



## KEY INFORMATION MEMORANDUM

### FRANKLIN INDIA ULTRA SHORT DURATION FUND

(An open-ended ultra-short term debt scheme investing in instruments such that the Macaulay Duration<sup>s</sup> of the portfolio is between 3 months to 6 months)

Potential Risk Class (PRC) description: Relatively Low interest rate risk and Moderate credit risk

This product is suitable for investors who are seeking*:	Scheme Riskometer as on February 28, 2025	Benchmark Riskometer as on February 28, 2025
<ul style="list-style-type: none"> <li>Short term regular income</li> <li>Investment in debt &amp; money market securities</li> </ul>		<p>As per AMFI Tier I Benchmark i.e Nifty Ultra Short Duration Debt Index A-I</p>

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

Please refer to our website (<https://www.franklintempletonindia.com/downloadsServlet/pdf/product-labels-jg9o5k7l>) or latest Risk-o-meters of scheme and primary benchmark (Tier I) calculated in accordance with Para 5.16 and 17.4 of SEBI Master Circular on Mutual Funds dated June 27, 2024.

### \$ Concept of Macaulay's Duration

The Macaulay duration is defined as the weighted average time to full recovery of principal and interest payments of a bond i.e. the weighted average maturity of cash flows. The weight of each cash flow is determined by dividing the present value of the cash flow by the price of the bond. It is computed as follows:



$$\text{Macaulay Duration} = \sum_{t=1}^n \frac{(\text{PV})(\text{CF}_t) \times t}{\text{Market Price of Bond}}$$

(PV)(CF<sub>t</sub>) = present value of cash flows of a bond at period t

t = time to each cash flow (in years)

n = number of periods to maturity

Potential Risk Class (PRC) Matrix for Franklin India Ultra Short Duration Fund in accordance with Para 17.5 of SEBI Master Circular on Mutual Funds dated June 27, 2024.

<b>Max. Interest Rate Risk</b> 	<b>Max. Credit Rate Risk</b> 			
	POTENTIAL RISK CLASS	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Relatively Low (Class I)		B-I	
	Moderate (Class II)			
	Relatively High (Class III)			

**Description of potential risk: Relatively Low interest rate risk and Moderate credit risk**  
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).

#### CONTINUOUS OFFER

Offer for units on an ongoing basis at NAV based prices

<b>Name of Mutual Fund</b>	Franklin Templeton Mutual Fund
<b>Name of Asset Management Company</b>	Franklin Templeton Asset Management (India) Pvt. Ltd. CIN - U67190MH1995PTC093356
<b>Name of Trustee Company</b>	Franklin Templeton Trustee Services Pvt. Ltd. CIN - U65991MH1995PTC095500
<b>Addresses of Asset Management Company and Trustee Company</b>	One International Centre, Tower 2, 12th and 13th Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013
<b>Website</b>	<a href="http://www.franklintempletonindia.com">www.franklintempletonindia.com</a>

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. **For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website <https://www.franklintempletonindia.com/downloads/fund-documents>.**

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated March 31, 2025.

Investment Objective	To provide a combination of regular income and high liquidity by investing primarily in a mix of short term debt and money market instruments. However, there is no assurance that the investment objective of the Scheme will be achieved			
Asset Allocation Pattern of the scheme	Under normal market circumstances, the investment range would be as follows:			
	Instruments	Indicative allocations (% of total assets)		
		Maximum	Minimum	
	Debt securities*, and Money Market Instruments, cash & cash equivalent	100	0	
	*including central and state Government Securities upto 100%, Securitised Debt up to 50%			
The Scheme may have exposure in the following:				
Indicative Table (Actual instrument/percentages may vary subject to applicable SEBI circulars)				
	Sl. no	Type of Instrument	Percentage of exposure (% of total assets)	Circular references
	1.	Securities Lending	A maximum of 40% of net assets may be deployed in securities lending and the maximum single party exposure may be restricted to 10%^ of net assets outstanding at any point of time. ^ Presently, Securities lending and borrowing (SLB) is an Exchange traded product. Counterparty is not known for transactions carried out under SLB segment and they are guaranteed by Clearing Corporations and hence do not carry any counter party risk. Accordingly, single party exposure limit will not apply to trades on Stock Exchange platform. Single party exposure limits can only apply in case of OTC (over the	Para 12.11 of SEBI Master Circular on Mutual Funds dated June 27, 2024

