

INDEPENDENT AUDITOR'S REPORT

To the Trustees of
Franklin Templeton Mutual Fund

Report on the Financial Statements

We have audited the accompanying financial statements of Franklin India Fixed Maturity Plan – Series I – Plan A (1108 days) ('the Scheme'), which comprise the Balance Sheet as at March 31, 2017, and also the Revenue Account and Cash Flow Statement for the period ended March 31, 2017 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of Franklin Templeton Asset Management (India) Private Limited ('the Company'), the scheme's asset manager, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Scheme in accordance with accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto ('the SEBI Regulations'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Scheme's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the SEBI Regulations in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at the March 31, 2017;
- (b) in the case of the Revenue Account, of the surplus for the period ended March 31, 2017; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the period ended March 31, 2017.

Report on Other Legal and Regulatory Requirements

1. As required by Regulation 55(4) and clause 5(ii)(2) of the Eleventh Schedule of the Regulations, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. The balance sheet, revenue account and cash flow statement dealt with by this report are in agreement with the books of account.
 - c. In our opinion, the balance sheet and revenue account dealt with by this report have been prepared in conformity with the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations.
2. In our opinion, and on the basis of information and explanations given to us, the methods used to value non traded securities as at March 31, 2017 are in accordance with the SEBI Regulations and other guidelines issued by the Securities and Exchange Board of India, as applicable, and approved by the Board of Trustees, and are fair and reasonable.

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005

Sd/-
per Viren H. Mehta
Partner
Membership Number: 048749
Place: Mumbai
Date: 07 July, 2017

FRANKLIN TEMPLETON MUTUAL FUND
BALANCE SHEET AS AT MARCH 31, 2017
(All amounts in thousands of Rupees)

	Schedules	Franklin India Fixed Maturity Plans – Series 1 – Plan A (1108 Days) As at March 31, 2017
SOURCES OF FUNDS		
1 Unit Capital	2(b) & 3	309,012
2 Reserves and Surplus	4	
2.1 Unrealised Appreciation Reserve		46
2.2 Retained Surplus		264
3 Current Liabilities and Provisions	5	
3.1 Current Liabilities		186
TOTAL		309,508
APPLICATION OF FUNDS		
1 Investments	2(c), 6 & 15	
1.1 Listed Securities		
1.1.1 Other Debentures and Bonds		282,686
1.2 Unlisted Securities		
1.2.1 Privately Placed Debentures and Bonds		17,042
2 Other Current Assets	7	
2.1 Cash and Bank Balances		157
2.2 CBLO/ Reverse Repo Lending		6,034
2.3 Others		3,589
TOTAL		309,508
Notes to Accounts	1 to 15	

The accompanying schedules are an integral part of this Balance Sheet.

As per our attached report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

Sd/-
per Viren H. Mehta
Partner
Membership No. 048749

For Franklin Templeton Trustee
Services Private Limited

Sd/-
Anand J. Vashi
Director

Sd/-
Alok Sethi
Director

For Franklin Templeton Asset Management (India)
Private Limited

Sd/-
Deepak Satwalekar
Director

Sd/-
Sanjay Sapre
President

Sd/-
Umesh Sharma
Vice President & Portfolio
Manager – Fixed Income

Sd/-
S. Jayaram
Director

Sd/-
Ajay Narayan
Vice President

Sd/-
Sachin Padwal-Desai
Vice President & Portfolio Manager – Fixed
Income

Mumbai

FRANKLIN TEMPLETON MUTUAL FUND
REVENUE ACCOUNT FOR THE PERIOD FROM MARCH 27, 2017 TO MARCH 31, 2017 ('The Period')
(All amounts in thousands of Rupees)

	Schedules	Franklin India Fixed Maturity Plans – Series 1 – Plan A (1108 Days) Period ended March 31, 2017
1 INCOME		
1.1 Interest	2(d) ,8	280
1.2 Change in Unrealised Appreciation in the value of Investments	2(c) & 6(ii)	46
		326
2 EXPENSES		
2.1 Management Fees	9	12
2.2 Service Tax on Management Fees	9	2
2.3 Transfer Agents Fees and Expenses		-*
2.4 Trusteeship Fees	9	-*
2.5 Investor Education Expenses	2(f)	1
2.6 Other Operating Expenses		1
		16
3 NET INCOME AS PER REVENUE ACCOUNT		310
4 Transfer from Retained Surplus	4	-
5 Add: Balance Transfer from Unrealised Appreciation Reserve	4	-
6 Less: Balance Transfer to Unrealised Appreciation Reserve	4	46
7 NET SURPLUS / (DEFICIT) FOR THE PERIOD TRANSFERRED TO BALANCE SHEET	4	264

*Amount is less than rupees one thousand.

