



FRANKLIN TEMPLETON

December 15, 2021

Dear Investor,

I hope you are doing well and staying safe.

I am writing today, to share some important highlights on the six schemes under winding up. You are already aware that a total INR 25,114.39 crores has been distributed across these six schemes. I am now happy to share that the next tranche of INR 983.81 crores is being disbursed this week to unitholders across all six schemes. A few key highlights, post this payout:

1. The total amount distributed in the 6 schemes is **INR 26,098.19 crores** amounting to **103.50% of the AUM** as on April 23, 2020.
2. In 5 out of 6 funds, the schemes have returned over 100% of the AUM at the time of winding up on April 23, 2020.
3. Post this payout, Franklin India Income Opportunities Fund (FIIOF) would have paid 100% of its AUM as on December 12, 2021. Investors may note that in addition to the payments till date, any 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.
4. The total amount disbursed so far ranges between 96.33% and 110.29% of the respective AUM values of the six schemes as of April 23, 2020 (see table for details). Further, at the time of each distribution, the Net Asset Value** of each of the schemes was higher than it was on April 23, 2020.
5. We continue to make all efforts for recovery of proceeds from issuers who have defaulted or are held in segregated portfolios in the best interest of investors.

Scheme	AUM (INR cr. as on April 23, 2020)	Total Disbursement (INR cr. till December 14, 2021)	Total Distribution (as a % to April 23, 2020 AUM)
Franklin India Ultra Short Bond Fund (FIUBF)	9,630	10,151	105.41%
Franklin India Low Duration Fund (FILDF)	2,356	2,599	110.29%
Franklin India Short Term Income Plan (FISTIP)	5,553	5,349	96.33%
Franklin India Income Opportunities Fund (FIIOF)	1,744	1,876	107.60%
Franklin India Credit Risk Fund (FICRF)	3,417	3,529	103.27%
Franklin India Dynamic Accrual Fund (FIDA)	2,514	2,594	103.17%
Total	25,215	26,098	103.50%

The AMC is continuing to support the ongoing liquidation process by the Court appointed liquidator.

We continue to update our website with the latest Portfolio and Maturity Profile of these six schemes under winding up. Click here for the latest information.

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

Our view of the Markets

The domestic economy continues on the path to gradual recovery with resumption of activities. The ongoing pick-up in consumption supporting demand improvement could lead to higher capacity utilization. This along with structural policy reform measures and support from government spending are preparing a conducive backdrop for a spurt in private sector capex growth. Other positives include improving vaccination rates and increasing coverage to ensure sustenance of demand recovery.

Globally, the Omicron variant of the COVID-19 virus has revived the fears around economic resumption and serves as a reminder of the uncertainty that global economies could face. Any disruptions in global supply chains impacting global commodity prices could renew inflationary concerns thereby rendering the recovery forecasts vulnerable to downside risks. An eventual tightening of the accommodative monetary policy stance by global central banks could weigh on flows to emerging markets. That said, India could be a beneficiary of the global supply chain diversification with global companies keen on implementing the China plus one model.

I am sure there are several questions in your mind pertaining to the current macro-economic environment like 'Is the current high inflation transitory?' or 'How does growth look on a sustainable basis?' These and many other related questions have been answered by Manraj Sekhon, CIO of Franklin Templeton Emerging Markets Equity, in this interview where he shares his outlook for inflation besides emerging market opportunities. He also provides his views on the Environmental, Social, and Governance (ESG) theme and other investment themes that you can look out for. [Click here to watch the video](#). Hope you find this insightful.

Looking Ahead

We continue to manage over INR 66,000 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.

We look forward to continuing to meet your investment needs in future.

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.

Please continue to stay safe and healthy.

Sincerely,

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

Annexure A

Net Asset Value (NAV) per unit

	Direct Growth					
Particulars	FIUBF	FILDF	FISTIP	FIIOF	FICRF	FIDA
April 23, 2020	27.7968	21.2110	4,078.2949	23.5291	19.8176	71.1762
Disbursements						
February 12, 2021	29.5925	23.4680	4,155.5931	NA	21.4367	73.6455
April 9, 2021	29.9757	23.9255	4,277.4836	24.6237	22.2185	76.0555
April 30, 2021	30.2552	24.1697	4,328.4155	24.8580	22.5558	76.8955
June 4, 2021	30.1832	24.1668	4,355.9670	25.0705	22.6034	77.2457
July 9, 2021	30.5971	24.2002	4,204.6065	25.4751	22.2080	76.1902
August 27, 2021	31.1224	24.5345	4,272.7113	25.7923	22.5384	77.2487
November 18, 2021	32.0745	26.1896	4,683.2095	26.4835	23.9262	82.8235
December 10, 2021	32.7081	27.0323	4,712.7411	26.5759~~	24.1039	83.3672

	Regular Growth					
Particulars	FIUBF	FILDF	FISTIP	FIIOF	FICRF	FIDA
April 23, 2020	27.6466	20.7186	3,854.4263	22.2104	18.7016	67.0563
Disbursements						
February 12, 2021	29.4112	22.8567	3,903.7475	22.2314	20.1349	68.9355
April 9, 2021	29.7907	23.2954	4,017.7114	23.1022	20.8584	71.1479
April 30, 2021	30.0685	23.5333	4,065.5516	23.3220	21.1750	71.9337
June 4, 2021	29.9970	23.5304	4,091.4316	23.5213	21.2197	72.2613
July 9, 2021	30.4083	23.5629	3,949.2649	23.9010	20.8485	71.2740
August 27, 2021	30.9304	23.8884	4,013.2337	24.1986	21.1586	72.2642
November 18, 2021	31.8767	25.5000	4,398.8027	24.8470	22.4615	77.4793
December 10, 2021	32.5064	26.3206	4,426.5408	24.9338~~	22.6283	77.9879

~~ as of NAV of 12 December 2021

* Monthly Average AUM as of November 2021

**Summary of NAVs as on April 23, 2020, and at each distribution has been provided in Annexure A to this letter.

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.