				counter) trades where counterparty can be identified.	
		2.	Debt Derivatives	Upto 50% The cumulative gross exposure through debt and derivative positions should not exceed 100% of the net assets of the Scheme.  Derivatives exposure for non-hedging purposes: Nil	Para 7.5, 7.6 and 12.25 of SEBI Master Circular on Mutual Funds dated June 27, 2024
		3.	Securitized Debt	Upto 50%	Para 12.15 of SEBI Master Circular on Mutual Funds dated June 27, 2024
		4.	Repo transactions in Corporate debt securities	Upto 10%	Para 12.18 of SEBI Master Circular on Mutual Funds dated June 27, 2024
		5.	Debt instruments with special features viz. subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption (For eg. Additional Tier I bonds and Tier 2 bonds issued under Basel	Upto 10% of Net assets and not more than 5% of net assets in instruments issued by a single issuer	Referred in Para 12.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024

		III framework)		
	6.	Debt instruments with Credit enhancement/ structured obligations	Upto 10% of the debt portfolio of the scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the schemes	Para 12.3 of SEBI Master Circular on Mutual Funds dated June 27, 2024
	7.	Short Selling in debt instruments	The scheme will not engage in Short selling	Para 12.11 of SEBI Master Circular on Mutual Funds dated June 27, 2024
	8.	Units issued by REITs and InvITs	The scheme will not invest in the units issued by REITs and InvITs	Para 12.21 of SEBI Master Circular on Mutual Funds dated June 27, 2024
	9.	Foreign Securities	The scheme will not invest in Foreign Securities	Para 12.19 of SEBI Master Circular on Mutual Funds dated June 27, 2024
	10	Credit Default Swap transactions	The scheme will not engage in Credit Default Swap Transactions	Para 12.28 of SEBI Master Circular on Mutual Funds dated June 27, 2024
	11	Units of mutual Fund schemes	The scheme will not invest in Mutual Fund Units	Schedule 7 of SEBI (Mutual Funds) Regulations, 1996
	<p>Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. SEBI vide letter dated November 3, 2021 has clarified that Cash Equivalent shall consist of Government Securities, T-Bills and Repo on Government Securities.</p> <p>The scheme shall maintain liquid assets in the form of Redemption at Risk (LR-RaR) and Conditional Redemption at Risk (LR-CRaR) which shall be atleast 10% of their net assets of the scheme or as as prescribed at Annexure 1 of AMFI Best Practices Guidelines Circular No.93 / 2021-22 dated July 24, 2021, whichever is higher. The schemes shall maintain the above two ratios at 100% of the requirement on a daily basis. However, to meet redemptions, AMCs may have to periodically dip into their liquid assets which may result</p>			

