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 of Franklin India Equity Savings Fund

Franklin Templeton Mutual Fund proposes to change certain scheme features of Franklin India Equity Savings Fund (the Scheme) **effective March 2, 2026.**

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

Particulars: Asset Allocation Pattern**

Existing Scheme Features

Under normal market circumstances, the investment range would be as follows:

Instruments	Indicative Allocations (% of total assets) Maximum	Minimum
Equity and Equity related securities	90	65
Of which Net Long Equity*	65	15
Of which Equity Derivatives**	75	0
Debt & Money Market Instruments including cash & cash equivalent	35	10
Units issued by InvITs	10	0

Under defensive circumstances, the asset allocation pattern will be:

Instruments	Indicative Allocations (% of total assets) Maximum	Minimum
Equity and Equity related securities	65	15
Of which Net Long Equity*	65	15
Of which Equity Derivatives**	50	0
Debt & Money Market Instruments including cash & cash equivalent	85	35
Units issued by InvITs	10	0

* Net long equity exposure is a directional equity exposure that will not be hedged. This equity exposure means exposure to equity shares alone without a corresponding equity derivative exposure.

** Equity derivative exposure would normally be taken against the underlying equity investments and such exposure will not be considered for calculating the gross exposure of the scheme.

The cumulative gross exposure through equity, debt and derivative positions *(including commodity and fixed income derivatives)*, repo transactions and credit default swaps in corporate debt securities, Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time) should not exceed 100% of the net assets of the scheme.

Indicative Table (Actual instrument/ percentages may vary subject to applicable SEBI circulars):

Sl. no	Type of Instrument	Percentage of exposure	Circular references*
1.	Securities Lending	A maximum of 20% of net assets may be deployed in securities lending and the maximum single party exposure may be restricted to 5%# 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 counter) trades where counterparty can be identified.	Para 12.11 of SEBI Master Circular on Mutual Funds dated June 27, 2024
2.	Securitized Debt	Upto 20% of the net assets. The Scheme shall not invest in foreign securitised debt.	Para 12.15 of SEBI Master Circular on Mutual Funds dated June 27, 2024
3.	Derivatives for hedging and rebalancing purposes	The Scheme may use derivatives for such purposes as may be permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The margin money deployed on derivative positions would be included in Debt & Money Market Instruments. The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net a sets of the scheme. The Scheme may also use fixed income derivative instruments (including imperfect hedging using Interest Rate Futures) subject to the guidelines as may be issued by SEBI and RBI and for such purposes as may be permitted from time to time.	Para 12.25 of SEBI Master Circular dated June 27, 2024.
4.	Credit default Swaps	As per applicable regulations	Para 12.28 of SEBI Master Circular on Mutual Funds dated June 27, 2024
5.	Covered call options	The scheme will not invest in covered call options	Para 12.25.8 of SEBI Master Circular on Mutual Funds dated June 27, 2024
6.	Repos/ reverse repo in corporate debt securities	Upto 10% of net assets	Para 12.18 of SEBI Master Circular on Mutual Funds dated June 27, 2024
7.	Overseas Securities	Investments in foreign securities including ADRs / GDRs / Foreign equity and debt securities shall not exceed 50% of the net assets of the Scheme	Para 12.19 of SEBI Master Circular on Mutual Funds dated June 27, 2024
8.	Units of REITs	The scheme may invest in units issued by REITs in line with SEBI regulations	Para 12.21 of SEBI Master Circular on Mutual Funds dated June 27, 2024 In accordance with the SEBI (Mutual Funds) (Second Amendment) Regulations, 2025, notified on October 31, 2025 and SEBI circular dated November 28, 2025.
9.	InvITs	A maximum of 10% of net assets may be deployed in Units issued by InvITs and the maximum single issuer exposure may be restricted to 5% of net assets or upto the limits permitted by SEBI from time to time.	Para 12.21 of SEBI Master Circular on Mutual Funds dated June 27, 2024.
10.	Securities borrowing & Short selling	The Scheme shall not engage in securities borrowing and short selling activities.	Para 12.11 of SEBI Master Circular on Mutual Funds dated June 27, 2024
11.	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 III framework)	The scheme may invest in certain 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 III framework) subject to the following: a) Franklin Templeton Mutual Fund, under all its schemes shall not own more than 10% of such instruments issued by a single issuer b) A Mutual Fund scheme shall not invest a. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and b. more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single issuer	Referred in Para 12.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024
12.	Debt instruments with Credit enhance-ment / structured obligations	Investment of the scheme in the following instruments shall not exceed 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 scheme	Para 4.5.3 (for Overnight & Liquid fund)/ Para 12.3 of SEBI Master Circular on Mutual Funds dated June 27, 2024