Notes to Accounts

1 to 15

The accompanying schedules are an integral part of this Revenue Account.

As per our attached report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

For Franklin Templeton Trustee
Services Private Limited

For Franklin Templeton Asset Management (India)
Private Limited

Sd/-
per Viren H. Mehta
Partner
Membership No. 048749

Sd/-
Anand J. Vashi
Director

Sd/-
Deepak Satwalekar
Director

Sd/-
S. Jayaram
Director

Sd/-
Alok Sethi
Director

Sd/-
Sanjay Sapre
President

Sd/-
Ajay Narayan
Vice President

Sd/-
Umesh Sharma
Vice President & Portfolio
Manager – Fixed Income

Sd/-
Sachin Padwal-Desai
Vice President & Portfolio Manager – Fixed
Income

Mumbai

FRANKLIN TEMPLETON MUTUAL FUND
CASH FLOW STATEMENT FOR THE PERIOD FROM MARCH 27, 2017 TO MARCH 31, 2017 ('The Period')
(All amounts in thousands of Rupees)

**Franklin India Fixed Maturity
Plans – Series 1 – Plan A (1108
Days)**

March 31, 2017

A. Cashflow from Operating Activities		
Surplus for the period before equalisation and income distribution.		310
Add / (Less) :Change in Unrealised Appreciation in value of Investments		(46)
Add / (Less) :Amortization of premium / discount on investment cost		10
Adjustments for:-		
(Increase)/Decrease in Investments at cost		(299,692)
(Increase)/Decrease in Other current assets		(3,589)
Increase/(Decrease) in Current liabilities		36
Net cash generated from/(used in) Operations	(A)	(302,971)
B Cashflow from Financing Activities		
Increase/(Decrease) in Unit capital		309,012
Adjustments for:-		
Increase/(Decrease) in Units pending allotment		150
Net Cash (used in)/Generated from Financing Activities	(B)	309,162
Net Increase/(Decrease) in Cash and Cash Equivalents	(A+B)	6,191
Cash and Cash Equivalents as at the beginning of the year		-
Cash and Cash Equivalents as at the end of the year		6,191
Components of Cash and Cash Equivalents		
Balances with Banks in Current Accounts*		6,191
		6,191

*Includes CBLO & Reverse Repo balances and balances in unclaimed redemption / dividend bank account held towards unclaimed redemption / dividend liabilities of the Scheme.

As per our attached report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

**For Franklin Templeton Trustee
Services Private Limited**

**For Franklin Templeton Asset Management (India)
Private Limited**

Sd/-
per Viren H. Mehta
Partner
Membership No. 048749

Sd/-
Anand J. Vashi
Director

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S. Jayaram
Director

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Sanjay Sapre
President

Sd/-
Ajay Narayan
President

Sd/-
Umesh Sharma
Vice President & Portfolio Manager – Fixed
Income

Sd/-
Sachin Padwal-Desai
Vice President & Portfolio
Manager – Fixed Income

Mumbai

FRANKLIN TEMPLETON MUTUAL FUND

SCHEDULES TO THE BALANCE SHEET AND REVENUE ACCOUNT FOR THE PERIOD FROM MARCH 27, 2017 TO MARCH 31, 2017 ('The Period')

(All amounts in thousands of Rupees unless specified otherwise)

1. BACKGROUND

Franklin Templeton Mutual Fund ('the Fund') was established as a trust under the Indian Trusts Act, 1882, by way of a trust deed dated January 4, 1996, a supplementary trust deed dated March 30, 1996 and August 26, 2005 executed by Templeton International Inc. USA, the sponsor of the Fund. Templeton International Inc. is a part of the Franklin Templeton Investments group.

In accordance with the Securities and Exchange Board of India ('SEBI') (Mutual Funds) Regulations, 1996 ('the SEBI Regulations'), the Board of Directors of Franklin Templeton Trustee Services Private Limited ('the Trustee') has appointed Franklin Templeton Asset Management (India) Private Limited (the AMC) to manage the Fund's affairs and operate its Schemes.