	<p>in the liquidity ratio dropping below 100% on those days. To factor in such scenarios, the scheme shall ensure that the ratio is restored to 100% of the requirement by ensuring the net inflows (through net subscription/accruals/ maturity &amp; sale proceeds) into the scheme are used for restoring the ratios before making new purchases outside 'Eligible Assets'. In case the ratio remains below 100% for more than 15 consecutive days, then, this information shall be highlighted to Trustees till such time the said ratio is not restored to 100% of the requirement on weekly basis. In respect to asset allocation limits as provided in above table, the base shall be considered as net assets excluding the extent of minimum stipulated eligible assets i.e. higher of 10% of net assets or LR-CRaR as prescribed at Annexure 1 of AMFI Best Practices Guidelines Circular No.93 / 2021-22 dated July 24, 2021.</p> <p>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 Para 1.14.1.2.b of SEBI Master circular on Mutual Funds dated June 27, 2024), 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.</p> <p>In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on Investment by Mutual Fund Schemes and AMCs in units of Corporate Debt Market Development Fund, scheme shall invest 25 bps of its AUM as on December 31, 2022 in the units of the Corporate Debt Market Development Fund ('CDMDF') within 10 working days from the request of CDMDF. Further, an incremental contribution to CDMDF shall be made every six months within 10 working days from the end of half year starting from December 2023 to ensure 25 bps of scheme AUM is invested in units of CDMDF. However, if AUM decreases there shall be no return or redemption from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked-in till winding up of the CDMDF.</p> <p>However, in case of winding up of contributing Scheme, inter-scheme transfers within the same Mutual Fund or across Mutual Funds may be undertaken.</p> <p>Further, investments in CDMDF units shall not be considered as violation while considering maturity restriction as applicable for various purposes (including applicable Investment limits) and the calculations of Potential Risk Class (PRC) Matrix, Risk-o-meter, Stress testing and Duration for</p>
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	<p>various purposes shall be done after excluding investments in units of CDMDF.</p> <p><b>Portfolio rebalancing:</b></p> <p>In the event of deviations, the portfolio will be rebalanced as per Para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024. 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 the mandated rebalancing period. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.</p> <p>As per Para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024 all the reporting and disclosure requirements 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.</p>
<b>Investment Strategy</b>	<p>To achieve the investment objective of striking an optimum balance between regular income and high liquidity through a judicious mix of short term debt and money market instruments. The scheme will actively manage a portfolio of Debt &amp; Money Market instruments such that the Macaulay duration of the portfolio is between 3 months and 6 months.</p>
<b>Risk Profile of the Scheme</b>	<p>Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:</p> <ul style="list-style-type: none"> <li>• Different types of securities in which the scheme would invest carry different levels and types of risks. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern.</li> <li>• Investments in debt instruments are subject to various risks such as credit/default risk, interest rate risk, reinvestment risk, liquidity risk etc. E.g. corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.</li> <li>• <b>Credit Risk:</b> This refers to the risk that an issuer of a fixed income security may default (i.e. will be unable to make timely principal and interest payments on the security).</li> <li>• <b>Interest Rate Risk:</b> This risk results from changes in demand and supply for money and other macroeconomic factors and creates price changes in the value of debt instruments. Consequently, the NAV of the scheme may be subject to fluctuation. Prices of long term securities generally fluctuate more in response to interest rate changes than do</li> </ul>

	<p>short-term Securities. This may expose the schemes to possible capital erosion.</p> <ul style="list-style-type: none"> <li>• <b>Liquidity Risk:</b> This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). Liquidity risk is today characteristic of the Indian fixed income market.</li> <li>• <b>Market Risk:</b> This risk arises due to price volatility due to such factors as interest sensitivity, market perception or the credit worthiness of the issuer and general market liquidity, change in interest rate expectations and liquidity flows. Market risk is a risk which is inherent to investments in securities. This may expose the schemes to possible capital erosion.</li> <li>• <b>Reinvestment Risk:</b> This risk refers to the interest rate levels at which cash flows received for the securities in the Scheme is reinvested. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.</li> </ul> <p>Different types of Securitised Debts in which the scheme would invest carry different levels and types of risks. Presently, secondary market for securitised papers is not very liquid. There is no assurance that a deep secondary market will develop for such securities. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the scheme.</p> <ul style="list-style-type: none"> <li>• Engaging in securities lending is subject to risks related to fluctuations in collateral value and settlement/liquidity and counter party risks.</li> <li>• Short selling of securities (i.e. sale of securities without owning them) entails the risk of the security price going up there by decreasing the profitability of the short position.</li> <li>• Derivatives are high risk, high return instruments as they may be highly leveraged. A small price movement in the underlying security could have a large impact on their value and may also result in a loss.</li> <li>• There is no assurance or guarantee that the objectives of the scheme will be achieved. 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.</li> </ul> <p>For details on risk factors and risk mitigation measures, please refer SID.</p>
<b>Plans/Options</b>	<p><b>Plans:</b></p> <ul style="list-style-type: none"> <li>• Regular</li> <li>• Direct</li> </ul> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth</li> <li>• Income Distribution cum capital withdrawal (IDCW) Option (Payout and Reinvestment)</li> </ul> <p>Default plan and option: Direct – Growth</p> <p>For detailed disclosure on default plans and options, kindly refer SAI.</p>
<b>Applicable NAV (after the scheme opens for subscriptions and redemptions )</b>	<p><b>Purchases including switch-in:</b></p> <p>In respect of valid applications received* up to 3:00 p.m. by the Mutual Fund and the funds are available for utilisation on the same day before the cut-off</p>



