators under each of the factors. Depending on the state of these indicators, the weights assigned to the indicators are optimized. Given below are indicators under each of the factors:		
	Economic Indicators	Valuation Indicators	Momentum/ Sentiment Indicators
	India OECD Composite Leading Indicators	Difference between Earnings Yield & Bond Yield	Dollar Vs Developed Currencies Index
	India Index of Industrial Production	P/E Ratio	Dollar Vs Asian Currencies Index
	The fund manager reserves the right to change the above mentioned indicators or use any other criteria to use suitable indicators in case any of the above factors are either not available or modified or becomes irrelevant. Step 3 - Determination of Implementation allocation: Implementation allocation towards a specific asset class and security thereunder is determined based on a combination of strategic and tactical allocation.		
	The investment strategy of the fund is to provide an asset allocation solution to the investors. The asset allocation will be dynamically managed across Equity, Debt, Gold and Money Market. Allocation to the asset classes will be made based on a combination of output from the proprietary model which is a mix of quantitative and qualitative analysis and uses a combination of economic, valuation and momentum /sentiment factors. The proprietary model uses strategic and tactical allocation. While strategic allocation determines long term allocation to different asset classes, tactical allocation uses a combination of economic, valuation and momentum/sentiment factors to determine the allocation towards a particular asset class/security. The portfolio will be realigned at least once a month, generally in the first week of the following month. Implied category exclusions: Close ended schemes, hybrid schemes, solution-oriented schemes and Fixed Maturity Plans. How will the model work? The investment strategy of the fund is to provide an asset allocation solution to the investors. Step 1 - Determination of Strategic allocation: Strategic allocation determines long term allocation to different asset classes viz. Equity, Debt, Gold and Money Market instruments. Step 2 - Determination of Tactical allocation: Tactical allocation is based on a combination of economic, valuation and momentum/sentiment indicators		
	Economic Indicators	Valuation Indicators	Momentum/ Sentiment Indicators
	India OECD Composite Leading Indicators	Difference between Earnings Yield & Bond Yield	Dollar Vs Developed Currencies Index
	India Index of Industrial Production	P/E Ratio	Dollar Vs Asian Currencies Index
	The tactical allocations to the asset classes/securities are guided by the specific states of different indicators under each of the factors. Depending on the state of these indicators, the weights assigned to the indicators are optimized. The fund manager reserves the right to alter the above-mentioned indicators or use any other criteria to use suitable indicators in case any of the above factors are either not available or modified or becomes irrelevant. Step 3 - Determination of Implementation allocation: Implementation allocation towards a specific asset class and security thereunder is determined based on a combination of strategic and tactical allocation.		
Benchmark	CRISIL Hybrid 35+65 - Aggressive Index We believe that since the scheme invests in multiple asset classes and has the ability to dynamically move between them, ideally the appropriate benchmark is equal weighted composite benchmark representing each of the asset classes it intends to invest in. However, globally the other benchmarks that such funds use are the balance fund indices. In view of the same, the Scheme proposes to use CRISIL Hybrid 35+65 – Aggressive Index as the benchmark.	40% Nifty 500 TRI + 40% Nifty Short Duration Debt Index + 20% domestic gold price Scheme will target investment in asset classes including equity, debt and gold with allocation determined by strategic and tactical factors. Hence, we believe that a blended benchmark index comprising (i) Nifty 500 - broader equity index providing exposure across market capitalizations (ii) Nifty short duration debt index – fixed income index and (iii) domestic gold price is better reflective of the allocation mix followed by the product.	

The aforesaid changes in scheme features constitute change in fundamental attributes of the Scheme in accordance with Regulation 18 (15A) of SEBI (Mutual Funds) Regulation, 1996. In terms of prevailing regulatory requirements, investors in the Scheme are given an option to exit at the prevailing Net Asset Value (NAV) without any exit load, in case they do not wish to continue in this Scheme in view of the change in the fundamental attributes. The period of this no load exit offer is from November 17, 2022 to December 16, 2022 (both days inclusive). The redemption request for this purpose may be submitted at any of Official Points of Acceptance of Transactions (OPAT) of Franklin Templeton Mutual Fund, and the NAV applicable will be based on the day and time the application is received at any of the designated OPAT. Unitholders who do not exercise the exit option on or before 3.00 pm on December 16, 2022 would be deemed to have consented to the proposed change.

However, the exit option without load will not be available to investments in the Scheme made on or after November 17, 2022. Unitholders who have pledged their units will need to procure a release of their pledge prior to submitting their redemption request. The changes in scheme features have been approved by the Board of Directors of the Franklin Templeton Asset Management (India) Pvt. Ltd. (investment manager for schemes of Franklin Templeton Mutual Fund) and Franklin Templeton Trustee Services Pvt. Ltd. (the

Trustee to the schemes of Franklin Templeton Mutual Fund). All the other terms and conditions of the Scheme Information Document of the Scheme, read with the addenda issued from time to time, will remain unchanged. This addendum forms an integral part of the Scheme Information Document and Key Information Memorandum issued for the Scheme, read with the Addenda. This addendum is dated November 7, 2022.

For Franklin Templeton Asset Management (India) Pvt. Ltd.
(Investment Manager of Franklin Templeton Mutual Fund)
Sd/-
Authorised Signatory

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