The objective and other feature of the schemes covered in the financial statement are as under:

Scheme Name	Nature of the Scheme	Date of Allotment	Scheme Objective	Plans Offered
Franklin India Fixed Maturity Plans – Series 1-Plan A (1108 Days)	Close ended Debt scheme	March 27, 2017	The investment objective of the Scheme is to seek to generate income by investing in a portfolio of fixed income securities/debt instruments maturing or before the maturity of the Scheme. However, there can be no assurance that the investment objective of the Scheme will be realized.	The Scheme offers its investors four plans: Direct Plan/Option, Direct Growth Plan/Option, Dividend Plan/Option, Dividend Growth Plan/Option.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared on the accrual basis of accounting, under the historical cost convention, as modified for investments, which are 'marked-to-market'. These financial statements are prepared in accordance and conformity with the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Fund) Regulations, 1996. The significant accounting policies, which are in accordance with the SEBI Regulations and have been approved by the Board of Directors of the AMC and the Trustee, are stated below.

(a) Determination of net asset value

- The net asset value of the units of the Scheme is determined separately for units issued under the Plans after including the respective unit capital and reserves and surplus, and reducing net deficit and accumulated discount, if any.
- For reporting the net asset values, the daily income earned, including realised profit or loss and unrealised gain or loss in the value of investments, and expenses incurred by the Scheme, are allocated to the Plans in proportion to their respective daily net assets as at the end of the immediately preceding day. Commission expenses are not allocated to the Direct Plans/Options.

(b) Unit capital

- Unit capital represents the net outstanding units at the balance sheet date, thereby reflecting all transactions relating to the period ended on that date.
- Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve of the Scheme, after an appropriate portion of the issue proceeds and redemption payouts is credited or debited respectively to the equalisation account, a mandatory requirement for open ended mutual fund Schemes.

(c) Investments

Accounting for investment transactions

- Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, securities transaction tax and fees payable or receivable, if any. The front end fee receivable, if any, is reduced from the cost of investment.
- In terms of SEBI circular no. CIR/IMD/DF/2/2012 dated September 13, 2012, brokerage and transaction costs (including all taxes) incurred for the purpose of execution of trade in excess of 0.12% in case of cash market transaction is charged to the Total Expense Ratio of the fund.

