



FRANKLIN TEMPLETON

Franklin Templeton Mutual Fund
Indiabulls Finance Center, Tower 2, 12th and 13th Floor, Senapati Bapat Marg,
Elphinstone Road (West), Mumbai 400013

Addendum to the Scheme Information Document of Franklin India Equity Fund

Franklin Templeton Mutual Fund proposes to change certain scheme features of Franklin India Equity Fund (the Scheme) effective January 29, 2021.

Given below are the changes in the features of the Scheme:

Particulars	Current features	Proposed features																		
Scheme Name	Franklin India Equity Fund	Franklin India Flexi Cap Fund																		
Category of Scheme	Multi-cap Fund	Flexi Cap fund																		
Type of Scheme	An open-ended equity scheme investing across large cap, mid cap, small cap stocks.	An open-ended dynamic equity scheme investing across large, mid and small cap stocks																		
Brief about the investment objective & kind of product	Investing in large, mid and small-cap stocks	Dynamic investing in large, mid and small-cap stocks																		
Asset Allocation	<div>Under normal market circumstances, the investment range would be as follows:</div> <table><tr><th>Instruments</th><th>Risk Profile</th><th>% of Net Assets#</th></tr><tr><td>Equity and Equity related instruments</td><td>Medium to High</td><td>65-100</td></tr><tr><td>Debt & Money Market Instruments*</td><td>Low to Medium</td><td>0-35</td></tr></table> <p>*Includes Securitised Debt upto 35%</p> <p>#including investments in Foreign Securities as may be permitted by SEBI/RBI upto 35% of net assets</p> <p>The fund managers will follow an active investment strategy taking defensive/aggressive postures depending on opportunities available at various points in time.</p> <p>The scheme may enter into derivatives in line with the guidelines prescribed by SEBI from time to time. The scheme may take exposure in derivatives up to a maximum of 50% of its AUM. The exposure limit per scrip/instrument shall be to the extent permitted by the SEBI Regulation for the time being in force. These limits will be reviewed by the AMC from time to time. Trading in derivatives by the scheme shall be restricted to hedging and portfolio balancing purposes.</p> <p>A maximum of 40% of net assets will be deployed in securities lending and the maximum single party exposure will be restricted to 10% of net assets outstanding at any point of time.</p> <p>It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially 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, 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 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.</p> <p>NOTE: The investment under Direct Plans shall have the same portfolio as that of the plan/option under which it is introduced, and hence the same investment objectives and investment pattern as that of the existing respective Scheme/Scheme Portfolio.</p>	Instruments	Risk Profile	% of Net Assets#	Equity and Equity related instruments	Medium to High	65-100	Debt & Money Market Instruments*	Low to Medium	0-35	<div>Under normal market circumstances, the investment range would be as follows:</div> <table><tr><th>Instruments</th><th>Risk Profile</th><th>% of Net Assets#</th></tr><tr><td>Equity and Equity related instruments</td><td>Medium to High</td><td>65-100</td></tr><tr><td>Treasury bills, Government securities, call or notice money, repos / reverse repos, TREPs, CROMS with G- Secs as underlying.</td><td>Low to Medium</td><td>0-35</td></tr></table> <p>#including investments in Foreign Securities as may be permitted by SEBI/RBI upto 35% of net assets.</p> <p>The fund managers will follow an active investment strategy taking defensive/aggressive postures depending on opportunities available at various points in time.</p> <p>The scheme may enter into derivatives in line with the guidelines prescribed by SEBI from time to time. The scheme may take exposure in derivatives up to a maximum of 50% of AUM invested in equity and equity related securities. The exposure limit per scrip/instrument shall be to the extent permitted by the SEBI Regulation from time to time. These limits will be reviewed by the AMC from time to time. Trading in derivatives by the scheme shall be restricted to hedging and portfolio balancing purposes.</p> <p>A maximum of 20% of net assets will be deployed in securities lending.</p> <p>It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially 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, 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, be rebalanced within 30 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.</p> <p>NOTE: The investment under Direct Plans shall have the same portfolio as that of the plan/option under which it is introduced, and hence the same investment objectives and investment pattern as that of the existing respective Scheme/Scheme Portfolio.</p>	Instruments	Risk Profile	% of Net Assets#	Equity and Equity related instruments	Medium to High	65-100	Treasury bills, Government securities, call or notice money, repos / reverse repos, TREPs, CROMS with G- Secs as underlying.	Low to Medium	0-35
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Where will the scheme invest	<p>Subject to the SEBI Regulations and the asset allocation pattern mention above for the respective scheme, the Scheme may invest in various types of instruments including, but not limited to, any of the following:</p> <p>(a) Equity and Equity linked instruments of domestic companies / corporations</p> <p>(b) Securities issued, guaranteed or supported by the Central Government or any state government (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)</p> <p>(c) Securities issued by any domestic government agencies, quasi-government or statutory bodies, Public Sector Undertakings, which may or may not be guaranteed or supported by the Central Government or any state government</p> <p>(d) Domestic non-convertible securities as well as non-convertible portion of convertible securities, such as debentures, coupon bearing bonds, zero coupon bonds, deep discount bonds, Mibor-linked or other floating rate instruments, premium notes and other debt securities or obligations of public sector undertakings, banks, financial institutions, corporations, companies and other bodies corporate as may be permitted by SEBI / RBI from time to time</p> <p>(e) Domestic securitised debt, pass through obligations, various types of securitisation issuances such as Asset Backed Securitisation, Mortgage Backed Securitisation and so on as may be permitted by SEBI from time to time.</p> <p>(f) Domestic Commercial Paper (CP), Certificate of Deposits (CD), Bills Rediscounting, TREPs, Repo, Reverse Repo, Treasury Bills and other Money Market Instruments as may be permitted by SEBI / RBI from time to time.</p> <p>(g) Domestic derivatives</p> <p>(h) Deposits with domestic banks and other bodies corporate as may be permitted by SEBI from time to time</p> <p>(i) Any other domestic debt and money market instruments that may be available or evolve with the development of the securities markets and as may be permitted by SEBI from time to time.</p> <p>Further, the scheme investing in Foreign Securities may invest in various types of instruments including, but not limited to, any of the following:</p> <p>(j) Equity and Equity linked instruments of overseas companies listed on recognised stock exchanges overseas</p> <p>(k) Initial and follow on public offerings for listing at recognised stock exchanges overseas</p> <p>(l) ADRs / GDRs issued by Indian or foreign companies</p> <p>(m) foreign debt securities (convertible or non-convertible) in the countries with fully convertible currencies</p> <p>(n) overseas short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies</p> <p>(o) Overseas Money market instruments rated not below investment grade</p> <p>(p) Overseas repos in the form of investment, where the counterparty is rated not below investment grade (repos shall not however, involve any borrowing of funds by the Scheme)</p> <p>(q) Foreign government securities where the countries are rated not below investment grade</p> <p>(r) Overseas derivatives traded on recognized stock exchanges overseas (currently permitted only for hedging and portfolio balancing with underlying as securities)</p> <p>(s) Short term deposits with banks overseas where the issuer is rated not below investment grade</p> <p>(t) Overseas Exchange Traded Funds (ETFs)</p> <p>(u) units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in permitted Foreign Securities, Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or unlisted overseas securities (not exceeding 10% of their net assets).</p> <p>(v) Any other permitted overseas securities / instruments that may be available from time to time.</p> <p>Investment in Foreign Securities shall be made in accordance with the guidelines issued by SEBI and RBI from time to time. 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.</p>	<p>Subject to the SEBI Regulations and the asset allocation pattern mentioned above for the respective scheme, the Scheme may invest in various types of instruments including, but not limited to, any of the following:</p> <p>(a) Equity and Equity linked instruments of domestic companies / corporations</p> <p>(b) Securities issued, guaranteed or supported by the Central Government or any state government (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)</p> <p>(c) Treasury bills, Government securities, call or notice money, repos / reverse repos, TREPs, CROMS with Government securities as underlying.</p> <p>(d) Domestic derivatives</p> <p>(e) Short term deposits of scheduled commercial banks, pending deployment of funds in securities in terms of investment objectives of the Scheme and for the purpose of margin placement, as may be permitted by SEBI from time to time.</p> <p>Further, the scheme investing in Foreign Securities may invest in various types of instruments including, but not limited to, any of the following:</p> <p>(f) Equity and Equity linked instruments of overseas companies listed on recognised stock exchanges overseas</p> <p>(g) Initial and follow on public offerings for listing at recognised stock exchanges overseas</p> <p>(h) ADRs / GDRs issued by Indian or foreign companies</p> <p>(i) Overseas Exchange Traded Funds (ETFs)</p> <p>(j) units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in permitted Foreign Securities, Real Estate Investment Trusts (REITs) listed or unlisted in recognized stock exchanges overseas (not exceeding 10% of their net assets).</p> <p>Investment in Foreign equity listed Securities shall be made in accordance with the guidelines issued by SEBI and RBI from time to time. The securities may be acquired through public offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals.</p>																		
Investment in securitized Debt	Section on "Investment in securitized Debt" along with all subsections	To be removed																		
Benchmark Justification	The fund invests predominantly in large cap stocks and takes marginal exposure to mid/small cap stocks. Hence, Nifty 500 is the ideal benchmark.	The fund invests across market capitalizations. Hence, Nifty 500 is the ideal benchmark.																		
Product Label	<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none">Long term capital appreciationInvesting in large, mid and small-cap stocks <div><p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p><p>Investors understand that their principal will be at Moderately High risk</p></div>	<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none">Long term capital appreciationInvesting in large, mid and small-cap stocks <div><p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p><p>Investors understand that their principal will be at Moderately High risk</p></div>																		