	<p>time - the closing NAV of the day on which the funds are available for utilisation shall be applicable.</p> <p>In respect of valid applications received* after 3:00 p.m. by the Mutual Fund and the funds are available for utilisation on the same day - the closing NAV of the Business Day following the day on which the funds are available for utilisation shall be applicable.</p> <p>However, irrespective of the time of receipt of application, where the funds are not available for utilisation on the day of the application, the closing NAV of the Business Day on which the funds are available for utilisation before the cut-off time (3:00 p.m.) shall be applicable provided the application is received* prior to availability of the funds.</p> <p>Investors are encouraged to avail electronic payment modes to transfer funds to the bank account of the Scheme to expedite unit allotment.</p> <p>For determining the availability of funds for utilisation, the funds for the entire amount of subscription/purchase (including switch-in) as per the application should be credited to the bank account of the scheme before the cut-off time and the funds are available for utilisation before the cut-off time without availing any credit facility whether intra-day or otherwise, by the respective scheme.</p> <p>For investments through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP), Transfer of Income Distribution cum capital withdrawal plan (TIDCW) etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the destination Scheme irrespective of the instalment date of the SIP, STP or record date of dividend etc.</p> <p>In case of transactions through online facilities / electronic modes, there may be a time lag of upto 5-7 banking days between the amount of subscription being debited to investor's bank account and the subsequent credit into the respective Scheme's bank account. This lag may impact the applicability of NAV for transactions where NAV is to be applied, based on actual realization of funds by the Scheme. Under no circumstances will AMC or its bankers or its service providers be liable for any lag / delay in realization of funds and consequent pricing of units.</p> <p>Transfer of unit(s) shall be subject to payment of applicable stamp duty by the unitholder(s) and applicable laws. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including switch-in, Systematic investments, Reinvestment of Income Distribution cum capital withdrawal option, etc) to the unitholders would be reduced to that extent.</p> <p><b>Redemptions including switch-out :</b></p> <p>In respect of valid applications received* up to 3:00 p.m. by the Mutual Fund, the closing NAV of the day of receipt of application shall be applicable.</p> <p>In respect of valid applications received* after 3:00 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable.</p> <p>The redemption and switch-out of transaction will be processed only if the payment instrument of the original purchase transaction under that particular fund is realised.</p>
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	*Received at the ISC/Collection Centres of Franklin Templeton Mutual Fund.		
<b>Minimum Application Amount/ Number of Units</b>	<b>Purchase</b>  Rs. 5000 and in multiples of Rs. 1 thereafter	<b>Additional Purchase</b>  Rs.1,000 and multiples of Re.1	<b>Redemption</b>  Rs.1,000/- and multiples of Re.1
<b>Despatch of Redemption Request</b>	Redemption: Within 3 working days of the receipt of the redemption request at the authorised centre of the Franklin Templeton Mutual Fund.		
<b>Benchmark Index</b>	NIFTY Ultra Short Duration Debt Index A-I		
<b>Dividend Policy</b>	Income Distribution cum capital withdrawal (IDCW) is based on the availability of adequate distributable surplus in the scheme. The amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains. The Trustee may, at its sole discretion distribute income under IDCW option/plan in the fund at any time. Although there is every intention to distribute income, there is no assurance or guarantee as to the frequency or quantum of such distribution nor that the distributions be regularly paid.		
<b>Name of the Fund Manager</b>	Rohan Maru, Pallab Roy and Rahul Goswami		
<b>Name of the Trustee Company</b>	Franklin Templeton Trustee Services Pvt. Ltd., a company set up under the Companies Act 1956, and approved by SEBI to act as the Trustee to the schemes of Franklin Templeton Mutual Fund.		
<b>Performance of the scheme as on February 28, 2025</b>	<b>FIUSDF</b>		
	<b>Absolute returns</b>	<b>FIUSDF</b>	<b>Nifty Ultra Short Duration Debt Index A-I</b>
	Returns for the last 1 year	N.A	N.A
	Returns for the last 3 years	N.A	N.A
	Returns for the last 5 years	N.A	N.A
	Returns since inception	3.45%	3.65%
	Based on Growth Plan NAVs of February 28, 2025. Inception date: August 29, 2024.		
	Past performance may or may not be sustained in future and is not a guarantee of any future returns.		
	<b>Absolute Returns for each financial year for the last 5 years - NA</b>		
	Note: This is a new scheme and has not completed one financial year since the allotment.		