Valuation of investments

- Effective from November 5, 2013, all Debt securities (except for Zero Coupon Bonds, Government Securities and Treasury Bills), with residual maturity greater than 365 days, on the valuation date, are valued at the weighted average price obtained from CRISIL and ICRA (agency(ies) appointed/ designated for the said purpose by the Association of Mutual Funds of India [AMFI]). If price for New security purchased is not available from CRISIL and ICRA, the security will be valued at weighted average traded price available on public platform (namely FIMMDA, NSE WDM and BSE ICDM), provided there are at least two trades aggregating to Rs. 25 crores or more. Prior to November 5, 2013, all Debt securities (except for Government Securities and Treasury Bills), with residual maturity greater than 365 days, which were traded on the valuation date, were valued at the weighted average traded price available on the public platform (namely FIMMDA, NSE WDM and BSE ICDM), provided there were at least two trades aggregating to Rs. 25 crores or more. Further, if such securities were not traded on a particular valuation day, they were valued at the average benchmark yield/ matrix of spread over risk free benchmark yield obtained from CRISIL and ICRA.
- All Debt securities (except for Zero Coupon Bonds, Government Securities and Treasury Bills), with residual maturity greater than 60 days, on the valuation date, are valued at the weighted average price obtained from CRISIL and ICRA (agency(ies) appointed/ designated for the said purpose by the Association of Mutual Funds of India [AMFI]). Effective January 1, 2016, if price for New security purchased is not available from CRISIL and ICRA, the security will be valued at weighted average traded price available on public platform (namely FIMMDA, NSE and BSE), provided there is at least one trade of Rs.5 crores or more for Bonds and at least one trade of Rs. 25 crores or more for Money Market Instruments as against the earlier practice of valuing at weighted average price available on public platform (namely FIMMDA, NSE WDM, BSE ICDM) , provided there are at least two trades aggregating to Rs. 25 crores or more for debt securities with residual maturity of greater than 365 days on the valuation date and at least three trades aggregating to Rs. 100 crores or more for debt securities with residual maturity greater than 60 days and less than or equal to 365 days on the valuation date.
- Effective June 3, 2016 all Debt securities (except for Zero Coupon Bonds, Government Securities and Treasury Bills), with residual maturity upto 60 days on the date of valuation, which are traded on the valuation date, are valued at the weighted average traded price available on the public platform (namely FIMMDA, NSE and BSE), provided there are at least three trades aggregating to Rs. 100 crores or more. Outlier trades, if any, are excluded based on suitable justification. Prior to June 3, 2016 and effective from January 1, 2016 the same were being valued at the weighted average traded price available on the public platform (namely FIMMDA, NSE and BSE), provided there was at least one trade of Rs. 5 crores or more for Bonds and at least one trade of Rs. 25 crores or more for Money Market Instrument as against the earlier practice of valuing at weighted average price available on public platform (namely FIMMDA, NSE WDM, BSE ICDM) provided there were at least three trades aggregating to Rs.100 crores or more. When such securities are not traded on a particular valuation day, they are valued on amortisation basis. Effective June 3, 2016, in case the variance between the amortised price and the reference price exceeds plus/ minus 0.10%, the valuation is adjusted to bring it within the band of +/-0.10% as against the earlier practice of considering reference price for valuation and this change has no impact during the period. Reference price is the price derived from risk free benchmark yields plus/ minus spread.
- The securities with call option are valued at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option. In case there are multiple call options, the lowest value obtained by valuing to the various call dates and valuing to the maturity date is taken as the value of the instrument.
- The securities with put option are valued at the higher of the value as obtained by valuing the security to final maturity and valuing the security to put option. In case there are multiple put options, the highest value obtained by valuing to the various put dates and valuing to the maturity date is taken as the value of the instruments.
- Effective from November 5, 2013, Investment in Zero Coupon Bonds with residual maturity greater than 365 days, on the valuation date, are valued at the weighted average price obtained from CRISIL and ICRA (agency(ies) appointed/ designated for the said purpose by AMFI). Effective from March 17, 2015, if price for New security purchased is not available from CRISIL and ICRA, the security will be valued at weighted average traded yield available on public platform (namely FIMMDA, NSE WDM and BSE ICDM), provided there are at least two trades aggregating to Rs. 25 crores or more or against the earlier practice of valuing at weighted average traded price available on public platform (namely FIMMDA, NSE WDM and BSE ICDM), provided there are at least two trades aggregating to Rs. 25 crores or more. Prior to November 5, 2013, Investment in Zero Coupon Bonds with residual maturity greater than 365 days, which were traded on the valuation date, were valued at the weighted average traded price available on the public platform (namely FIMMDA, NSE WDM and BSE ICDM), provided there were at least two trades aggregating to Rs. 25 crores or more. Further, if such securities were not traded on a particular valuation day, they were valued at the average benchmark yield/ matrix of spread over risk free benchmark yield obtained from CRISIL and ICRA.
- Investment in Zero Coupon Bonds with residual maturity greater than 60 days, on the valuation date, are valued at the weighted average price obtained from CRISIL and ICRA (agency(ies) appointed/ designated for the said purpose by AMFI). Effective from January 1, 2016, if price for New security purchased is not available from CRISIL and ICRA, the security will be valued at weighted average traded price available on public platform (namely NSE and BSE), provided there is at least one trade of Rs. 5 crores or more. Prior to January 1, 2016, if the price of Zero Coupon Bond was not available from CRISIL and ICRA, the security was valued at weighted average traded yield available on public platform (namely FIMMDA, NSE WDM and BSE ICDM) as per qualification criteria as mentioned below:

(a) Maturity greater than 60 days and less than or equal to 365 days there were at least three trades aggregating to Rs. 100 crores or more

(b) Maturity greater than 365 days at least two trades aggregating to Rs. 25 crores or more.