Proposed Scheme Features (Changes highlighted in Bold)

Under normal market circumstances, the investment range would be as follows:

Instruments	Indicative Allocations (% of total assets) Maximum	Minimum
Equity and Equity related securities	90	65
Of which Net Long Equity*	65	15
Of which Equity Derivatives	**90**	0
Debt & Money Market Instruments including cash & cash equivalent	35	10
Units issued by InvITs	10	0

Under defensive circumstances, the asset allocation pattern will be:

Instruments	Indicative Allocations (% of total assets) Maximum	Minimum
Equity and Equity related securities	65	15
Of which Net Long Equity*	65	15
Of which Equity Derivatives**	**65**	0
Debt & Money Market Instruments including cash & cash equivalent	85	35
Units issued by InvITs	10	0

* Net long equity exposure is a directional equity exposure that will not be hedged. This equity exposure means exposure to equity shares alone without a corresponding equity derivative exposure.

The cumulative gross exposure through equity, debt and derivative positions *(including commodity and fixed income derivatives)*, repo transactions and credit default swaps in corporate debt securities, Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time) should not exceed 100% of the net assets of the scheme.

Indicative Table (Actual instrument/ percentages may vary subject to applicable SEBI circulars):

Sl. no	Type of Instrument	Percentage of exposure	Circular references*
1.	Securities Lending	A maximum of 20% of net assets may be deployed in securities lending and the maximum single party exposure may be restricted to 5%# 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 counter) trades where counterparty can be identified.	Para 12.11 of SEBI Master Circular on Mutual Funds dated June 27, 2024
2.	Securitized Debt	Upto 20% of the net assets. The Scheme shall not invest in foreign securitised debt.	Para 12.15 of SEBI Master Circular on Mutual Funds dated June 27, 2024
3.	Derivatives	The Scheme may use derivatives for such purposes as may be permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The margin money deployed on derivative positions would be included in Debt & Money Market Instruments. The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme. The Scheme may also use fixed income derivative instruments (including imperfect hedging using Interest Rate Futures) subject to the guidelines as may be issued by SEBI and RBI and for such purposes as may be permitted from time to time. **The maximum allocation to derivatives, both hedged and unhedged shall remain within the equity and debt exposure limits specified in the asset allocation table. Derivative positions taken for non hedging purposes shall be restricted to a maximum of 20% of the net assets.**	Para 12.25 of SEBI Master Circular dated June 27, 2024.
4.	Credit default Swaps	As per applicable regulations	Para 12.28 of SEBI Master Circular on Mutual Funds dated June 27, 2024
5.	Covered call options	**The scheme will invest in covered call options as per the guidelines issued by SEBI**	Para 12.25.8 of SEBI Master Circular on Mutual Funds dated June 27, 2024
6.	Repos/ reverse repo in corporate debt securities	Upto 10% of net assets	Para 12.18 of SEBI Master Circular on Mutual Funds dated June 27, 2024
7.	Overseas Securities	Investments in foreign securities including ADRs / GDRs / Foreign equity and debt securities shall not exceed 50% of the net assets of the Scheme	Para 12.19 of SEBI Master Circular on Mutual Funds dated June 27, 2024
8.	Units of REITs	The scheme may invest in units issued by REITs in line with SEBI regulations	Para 12.21 of SEBI Master Circular on Mutual Funds dated June 27, 2024 In accordance with the SEBI (Mutual Funds) (Second Amendment) Regulations, 2025, notified on October 31, 2025 and SEBI circular dated November 28, 2025.
9.	InvITs	A maximum of 10% of net assets may be deployed in Units issued by InvITs and the maximum single issuer exposure may be restricted to 5% of net assets or upto the limits permitted by SEBI from time to time.	Para 12.21 of SEBI Master Circular on Mutual Funds dated June 27, 2024.
10.	Securities borrowing & Short selling	The Scheme shall not engage in securities borrowing and short selling activities.	Para 12.11 of SEBI Master Circular on Mutual Funds dated June 27, 2024
11.	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 III framework)	The scheme may invest in certain 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 III framework) subject to the following: a) Franklin Templeton Mutual Fund, under all its schemes shall not own more than 10% of such instruments issued by a single issuer b) A Mutual Fund scheme shall not invest a. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and b. more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single issuer	Referred in Para 12.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024
12.	Debt instruments with Credit enhance-ment / structured obligations	Investment of the scheme in the following instruments shall not exceed 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 scheme	Para 4.5.3 (for Overnight & Liquid fund)/ Para 12.3 of SEBI Master Circular on Mutual Funds dated June 27, 2024