	<b>FIUSDF - Direct</b>		
	<b>Absolute returns</b>	<b>FIUSDF - Direct</b>	<b>Nifty Ultra Short Duration Debt Index A-I</b>
	Returns for the last 1 year	N.A	N.A
	Returns for the last 3 years	N.A	N.A
	Returns for the last 5 years	N.A	N.A
	Returns since inception	3.71%	3.65%
	Based on Growth Plan NAVs of February 28, 2025. Inception date: August 29, 2024.		
<b>Additional Scheme Related Disclosures</b>	Past performance may or may not be sustained in future and is not a guarantee of any future returns.		
	<b>Absolute Returns for each financial year for the last 5 years - NA</b>		
	Note: This is a new scheme and has not completed one financial year since the allotment.		
<b>Expenses of the Scheme: Load Structure</b> (During New Fund Offer Period & continuous offer period):	<ol style="list-style-type: none"> <li>1. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors to be provided through a functional website link that contains detailed description.) - <a href="#">Invest in NFO Mutual Fund - Franklin India Ultra Short Duration Fund</a></li> <li>2. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme in case of debt and equity ETFs/index funds through a functional website link that contains detailed description – Not applicable</li> <li>3. Portfolio Turnover Rate particularly for equity oriented schemes shall also be disclosed. – Not applicable</li> </ol>		
	<b>Recurring expenses</b>  <b>Continuous Offer (Annual Scheme Recurring Expenses):</b> The AMC has estimated that upto 2% of the daily average net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutualfund: <a href="https://www.franklintempletonindia.com/reports?secondFilter=15">https://www.franklintempletonindia.com/reports?secondFilter=15</a> .  The maximum annual recurring expenses that can be charged to the Scheme, excluding issue or redemption expenses, whether initially borne by the mutual fund or by the asset management company, but including the investment management and advisory fee shall be within the limits stated in Regulations 52 read with SEBI notification no. SEBI/LAD-NRO/GN/2018/51 dated December 13, 2018 and Para 10. 1 of Master Circular on Mutual Funds dated June 27, 2024, as follows:  (I) Recurring expenses including the investment management and advisory		

fee subject to the limits specified in the table below (as % of daily net assets):

on the first Rs.500 crores	2.00%
on the next Rs.250 crores	1.75%
on the next Rs.1,250 crores	1.50%
on the next Rs.3,000 crores	1.35%
on the next Rs.5,000 crores	1.25%
On the next Rs.40,000 crores	Total expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof.
Above 50,000 Crs.	0.80%

(II) In addition to the above, the following costs or expenses may be charged to the Scheme, as per sub regulation 52(6A) namely-

(a) brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions

(b) expenses not exceeding 0.30% of daily net assets, if the new inflows from retail investors from such cities as specified by SEBI from time to time are at least - (i) 30% of gross new inflows in the scheme, or; (ii) 15% of the average assets under management (year to date) of the scheme, whichever is higher.