- Effective June 3, 2016 Investment in Zero Coupon Bonds with residual maturity upto 60 days on the date of valuation, which are traded on the valuation date, are valued at the weighted average traded price available on the public platform (namely NSE and BSE), provided there are at least three trades aggregating to of Rs. 100 crores or more. Outlier trades, if any, are excluded based on suitable justification. Prior to June 3, 2016 and effective from January 1, 2016, investment in Zero Coupon Bonds with residual maturity upto 60 days on the date of valuation, if traded were valued at the weighted average traded price available on the public platform (namely NSE and BSE), provided there was at least one trade of Rs. 5 crores or more as against the earlier practice of valuing at the weighted average traded yield available on the public platform (namely FIMMDA, NSE WDM and BSE ICDM), for the trade criteria of at least three trades aggregating to Rs. 100 crores or more . When such securities are not traded on a particular valuation day, they are valued on amortisation basis. Effective from June 3, 2016 In case the variance between the amortised price and the reference price exceeds plus/ minus 0.10%, the valuation is adjusted to bring it within the band of +/-0.10% as against the earlier practice of considering the reference price for valuation and this change has no impact during the period. Reference price is the price derived from risk free benchmark yields plus/ minus spread.
- Effective June 3, 2016, Investment in Government Securities and Treasury Bills with residual maturity up to 60 days on the date of valuation, which are traded on the valuation date, are valued at the weighted average traded price available on the public platform namely CCIL provided there are at least three trades aggregating to of Rs.100 crores or more. Outlier trades, if any, are excluded based on suitable justification. Prior to June 3, 2016 and effective from January 1, 2016 , Investment in Government Securities and Treasury Bills with residual maturity up to 60 days on the date of valuation, which are traded on the valuation date, are valued at the weighted average traded price available on the public platform namely CCIL provided there was at least one trade aggregating to Rs. 5 crores or more for Bonds and at least one trade of Rs 25 crores or more for Money Market Instrument as against the earlier practice of weighted average traded price available on the public platform namely CCIL, provided there were at least three trades aggregating to Rs. 100 crores or more. When such securities are not traded on a particular valuation day, they are valued on amortisation basis. The amortised price is used as long as it is within plus/ minus 0.10% of the reference price. Effective from June 3, 2016, in case the variance between the amortised price and the reference price exceeds plus/ minus 0.10%, the valuation is adjusted to bring it within the band of +/-0.10% as against the earlier practice of considering reference price for valuation and this change has no impact during the period. Reference price is the price derived from risk free benchmark yield plus/ minus spread.
- Investment in Government Securities and Treasury Bills with residual maturity greater than 60 days on the date of valuation are valued based on the average of the prices provided by the CRISIL and ICRA(Agency(ies) entrusted for the said purpose by AMFI).
- All other investments are stated at their fair value as determined in good faith by the AMC in accordance with the SEBI Regulations and reviewed by the Trustee.
- The net unrealised gain or loss in the value of investments is determined separately for each category of investments. The change in the net unrealised loss, if any, between two balance sheet dates is recognised in the revenue account and the change in net unrealised gain, if any, is adjusted in an unrealised appreciation reserve. The loss on investments sold/transferred during the year is charged to the revenue account.

- (d) Revenue recognition
- Interest on fixed income securities is recognised as income on an accrual basis.
 - Profit or loss on sale of investments is determined on the basis of the weighted average cost method.
 - The discount or premium, if any, to the redemption value of debt securities is amortised and recognised as interest income or expense, as the case may be, over the period to redemption.
- (e) Load charges
- All load, charged at the time of purchase and sale of units, is being utilised towards meeting distribution and marketing expenses.
 - In accordance with the SEBI Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, entire amount of Exit load collected is credited to the respective scheme net of taxes to the respective schemes as "Other Income".
 - Unutilised amount of load is carried forward to subsequent period. If the amount is considered in excess by the AMC / Trustees, then such excess amount is credited to the respective Schemes as Other Income.
- (f) Investor education and awareness initiatives
- In accordance with SEBI Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, the fund is accruing 0.02% p.a. on daily net assets towards investor education and awareness initiatives. Unutilised amount is carried forward to the subsequent year. Interest earned, if any, by investment of unutilized amount in Fixed deposits, is credited to the Investor Education Liability.