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Addendum to the Scheme Information Document of Franklin India Equity Savings Fund *(Contd.)*

Particulars	Existing Scheme Features				Proposed Scheme Features (Changes highlighted in Bold)			
	Sl. no	**Type of Instrument**	**Percentage of exposure**	**Circular references***	**Sl. no**	**Type of Instrument**	**Percentage of exposure**	**Circular references***
	13.	Units of mutual Fund schemes	The Scheme may invest in any other scheme without charging any fees, provided that aggregate interscheme investment made by all schemes under the management of Franklin Templeton Asset Management (India) Private Limited or in schemes under the management of any other AMC shall not exceed 5% of the net asset value of the mutual fund.	Schedule 7 of SEBI (Mutual Funds) Regulations, 1996	13.	Units of mutual Fund schemes	The Scheme may invest in any other scheme without charging any fees, provided that aggregate interscheme investment made by all schemes under the management of Franklin Templeton Asset Management (India) Private Limited or in schemes under the management of any other AMC shall not exceed 5% of the net asset value of the mutual fund.	Schedule 7 of SEBI (Mutual Funds) Regulations, 1996
	14.	Tri-party repos	upto 35% (Under normal circumstances)	Not applicable	14.	Tri-party repos	upto 35% (Under normal circumstances)	Not applicable
Section I Part II **WHERE WILL THE SCHEME INVEST?**	Subject to the SEBI Regulations and the asset allocation pattern mention above, the Scheme may invest in various types of instruments including, but not limited to, any of the following: (a) Equity and Equity related instruments of companies / corporations (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) (c) Securities issued by any 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 (d) 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 (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. (f) 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. (g) Derivatives (h) Deposits with banks and other bodies corporate as may be permitted by SEBI from time to time (i) Units issued by REITs and InvITs (j) Repo transactions in Corporate Debt Securities (k) ADRs / GDRs issued by Indian / foreign companies and foreign Securities (l) Any other 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 / RBI from time to time.				Subject to the SEBI Regulations and the asset allocation pattern mention above, the Scheme may invest in various types of instruments including, but not limited to, any of the following: (a) Equity and Equity related instruments of companies / corporations (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) (c) Securities issued by any 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 (d) 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 (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. (f) 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. (g) **Domestic derivatives include stock futures, index futures, stock options, index options, writing of call options under a covered call strategy, Interest Rate Futures, Interest rate swaps, forward rate agreement, imperfect hedging and other derivative instruments as permitted by SEBI from time to time.** (h) Deposits with banks and other bodies corporate as may be permitted by SEBI from time to time (i) Units issued by REITs and InvITs (j) Repo transactions in Corporate Debt Securities (k) ADRs / GDRs issued by Indian / foreign companies and foreign Securities (l) Any other 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 / RBI from time to time.			
Risk factors	**Risks associated with writing Covered Call Options for Equity Shares:** Not Available				**Addition of Note 1 provided below**			
Section II Part II Where will the scheme invest?	Details pertaining to Covered Call Options not available				**Addition of Note 2 provided below**			
Investment Restrictions	Covered call option related investment restrictions not available				**Addition of Note 3 provided below**			

