



FRANKLIN TEMPLETON

February 13, 2021

Dear Unitholder,

This has reference to your investment in **Franklin India Dynamic Accrual Fund* (FIDA), a scheme under winding up.**

You are aware that the Hon'ble Supreme Court accepted our prayer to permit distribution of the available cash in FIDA as of January 15, 2021 amounting to **INR 1,025.45 crores** to the unitholders in proportion to their holding in the scheme. As directed by the Hon'ble Supreme Court, SBI Funds Management Pvt. Ltd. (SBI) will distribute this amount to unitholders. We are providing all assistance to SBI to ensure distribution of available cash at the earliest in the best interest of unitholders.

AN UPDATE ON THE PARTIAL PAYMENT FROM FRANKLIN INDIA DYNAMIC ACCRUAL FUND

We are pleased to share that payment to all investors whose accounts are KYC compliant with all details available will be made **during the week of 15 February 2021.**

The amount to be paid to unitholders of FIDA will be calculated as per the below table and will be paid by extinguishing proportionate units at the **NAV dated 12 February 2021.** Accordingly, the units held by you in the scheme will reduce to that extent.

<i>Cash available for disbursement to FIDA unitholders as on 15 January 2021[^]</i>	A	<i>INR 1025.45 crores</i>
<i>AUM of FIDA as of 12 February 2021</i>	B	<i>INR 2587.19 crores</i>
<i>Amount to be distributed to FIDA unitholders as a % of FIDA AUM as of 12 February 2021</i>	A/B	<i>39.64%</i>

[^]NRI investors will receive their payment after deduction of TDS

The amount payable to you will be **39.64%** (as shown in the table above) of your portfolio value, prior to extinguishment of units, as of 12 February 2021. The same proportion (39.64%) of your units, prior to extinguishment of units, will also be extinguished as per your respective plan level NAV as on 12 February 2021. The plan level NAVs are tabulated below:

Plan	NAV as of 12 February 2021 (INR)
Growth	68.9355
Dividend	11.3943
Direct – Growth	73.6455
Direct – Dividend	12.4127

Here is an Illustration:

Scheme & Plan name: FIDA - Growth Plan

- As on February 12, 2021 and prior to extinguishment
Portfolio value : INR 100,000 - (A)
NAV per unit : 68.9355 - (B)
- Units prior to extinguishment: 1450.631 [100,000 / 68.9355] - (C) = (A / B)
- Payout percentage: 39.64% - (D)

Payout amount : INR 39,640 - (E) = (A x D)

Units extinguished : 575.030 - (C x D) or (E / B)

The payment will be made electronically to all eligible unitholders by SBI. In case your bank account is not eligible for an electronic payment, a Demand Draft/Cheque will be issued and sent to your registered address by SBI. We will send an account statement to all unitholders showing details of units extinguished and payment made. However, if you hold units in your demat account, please contact your Depository Participant (DP) for your transaction statement. For your Capital Gains statement, you may reach out to us via our website, call centre or from your registered email ID and we will be happy to share the same with you.

Please note that the distribution for the unitholders, whose PAN/KYC, FATCA/UBO, Minor through guardian or Transmission details / documentation are not available/invalid, will be made after completion of the regulatory/ compliance requirements. We request unitholders to complete these formalities so that we can release the payment at the earliest. Please [click here](#) to check the status of your account.

AN UPDATE ON THE HON'BLE SUPREME COURT'S ORDER DATED 12 FEBRUARY 2021

We are also pleased to inform that the Hon'ble Supreme Court, in its order dated 12 February 2021 has upheld the results of the e-voting under regulation 18 (15) (c) held in December 2020 and confirmed the winding up of the six schemes. The Hon'ble Supreme Court has also appointed SBI Funds Management Pvt. Ltd. as the authorized person under regulation 41 to take the next steps on monetization. We will provide all assistance and cooperation to SBI Funds Management to monetize the assets. The decision of the Hon'ble Supreme Court to dispense with voting under regulation 41 reduces any potential delay in commencing active monetization of assets. We are thankful to our unitholders for voting overwhelmingly in favour of the orderly winding up in all six schemes. We deeply appreciate the continued patience and support of our investors and partners during these challenging times.

In the meanwhile, my team and I remain available to answer any questions you may have. Please write to us at service@franklintempleton.com or call our toll-free investor helplines 1-800-258-4255 or 1-800-425-4255 from 8 a.m. to 9 p.m. Monday to Saturday.

Thank you once again for your continued patience and support during these challenging times.

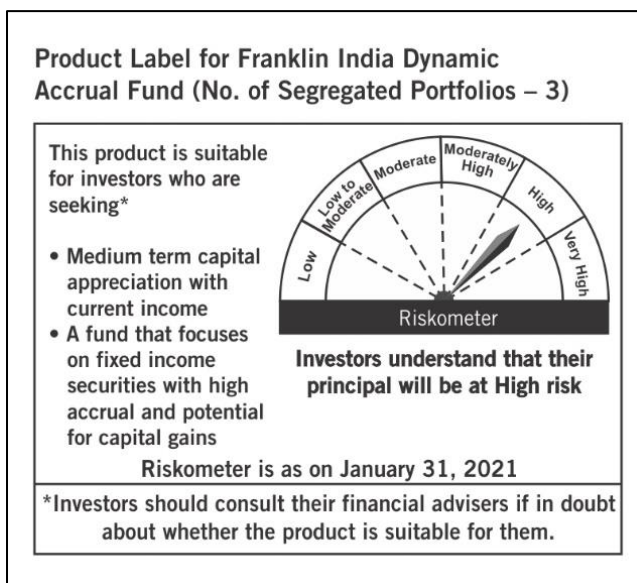
Please stay safe and healthy.

Sincerely,

Sanjay Sapre

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

* *Franklin India Dynamic Accrual Fund (Number of Segregated Portfolios - 3)*



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.

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