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FRANKLIN TEMPLETON MUTUAL FUND
SCHEDULES TO THE BALANCE SHEET AND REVENUE ACCOUNT FOR THE PERIOD FROM MARCH 27, 2017 TO
MARCH 31, 2017 ('The Period')

(All amounts in thousands of Rupees)

Schedules	Franklin India Fixed Maturity Plans – Series 1 – Plan A (1108 Days)	
	Quantity	Amount
	March 31, 2017	March 31, 2017
3 UNIT CAPITAL		
Units of Rs 10 each fully paid up		
Growth Plan		
Outstanding, beginning of period	-	-
Issued		
- Initial offering	23,919,720.739	239,197
Redeemed during the period	-	-
Outstanding, end of period	<u>23,919,720.739</u>	<u>239,197</u>
Dividend Plan		
Outstanding, beginning of period	-	-
Issued		
- Initial offering	1,000.000	10
Redeemed during the period	-	-
Outstanding, end of period	<u>1,000.000</u>	<u>10</u>
Direct Growth Plan		
Outstanding, beginning of period	-	-
Issued		
- Initial offering	6,980,500.000	69,805
Redeemed during the period	-	-
Outstanding, end of period	<u>6,980,500.000</u>	<u>69,805</u>
Total		
Outstanding, beginning of period	-	-
Issued During the period		
- Initial offering	30,901,220.739	309,012
Redeemed during the period	-	-
Outstanding, end of period	<u>30,901,220.739</u>	<u>309,012</u>

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FRANKLIN TEMPLETON MUTUAL FUND
SCHEDULES TO THE BALANCE SHEET AND REVENUE ACCOUNT FOR THE PERIOD FROM MARCH 27, 2017 TO
MARCH 31, 2017 ('The Period')
 (All amounts in thousands of Rupees)

		Franklin India Fixed Maturity Plans – Series 1- Plan A (1108 Days)
Schedules		March 31, 2017
4. RESERVES AND SURPLUS		
	Unrealised appreciation reserve	
	Balance, beginning of year/period	-
	Change in net unrealised appreciation in value of investments	46
	Balance, end of year/period	46
	Retained surplus	
	Balance, beginning of year/period	-
	Transfer to Revenue Account	-
	Net surplus transferred from revenue account	264
	Balance, end of year/period	264
	Total reserves and surplus	310
5. CURRENT LIABILITIES AND PROVISIONS		
	Current Liabilities	
	Management fees	14
	Trusteeship fees	-*
	Registrar service charges	-*
	Units pending allotment	150
	Investor Education Liability	1
	Other current liabilities	21
		186
	*Amount is less than rupees one thousand.	
6. INVESTMENTS		
(i)	The investments of the Scheme are registered in the name of the Fund for the benefit of the Scheme's unitholders.	
(ii)	Aggregate appreciation and depreciation in the value of investments are as follows:	
	Listed debentures and bonds / Awaiting listing on Stock Exchanges (Equity linked debentures / Other debentures and bonds / Securitised debt securities)	
	- appreciation	178
	- depreciation	116
	Privately placed debentures and bonds Unlisted Securities	
	- appreciation	-
	- depreciation	16
(iii)	The aggregate value of investments purchased and sold by the Scheme during the year and these amounts as a percentage of average daily net assets are as follows:	
	Purchases	
	- amount	302,718
	- as a percentage of average daily net assets	97.86
	Sales	
	- amount	-
	- as a percentage of average daily net assets	-
(iv)	Amount of Debentures and bonds Listed/ Awaiting listing on Stock Exchanges not traded as on the date of financial statement.	282,686

FRANKLIN TEMPLETON MUTUAL FUND
SCHEDULES TO THE BALANCE SHEET AND REVENUE ACCOUNT FOR THE PERIOD FROM MARCH 27, 2017 TO
MARCH 31, 2017 ('The Period')
 (All amounts in thousands of Rupees)

		Franklin India Fixed Maturity Plans – Series 1- Plan A (1108 Days)
Schedules		March 31, 2017
7. OTHER CURRENT ASSETS		
Cash and Bank Balance		
Balances with banks in current accounts		157
		<u>157</u>
CBLO/ Reverse Repo Lending		
Collateralised lending/Reverse repo		6,034
		<u>6,034</u>
Others		
Outstanding and accrued income		3,209
Margin money		380
		<u>3,589</u>
TOTAL		<u>9,780</u>
8. INTEREST		
Gross Interest		
On Debentures and bonds		170
On Collateralised lending / Reverse repo		110
Total Gross Interest		<u>280</u>
9. INCOME AND EXPENDITURE		
The total income and expenditure and these amounts as a percentage of the Scheme's average daily net assets on an annualised basis are provided below:		
Income		
- amount		280
- as a percentage of average daily net assets		<u>6.59</u>
Expenditure		
- amount		16
- as a percentage of average daily net assets		
Regular Plan		0.55
Direct Plan		<u>0.10</u>
Management fees (including service tax)		
- amount		14
- as a percentage of average daily net assets		
Regular Plan		0.50
Direct Plan		<u>0.05</u>
Trusteeship fees (including service tax)		
- amount		-*
- as a percentage of average daily net assets		<u>0.002</u>

*Amount is less than rupees one thousand.