Provided that if inflows from retail investors from such cities are less than the higher of (i) or (ii) above, such expenses on daily net assets of the scheme shall be charged on proportionate basis.

Provided further that expenses charged under this clause shall be utilised for sales, marketing and distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of inflows from retail investors from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

These expenses are in abeyance with effect from March 1, 2023 till further instructions from SEBI.

(c) additional expenses not exceeding 0.05% of daily net assets of the scheme towards various permissible expenses.

Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable.

Any expenditure in excess of the limits specified in sub-regulations 52 (6) and 52 (6A)] shall be borne by the asset management company or by

	<p>the trustee or sponsors.</p> <p>(III) The AMC may charge Goods and Service Tax on investment and advisory fees to the Scheme in addition to the maximum limit of annual recurring expenses as prescribed in Regulation 52. Further, the below mentioned expenses and charges shall be borne by the Scheme within the maximum limit of annual recurring expenses as prescribed in Regulation 52.</p> <p>a) Goods and Service Tax on expenses other than investment and advisory fees; and,</p> <p>b) brokerage and transaction costs (including Goods and Service Tax) incurred for the purpose of execution of trade in excess of 0.12% in case of cash market transactions and 0.05% in case of derivatives transactions, if any.</p> <p>Within such total recurring expenses charged to the scheme as above, the investment management and advisory fee (charged as a percentage of daily net assets) would be as decided by the AMC from time to time, provided that the investment management and advisory fee shall not exceed the aggregate of expenses charged under clause (I) and (II)(c) above.</p> <p>The total annual recurring expenses of the Scheme including the investment management and advisory fee (together with additional management fee wherever applicable) shall not exceed the limit stated in Regulation 52 read with Para 10.1.16 of SEBI Master Circular on Mutual Funds dated June 27, 2024, as explained above.</p> <p>As per Para 10.1.16 of SEBI Master Circular on Mutual Funds dated June 27, 2024, the AMC shall annually set apart at least 0.02% on daily net assets within the maximum limit of recurring expenses as per Regulation 52 for investor education and awareness initiatives.</p> <p>The investments under 'Direct' shall have a lower expense ratio excluding distribution expenses, commission, etc., and no commission shall be paid on investments under Direct Plan. The Direct Plan shall also have a separate NAV.</p> <p>The Trustee / AMC reserves the right to charge higher operating expenses in relation to investing overseas as and when SEBI permits.</p> <p>For the actual current expenses being charged, the investor should refer to the website of the mutual fund.</p> <p><b>Actual expenses for the previous financial year:</b> Not Applicable</p> <p>The maximum limit of recurring expenses that can be charged to the Scheme would be as per Regulation 52 of the SEBI (MF) Regulation, 1996. Investors are requested to read "Section- Annual Scheme Recurring Expenses" in the SID.</p>
<b>Waiver of Load for Direct Applications</b>	Not applicable.

