



FRANKLIN TEMPLETON

April 27, 2022

Dear Investor,

I hope you are doing well and staying safe.

I am writing today, to share a few important updates regarding the schemes under winding up and some other related matters.

As you would be aware, a total of INR 26,098.19 crores has been distributed to investors across the six schemes under winding up, amounting to 103.50% of the AUM as on April 23, 2020. Further, 5 out of 6 funds have returned over 100% of the AUM at the time of winding up on April 23, 2020. The details of the same are provided in the table below.

Scheme Name	Total Distribution (as a % to April 23, 2020 AUM)	Cash distributed plus Cash available as on April 13, 2022 (as a % of April 23, 2020 AUM)^	Cash distributed plus AUM of six schemes as on 13 April 2022 (as a % of April 23, 2020 AUM)^	XIRR Performance (incl Seg Portfolio) (Apr 23, 2020 – Apr 13, 2022)#
Franklin India Ultra Short Bond Fund	105.41%	108.45%	108.45%	14.15%
Franklin India Low Duration Fund	110.29%	112.43%	112.43%	20.33%
Franklin India Short Term Income Plan	96.33%	97.32%	106.64%	6.99%
Franklin India Income Opportunities Fund	107.60%	108.14%	108.14%	8.52%**
Franklin India Credit Risk Fund	103.27%	105.38%	113.03%	12.85%
Franklin India Dynamic Accrual Fund	103.17%	105.48%	107.06%	9.67%
Total	103.50%	105.64%	108.88%	

^Percentages may vary for Regular and Direct plans owing to the reversal of certain expenses in the Regular Plan in deference to the directions of SEBI.

** FII OF returns as of Dec 12, 2021

#Calculation pertains to Super Institutional Growth Plan in case of FIUBF and Regular Growth Plan for others.

For complete performance disclosure as on March 31, 2022, please refer to our latest factsheet (page 11 onwards) for 6 schemes under winding up ([link](#))

I would also like to share certain other important updates with regard to these schemes:

1. Franklin India Ultra Short Bond Fund has no outstanding securities for liquidation and has been completely liquidated.

2. Franklin India Low Duration Fund has liquidated all securities except those securities held in segregated portfolios or securities where we are pursuing recovery.
3. Franklin India Short Term Income Plan, Franklin India Credit Risk Fund and Franklin India Dynamic Accrual Fund now have only one security pending for liquidation, except for securities held in segregated portfolios or securities where we are pursuing recovery.

We continue to make all efforts for recovery of proceeds in the best interest of investors. This includes securities issued by M/s Vodafone Idea, Yes Bank, and companies belonging to the Reliance - ADAG, Essel, and Future groups.

The matter regarding expenses chargeable to schemes under winding-up including distribution commission is under the consideration of the Honorable Supreme Court (SC). As directed by the SC, further distributions from the schemes can be made only after obtaining permission from the SC

With there being only one security to liquidate in three schemes (except for the securities as stated above), and the other three schemes having liquidated all performing securities, we may not have frequent updates to share regarding the progress of liquidation going forward. However, please rest assured that efforts to monetize the remaining security continue unabated and we continue to support the ongoing liquidation process by the Court appointed liquidator. We will inform you as and when we have meaningful updates to share on the liquidation, or other aspects related to the winding up of the schemes.

Our website has been updated with the latest Portfolio and Maturity Profile of the six schemes under winding up, please click the links below to see the latest information in this regard.

- [Security Level Portfolio](#)
- [Maturity Profile](#)

Looking Ahead

We continue to manage over INR 60,000 crores* of assets including a suite of equity funds investing across the market cap spectrum and across geographies besides high credit fixed income funds for various investment horizons/goals and our commitment to India remains steadfast.

I would like to once again express my sincere gratitude for your continued support. My team and I remain available to answer any questions you may have, and we look forward to the opportunity of continuing to meet your investment needs in future.

We remain committed to serving the long-term interests of our investors and partners.

Please continue to stay safe and healthy.