**** Considered as Fundamental Attribute Change**

Additional disclosures

Note 1: Risk factors:

Risks associated with writing Covered Call Options for Equity Shares: A call option gives the holder (buyer) the right but not the obligation to buy an asset by a certain date for a certain price. Covered calls are an options strategy where a person holds a long position in an asset and writes (sells) call options on that same asset to generate an income stream. The Scheme may write call options under covered call strategy, as permitted by the regulations. Risks associated thereto are mentioned below:

- Opportunity cost: A covered call strategy limits the upside potential of the underlying stock. If the stock rises sharply, the gains above the call option's strike price will be missed out. When the underlying asset's price rises above the strike price, the short call loses its value as much as the underlying stock gains and as a result the upside of the stock always gets capped. Downside risk is reduced by writing covered call options.
- Exit issues / Illiquidity risk: If the strike price at which the call option contracts have been written become illiquid, the scheme may not be able to sell the underlying equity shares, which can lead to temporary illiquidity of the underlying equity shares and result in loss of opportunity. Also, if the covered call options are sold to the maximum extent allowed by regulatory authority, the scheme may not be able to sell the underlying equity shares immediately in case where the view changes to sell and exit the stock.
- The total gross exposure related to option premium paid and received must not exceed the regulatory limits of the net assets of the scheme. This may restrict the ability of scheme to utilize options strategies.

Note 2

Section II Part II Where will the scheme invest?

Covered Call Options

The covered call strategy is a hedge strategy, where fund manager writes (sells) call options only on shares that it holds long (the underlying equity held in the portfolio). This approach provides two main benefits:

- The covered call strategy can be followed by the Fund Manager in order to hedge risk thereby resulting in better risk adjusted returns of the Scheme.
- This strategy is also employed when the Fund Manager has a short-term neutral view on the asset and for this reason holds the asset long and simultaneously takes a short position via covered call option strategy to generate income from the option premium.

Thus, it helps hedge market risk and can enhance returns for investors when implemented effectively.

Note 3:

Investment Restrictions

The fund can write Call options under a covered strategy for constituent stocks of NIFTY 50 and BSE SENSEX subject to the following:

a) The total notional value (taking into account strike price as well as premium value) of call options written by a scheme shall not exceed 15% of the total market value of equity shares held in that scheme.

b) The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered shares in a scheme shall mean shares that are not part of Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrances.

c) At all points of time the Mutual Fund scheme shall comply with the provisions at points (a) and (b) above. In case of any passive breach of the requirement at paragraph (a) above, the respective scheme shall have 7 trading days to rebalance the portfolio. During the rebalancing period, no additional call options can be written in the said scheme.

d) In case a Mutual Fund scheme needs to sell securities on which a call option is written under a strategy, it must ensure compliance with paragraphs (a) and (b) above while selling the securities.

e) In no case, a scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts.

f) The premium received shall be within the requirements stated in paragraph 12.25 of the Master Circular dated June 27, 2024 i.e. the total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.

g) The exposure on account of the call option written under the covered call strategy shall not be considered as exposure in terms of paragraph 12.24 of the Master Circular.

h) The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the respective scheme(s) until the position is closed or expired.

Aforesaid change 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 January 29, 2026 to February 27, 2026 (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 February 27, 2026 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 January 29, 2026. 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 January 21, 2026.

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