<b>Tax treatment for the Investors (Unitholders)</b>	Investors are advised to refer to the details given in the Statement of Additional Information (SAI) under the section "Taxation". However, the information provided therein is for general information purpose only and is based on the prevailing tax laws. In view of the individual nature of the implications, each investor is advised to consult with his or her own tax advisors with respect to the specific tax and other implications arising out of his or her participation in the schemes.	
<b>Daily Net Asset Value (NAV) Publication</b>	<p>The Mutual Fund is required to declare the NAV of the Scheme on every Business Day on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 11.00 p.m. (current time limit for uploading NAV as per the SEBI guidelines) and also on our website <a href="http://www.franklintempletonindia.com">www.franklintempletonindia.com</a>.</p> <p>In case NAV of Corporate Debt Market Development Fund ('CDMDF') units is not available by 9:30 p.m. of same Business Day, NAV declaration timing for Mutual Fund Schemes holding units of CDMDF shall be 10 a.m. on next business day instead of 11 p.m. on same Business Day.</p> <p>The disclosure of NAV as outlined above is as per the prevailing SEBI Regulations and is subject to change from time to time.</p>	
<b>For Investor Grievances please contact</b>	Name and Address of Registrar	<b>Computer Age Management Services Private Limited</b> No.10 (Old No.178), M.G.R. Salai, Nungambakkam, Chennai – 600 034.
<b>Unitholders' Information</b>	<ul style="list-style-type: none"> <li>• <b>Account Statement:</b> On acceptance of the application for subscription, a confirmation specifying the number of units allotted by way of email and/or SMS will be sent to the Unitholders within 5 Business Days from the date of receipt of application at their email address and/or mobile number registered with the Mutual Fund/AMC.</li> <li>• <b>Consolidated Account Statement</b> In order to enable a single consolidated view of all the investments of an investor in Mutual Funds and securities held in demat form with the Depositories, Mutual Fund- Registrar &amp; Transfer Agents or Depositories shall generate and dispatch of single Consolidated Account Statement (CAS) to the investors. Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding.</li> </ul> <p><b>A) Unitholders who have registered their Permanent Account Number (PAN) with the Mutual Fund will receive a Consolidated Account Statement as follows:</b></p> <p><b>1. Unitholders who hold Demat Account</b> The Account Statement containing details relating to all financial transactions (purchase, redemption, switch, systematic investment plan, systematic transfer plan, systematic withdrawal plan, Transfer of Income Distribution cum capital withdrawal plan, Payout of Income Distribution cum capital withdrawal option, Reinvestment of Income Distribution cum capital withdrawal option and bonus transactions) made by the unitholder</p>	

	<p>across all mutual funds and transaction in dematerialised securities across demat accounts of the Unitholder will be sent by the Depositories, for each calendar month within 15th day of the succeeding month to the unitholders in whose folios transactions have taken place during that month.</p> <p>CAS shall be sent every half yearly (September/ March), on or before 21st day of succeeding month, detailing holding at the end of the six month, to all such Unitholders in whose folios and demat accounts there have been no transactions during that period.</p> <p>In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the Depository shall send account statement in terms of regulations applicable to the depositories.</p> <p><b>2. Unitholders who do not hold Demat Account</b></p> <p>The Account Statement containing details relating to all financial transactions (purchase, redemption, switch, systematic investment plan, systematic transfer plan, systematic withdrawal plan, Transfer of Income Distribution cum capital withdrawal plan, Payout of Income Distribution cum capital withdrawal option, Reinvestment of Income Distribution cum capital withdrawal option and bonus transactions) made by the unitholder across all mutual funds where PAN of the investor is registered and holding at the end of the month including transaction charges, if any, paid to the distributor, will be sent for each calendar month within 15th day of the succeeding month to the unitholders in whose folios transactions have taken place during that month.</p> <p>The financial transactions processed from the 1st day of the month till 30/31 will be included in CAS, irrespective of trade date of the transaction.</p> <p>The CAS detailing holding across all schemes of all mutual funds where PAN of the investor is registered, shall be sent at the end of every six months (i.e. September/ March), on or before 21<sup>st</sup> day of succeeding month to all mutual fund investors, excluding those investors who do not have any holdings in mutual fund schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. Such CAS shall reflect the closing balance and value of the Units as at the end of the month, the amount of actual commission paid by AMC to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme and scheme's average Total Expense Ratio (in percentage terms) for the half-year period, of both direct plan and regular plan.</p> <p>For the purpose of sending CAS, common investors across mutual funds shall be identified by their PAN.</p> <p>PAN identified as having a demat account by Depositories for generating CAS will not be considered while generating a Mutual Fund level CAS.</p> <p>In case of a specific request received from the Unitholders, the AMC/Mutual Fund will provide the account statement to the Unitholder within 5 Business Days from the receipt of such request.</p> <p><b>B) Unitholders who have not registered their PAN with the Mutual Fund will receive the following:</b></p> <p>For normal transactions during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> <li>• The AMC shall issue to the investor whose application (other than SIP/STP) has been accepted, an account statement specifying the number of units allotted within 5 working days of allotment.</li> </ul> <p><b>For SIP / STP/ Reinvestment of Income Distribution cum capital</b></p>
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**withdrawal option units:**