The aforesaid changes in scheme features constitute change in fundamental attributes of the Scheme. 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 December 30, 2020 to January 28, 2021 (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 such as any Investor Service Centre (ISC) / Collection Centre through website or any other electronic mode introduced from time to time, and the NAV applicable will be based on the day and time the application is received at any of the designated OPAT. Despatch of the redemption proceeds shall be done within 10 working days from receipt of valid redemption request.

Unitholders who have pledged/lien their units will need to procure a release of their pledge/lien prior to submitting their redemption request. Unitholders must also ensure that Permanent Account Number (PAN)/PEKRN, KYC requirements for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor and bank details are updated in the folio prior to submitting their redemption request.

Redemption from the scheme may have tax-implications for the unitholders and hence, they are advised to consult its advisor/ tax consultant prior to arriving at any decision. For further details. please refer to Statement of Additional Information (SAI)/ Scheme Information Document (SID).

Unitholders who do not exercise the exit option on or before 3.00 pm on January 28, 2021 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 December 30, 2020.

If unitholder has no objection to the proposed change, no action needs to be taken by unitholder.

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 December 28, 2020.

For Franklin Templeton Asset Management (India) Pvt. Ltd.

(Investment Manager of Franklin Templeton Mutual Fund)

Sd/-

Sanjay Sapre
President

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