Sincerely,

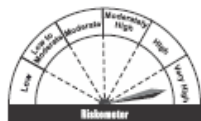
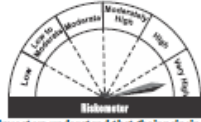
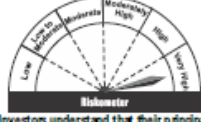
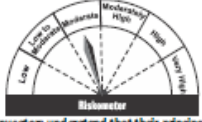
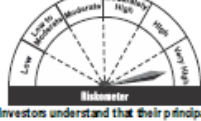
Sanjay Sapre

President, Franklin Templeton Asset Management (India) Pvt. Ltd.

* Monthly Average AUM as of March 2022

Disclaimer: The information contained in this communication is not a complete representation of every material fact and is for informational purposes only. Statements/ opinions/recommendations in this communication which contain words or phrases such as “will”, “expect”, “could”, “believe” and similar expressions or variations of such expressions are “forward – looking statements”. Actual results may differ materially from those suggested by the forward-looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risk, general economic and political conditions in India and other countries globally, which have an impact on the service and / or investments. The AMC, Trustee, their associates, officers, or employees or holding companies do not assure or guarantee any return of principle or assurance of income on investments in these schemes. Please read the Scheme Information Document carefully in its entirety prior to making an investment decision and visit our website <http://www.franklintempletonindia.com> for further details including details of AUM by geography.

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

Product Labelling and Riskmeters As on March 31, 2022			
Scheme Name	Scheme Riskmeter	Primary Benchmark Name	Primary Benchmark Riskmeter
Franklin India Ultra Short Bond Fund (Number of Segregated Portfolio - 1) This product is suitable for investors who are seeking*: - Regular income for short term - A fund that invests in short term debt and money market instruments	 Investors understand that their principal will be at Very High risk	NIFTY Ultra Short Duration Debt Index	 Investors understand that their principal will be at Moderate risk
Franklin India Low Duration Fund (Number of Segregated Portfolio - 2) This product is suitable for investors who are seeking*: - Regular income for short term - A fund that focuses on low duration securities.	 Investors understand that their principal will be at Very High risk	NIFTY Low Duration Debt Index	 Investors understand that their principal will be at Moderate risk
Franklin India Short Term Income Plan (Number of Segregated Portfolios - 3) This product is suitable for investors who are seeking*: - Regular income for medium term - A fund that invests in short term corporate bonds including PTCs.	 Investors understand that their principal will be at Very High risk	Cesil Short Term Bond Fund Index	 Investors understand that their principal will be at Moderate risk
Franklin India Credit Risk Fund (Number of Segregated Portfolios - 3) This product is suitable for investors who are seeking*: - Medium to long term capital appreciation with current income - A bond fund focusing on AA and below rated corporate bonds (excluding AA+ rated corporate bonds).	 Investors understand that their principal will be at Very High risk	NIFTY Credit Risk Bond Index	 Investors understand that their principal will be at High risk
Franklin India Dynamic Accrual Fund (Number of Segregated Portfolios - 3) This product is suitable for investors who are seeking*: - Medium term capital appreciation with current income - A fund that focuses on fixed income securities with high accrual and potential for capital gains.	 Investors understand that their principal will be at Moderate risk	Cesil Composite Bond Fund Index	 Investors understand that their principal will be at Moderate risk

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

Post the last pay out, Franklin India Income Opportunities Fund (FIIOF) has paid 100% of its AUM as on December 12, 2021 (except cases requiring remediation or with incomplete documentation). Investors may note that in addition to the payments till date, any amount received by the schemes including recoveries/ receipts from securities which are currently valued at zero or have matured but defaulted on their repayment obligation, shall be paid out to investors as and when such amounts are recovered/received. Details of the same will be shared with investors in due course. There is no portfolio left to evaluate riskometer for the fund except the securities which are currently valued at zero or have matured but defaulted on their repayment obligation. On account of this, the riskometer for FIIOF has not been disclosed.