FRANKLIN TEMPLETON MUTUAL FUND
SCHEDULES TO THE BALANCE SHEET AND REVENUE ACCOUNT FOR THE PERIOD FROM MARCH 27, 2017 TO
MARCH 31, 2017 ('The Period')
(All amounts in thousands of Rupees)

Franklin India Fixed
Maturity Plans – Series 1-
Plan A (1108 Days)

March 31, 2017

Schedules

11. NET ASSET VALUE

Net asset value of each unit of Rs. 10 of the Scheme

Growth Plan (Rs)	10.0099
Dividend Plan (Rs)	10.0099
Direct Growth Plan (Rs)	10.0104

The net asset value of the Scheme's unit is determined after including unit capital and any reserves and surplus, and reducing net deficit and accumulated unit discount, if any.

12. SEGMENT REPORTING

The scheme operates only in one segment viz. to primarily generate returns, based on schemes' investment objective.

13. INCOME DISTRIBUTION:

In case where the Surplus / (Deficit) for the period is lower than the amount of distributed income (including tax on income distributed), the income has been distributed by the Scheme to its unitholders out of the distributable surplus available with the Scheme, which consists of the Surplus / (Deficit) for the period.

14. PRIOR YEAR COMPARATIVES

Since these are the first financial statements of the schemes, there are no prior period comparatives.

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10. RELATED PARTY DISCLOSURES

The Scheme has entered into transactions with certain related parties. The information required in this regard in accordance with Accounting Standard 18 on 'Related Party Disclosures' issued by the ICAI and Regulation 25(8) of the SEBI Regulations, is provided below.

(i) **Related party relationships**

Name	Description of relationship
a) Where control exists	
Franklin Resources Inc	Ultimate holding Company of the sponsor
Templeton Worldwide Inc (TWI) USA	Holding Company of the Sponsor
Templeton International Inc, USA	Sponsor of the Fund
Franklin Templeton Capital Holdings Pte Limited (Singapore)	Subsidiary of the Sponsor
Franklin Templeton Asia Holdings Pte Limited (Singapore)	Sub-Subsidiary of the Sponsor
Franklin Templeton Holding Limited, Mauritius	Holding Company of the Scheme's Asset Manager./ Sub-Subsidiary of the Sponsor
Franklin Templeton Asset Management (India) Private Limited	Scheme's asset manager./ Sub-subsidiary of the Sponsor
Franklin Templeton Trustee Services Private Limited	Trustee of the Fund
<u>Schemes of the Fund, under common control of the Sponsor</u>	
Franklin Asian Equity Fund	Franklin India Life Stage Fund of Funds
Franklin Build India Fund	Franklin India Low Duration Fund
Franklin India Balanced Fund	Franklin India Monthly Income Plan
Franklin India Banking & PSU Debt Fund	Franklin India Multi-Asset Solution Fund
Franklin India BlueChip Fund	Franklin India Opportunities Fund
Franklin India Cash Management Account	Franklin India Pension Plan
Franklin India Corporate Bond Opportunities Fund	Franklin India Prima Fund
Franklin India Dynamic Accrual Fund	Franklin India Prima Plus
Franklin India Dynamic Pe Ratio Fund Of Funds	Franklin India Savings Plus Fund
Franklin India Feeder - Franklin European Growth Fund	Franklin India Short Term Income Plan
Franklin India Feeder - Franklin U.S. Opportunities Fund	Franklin India Smaller Companies Fund
Franklin India Flexi Cap Fund	Franklin India Taxshield
Franklin India Government Securities Fund - Composite Plan & Pf Plan	Franklin India Treasury Management Account
Franklin India Government Securities Fund - Long Term Plan	Franklin India Ultra Short Bond Fund
Franklin India High Growth Companies Fund	Franklin Infotech Fund
Franklin India Income Builder Account	Templeton India Equity Income Fund
Franklin India Income Opportunities Fund	Templeton India Growth Fund
Franklin India Index Fund Nifty Plan	