- Account Statement for SIP and STP will be dispatched once every month along with IDCW reinvestment (daily, weekly, monthly) account statement. All other IDCW statements will be dispatched as and when the IDCW transaction is processed.
- A soft copy of the Account Statement will be emailed to investors valid email id.
- However, the first Account Statement under SIP/STP shall be issued within 10 working days of the initial investment/transfer.
- In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP/STP) to the investors within 5 working days from the receipt of such request without any charges.

**Half-yearly Statement:**

- The AMC shall provide the Account Statement to the Unitholders who are not having Valid PAN excluding those investors who do not have any holdings in mutual fund schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. The Account Statement shall reflect the latest closing balance and value of the Units across all schemes in the respective folio, prior to the date of generation of the account statement, the amount of actual commission paid by AMC to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme and scheme's average Total Expense Ratio (in percentage terms) for the half-year period, of both direct plan and regular plan.

For those unitholders who have provided an e-mail address, the AMC will send the account statement by email.

The unitholder may request for a physical account statement by writing / calling us at any of the ISC.

The Account Statement issued by the AMC is a record of holdings in the scheme of Franklin Templeton Mutual Fund. Investors are requested to review the account statement carefully and contact their nearest Investor Service Centre in case of any discrepancy. The contents of the statement will be considered to be correct if no error is reported within 30 days from the date of receipt of the Account Statement.

**Annual Financial Reports**

As required by the SEBI Regulations, the Fund will mail the schemewise annual report or an abridged summary thereof to all the unitholders as soon as practical after 31st March each year but not later than four months thereafter, as the Trustee may decide. In case of unitholders whose e-mail addresses are available with the Mutual Fund, the annual report or the abridged summary, as the case may be, would only be sent by email and no physical copies would be mailed to such unitholders. However, those unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide the same without charging any cost. For the rest of the investors, i.e. whose email addresses are not available with the mutual fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unitholders who have 'opted-in' to receive



	<p>physical copies. The AMC shall display the link of the scheme annual reports or abridged summary prominently on the Fund's website and AMFI website and make the physical copies available to the investors at its registered office at all times.</p> <p><b>Financial Results and Portfolio Disclosures</b></p> <p>The Mutual Fund shall within one month of the close of each half year i.e., 31st March and 30th September, upload the soft copy of its unaudited financial results containing the details specified in Regulation 59 on its website and shall publish an advertisement disclosing uploading of such financial results on its website, in one English newspaper having nationwide circulation and in one regional newspaper circulating in the region where the head office of the Mutual Fund is situated.</p> <p>The Mutual Fund shall disclose portfolio as on the last day of the fortnight/ month / half-year for all their schemes on its website and on the website of AMFI within 5 days from the end of fortnight and 10 days from the close of each month/ half-year respectively. In case of unitholders whose e-mail addresses are registered, the Mutual Fund/ AMC shall send via email the fortnightly statement of scheme portfolio within 5 days from the close of each fortnight and the monthly and half-yearly statement of scheme portfolio within 10 days from the close of each month/ half-year respectively.</p> <p>Mutual Fund shall publish an advertisement every half-year disclosing the hosting of the half-yearly statement of its schemes portfolio on its website and on the website of AMFI. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi. Mutual Fund shall provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.</p>
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