



**FRANKLIN
TEMPLETON**

Franklin Templeton Mutual Fund

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**Notice cum Addendum to the Scheme Information Document/ Key Information Memorandum of
schemes of Franklin Templeton Mutual Fund**

Value SIP Facility

Investors may please note that Franklin Templeton Asset Management (India) Pvt. Ltd. has decided to introduce a new SIP facility namely, the 'Value SIP' facility, in few schemes of Franklin Templeton Mutual Fund w.e.f. August 5, 2024.

Introduction of Value SIP Facility

"Value SIP" is a facility wherein an investor can opt to invest variable SIP installment amounts in the below open-ended schemes of Franklin Templeton Mutual Fund. This facility allows the investors to take advantage of market movements by investing higher amounts when the markets are undervalued, and lower amounts when the markets are overvalued.

Applicable funds*:

- a. Franklin India NSE Nifty 50 Index Fund (Erstwhile Franklin India Index Fund- NSE NIFTY Plan)
- b. Franklin India Bluechip Fund
- c. Franklin India Flexi cap Fund (Erstwhile Franklin India Equity Fund)
- d. Franklin India Equity Advantage Fund
- e. Franklin India Prima Fund
- f. Franklin India Smaller Companies Fund
- g. Franklin India Focused Equity Fund
- h. Templeton India Value Fund
- i. Templeton India Equity Income Fund
- j. Franklin India Opportunities Fund
- k. Franklin Build India Fund
- l. Franklin India Multi Cap Fund

* And any other equity-oriented fund launched by Franklin Templeton Mutual Fund after the release of this addendum.

Methodology of Value SIP Facility

- Value SIP amount will be calculated based on the trailing consolidated Price-to-earnings ratio (P/E) level of the Nifty 500 index.
- Nifty 500 index P/E bands have been created with an investment multiple specified for each band. Please refer Table 1 -**Value SIP Band Structure** provided below.

- The investor decides a Median Instalment Amount (X) at the time of registering for Value SIP facility.
 - Depending on the Nifty 500 index P/E applicable on the date of investment of Value SIP, the corresponding investment multiple gets determined from Table 1- Value SIP Band Structure.
 - This multiple is applied to the Median Instalment Amount (X) to determine the value SIP amount to be debited for that month.
- The SIP installment amount for each period shall be based on the trailing consolidated Price to Equity ratio of the Nifty 500 Index.
- A band structure basis the P/E level has been created as shown below, with an investment multiple linked to each band. The amount to be invested on each SIP debit date will be determined basis the investment multiple pertaining to the applicable band.

Table 1: Value SIP Band Structure	
Band	Investment Multiple
<9.99x	7 x
10 to 11.99	6 x
12 to 13.99	5 x
14-15.99	4 x
16-17.99	3 x
18-19.99	2 x
20-23.99	X (Median Instalment amount)
24-25.99	0.8 x
26-27.99	0.7 x
28-29.99	0.6 x
30-31.99	0.5 x
32 and above	0.4 x

For example,

Investor chooses Median Investment amount of INR 5000.

On the applicable date of investment, Nifty 500 P/E stands at 18x

Corresponding Investment multiple for 18x PE is 2 times (based on the Table 1- Value SIP Band Structure)

Value SIP amount eligible for debit = INR 5000 x 2 = INR 10000

Investor inputs:

- A. At the time of registration, the investor will be mandated to specify a **median installment amount ("X")**, which shall be linked to the median band (P/E 20-23.99) of the band structure. (Please refer Table 1- Value SIP Band Structure)
- B. Additionally, the investor has the option to define a cap for his/her investments.

In case the investor fails to specify the investment cap value, the default value shall be applicable as below – Highest investment multiple: 7X (7 times the median SIP instalment amount as specified by the investor)

In case investor provides input for both (a) SIP Investment Cap value and (b) selects SIP investment amount to be processed based on Value SIP band options, then input under option (a) will be considered as default option.

Details for Value SIP Facility:

<u>Features</u>	
Frequency	Monthly
Minimum SIP installment amount to be opted by investor (Median installment amount - X)*	INR 1000
Minimum SIP instalments:	12
Maximum SIP installment amount	7X OR as defined by investor

*For a given period, in case the investment multiple linked to the applicable P/E band falls below INR 500, an amount of INR 500 shall still be processed as the installment for that period.

- A) This feature shall be available to investors only via the National automated clearing house (NACH) (for physical transaction) and Electronic- National automated clearing house (E-Nach) & UPI Autopay (only for online transactions).
- B) Dates available for SIP debits and the SIP termination rules shall be as applicable for regular SIP facility in the respective scheme.

Debit date Cycles:

The Nifty 500 consolidated P/E level is calculated and available on a daily basis. First instalment is processed for amount specified as "Median Instalment Amount (X)". For all subsequent SIP investment amounts, the Nifty 500 P/E value considered will be as of T minus 4 business days, with T being the SIP date. In case the chosen SIP date falls on non-business day, the SIP will be processed on the next Business Day.

Illustration of how the Value SIP works:

Median instalment amount X (decided by investor)	5000
SIP date	30-May-XX
Nifty 500 PE date	24-May- XX (SIP date minus 4 business days)
Nifty 500 PE as of SIP date	24.21
Corresponding SIP multiple as per Nifty 500 PE	0.8 times
Value SIP Amount to be deducted on 30th May 20XX	0.8 x 5000 = 4000
SIP date	30-Jun-XX
Nifty 500 PE as of SIP date (assumed)	19
Corresponding SIP multiple as per Nifty 500 PE	2 times
Value SIP Amount to be deducted on 30th June 20XX	2 x 5000 = 10000

The AMC / Trustee reserves the right to change / modify the terms and conditions under the Value SIP or withdraw the facility prospectively at a future date.

All other terms and conditions of the Scheme Information Document and Key Information Memorandum of the respective schemes, 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 respective schemes, read with the addenda.

This addendum is dated July 19, 2024.

For **Franklin Templeton Asset Management (India) Pvt. Ltd.**
(Investment Manager of Franklin Templeton Mutual Fund)

Sd/-
Authorized Signatory

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