



# FRANKLIN TEMPLETON

June 18, 2021

Dear Investor,

I sincerely hope that you are doing well and keeping safe in these difficult times.

I am writing today to share a few important updates around the schemes under winding up and other related matters with you.

1. The total cash distributed to unitholders till June 15, 2021 is INR 17,777.59 crores across 4 tranches, comprising 71% of the AUM of INR 25,215 crores on the date of the winding up decision as shown below.
2. Of the above, INR 3,205 crores was paid out in the last week. I trust you have received your payment. Please do reach out to the team in case of any queries in this regard.
3. A further INR 580 crores of cash is available for distribution as of June 15, 2021.
4. 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.](#)

## Distribution summary for the six schemes under winding up (INR Cr.)

Distribution based on NAV as on February 12, 2021	9,121.59
Distribution based on NAV as on April 9, 2021	2,962.00
Distribution based on NAV as on April 30, 2021	2,488.75
Distribution based on NAV as on June 4, 2021	3,205.25
Total Distribution up to June 15, 2021 (A)	<b>17,777.59</b>
Cash available in the six schemes under winding up as on June 15, 2021 (B)	580.00
<b>Grand Total: Cash Distributed + Cash available for distribution (C) = (A) + (B)</b>	<b>18357.59</b>

Further to the Adjudication Order issued to the Asset Management Company (AMC) on June 7, 2021 related to the forensic audit / inspection of six debt schemes under winding up, SEBI has issued another Adjudication Order in this regard to the Franklin Templeton Trustee Services Pvt. Ltd., and a few key personnel in the AMC. We hold SEBI in the highest esteem but as shared in my previous email with regard to the order issued against the AMC, basis our initial review, we disagree with the findings in this SEBI order and intend to file an appeal with the Hon'ble Securities Appellate Tribunal.

As these matters remain sub-judice, we are limited in what we can share at this time. Nonetheless, we believe our company and employees have acted in compliance with regulations and in the best interest of unitholders in discharging their responsibilities.

As stated previously, the decision to wind up the schemes was a result of the severe market dislocation and illiquidity caused by the COVID-19 pandemic. The difficult decision to wind up these schemes was taken after due consideration of available options to avoid distressed sales of portfolio holdings to meet heightened redemptions and with the sole objective of preserving value for unitholders.

Our immediate priority and focus remains on supporting the court appointed liquidator in liquidating the portfolios of the six schemes under winding up and distributing monies to unitholders at the earliest, while preserving value.

I would like to reiterate that neither of the SEBI orders impact the current monetization process of the six debt schemes under winding up being undertaken by the liquidator. The orders are also not related to the rest of the schemes managed by Franklin Templeton. We continue to manage over INR 61,000 crore of AUM (monthly average AUM as of March 2021) for over 2 million investors in India.

I would like to express my sincere gratitude to you for your continued support during these challenging times. My team and I remain available to answer any questions you may have, and we will continue to keep you updated on key developments with regard to the schemes under winding up.

Please write to us at [service@franklintempleton.com](mailto: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.

Please continue to stay safe and healthy.

Sincerely,

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

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