(ii) **Transactions, if any, with the above mentioned related parties as defined under Accounting Standard 18 and Regulation 25(8) of the SEBI Regulations are provided below:**

Franklin India Fixed Maturity Plans – Series 1 – Plan A (1108 Days)

Name of related party	Nature of transactions	From March 27, 2017 To March 31, 2017	Balance as at March 31, 2017
Schemes under common control	<u>Purchase of investments</u> Franklin India Short Term Income Plan	4,098	-
Franklin Templeton Trustee Services Private Limited	Fees for trusteeship services	-*	-*
Franklin Templeton Asset Management (India) Private Limited	Registrar service charges Fees for management services	-* 14	-* 14

*Amount is less than rupee one thousand.

15. SUPPLEMENTARY INVESTMENT PORTFOLIO INFORMATION

Details of the Scheme's investments in each category of investments as at March 31, 2017 are presented below. The company exposure are stated as a percentage of the Scheme's net assets as at March 31, 2017, as well as the aggregate investments in each investment category.

Franklin India Fixed Maturity Plans – Series 1 – Plan A (1108 Days)

Industry and Company Particulars	Quantity	Amount	Percentage to Net Assets	Percentage to Investment Category
Debt Instruments				
(a) Listed/Awaiting listing on Stock Exchanges	269	282,686	91.39	100.00
8.36% Power Finance Corp. Ltd. (26-Feb-2020) **	30	30,835	9.97	10.91
8.15% National Bank for Agriculture and Rural Development (04-Mar-2020) **	30	30,771	9.95	10.89
8.15% Power Grid Corp. of India Ltd. (09-Mar-2020) **	30	30,771	9.95	10.89
6.73% Indian Railway Finance Corp. Ltd. (23-Mar-2020) **	31	30,702	9.93	10.86
8.87% Rural Electrification Corp. Ltd. (08-Mar-2020) **	29	30,225	9.77	10.69
7.80% LIC Housing Finance Ltd. (19-Mar-2020) **	30	30,141	9.74	10.66
7.85% Bajaj Finance Ltd. (07-Apr-2020) **	30	30,003	9.70	10.61
7.85% Kotak Mahindra Prime Ltd. (07-Apr-2020) **	30	30,001	9.70	10.61
8.78% NTPC Ltd. (09-Mar-2020) **	28	29,183	9.43	10.32
7.78% Housing Development Finance Corp. Ltd. (24-Mar-2020) **	1	10,054	3.25	3.56
Total		282,686	91.39	100.00
(b) Privately Placed/Unlisted	17	17,042	5.51	100.00
7.90% Tata Sons Ltd. (06-Mar-2020) **	17	17,042	5.51	100.00
Total		17,042	5.51	100.00
OTHER CURRENT ASSETS		9,780	3.16	
TOTAL ASSETS		309,508	100.06	
LESS: CURRENT LIABILITIES		186	0.06	
NET ASSETS		309,322	100.00	

** Non - Traded / Thinly Traded Scrips

PER UNIT STATISTICS	Franklin India Fixed Maturity Plans – Series 1 – Plan A (1108 Days)
	Period ended March 31, 2017
(a) Net Asset value, per unit	
Growth Plan	10.0099
Dividend Plan	10.0099
Direct Growth Plan	10.0104
(b) Gross Income:	
i) Income other than profit on sale of investment, per unit	0.01
ii) Profit / (Loss) on interscheme sale/transfer of investment, per unit	-
iii) Profit / (Loss) on sale of investment to third party, per unit	-
(c) Aggregate of expense, write offs, amortisation and charges, per unit	(0.00)
(d) Net unrealised appreciation/(depreciation) in value of investments	0.00
(e) Net Income, per unit	0.01
(f) Ratio of Expenses to Average Net Assets	
Regular Plan	0.55
Direct Plan	0.10
Ratio of Gross Income to Average Net Assets	6.59
(g) i) Highest traded price	N.A.
ii) Lowest traded price	N.A.
iii) Highest repurchase price/NAV *	
Growth Plan	10.0110
Dividend Plan	10.0110
Direct Growth Plan	10.0114
iv) Highest resale price *	
Growth Plan	10.0110
Dividend Plan	10.0110
Direct Growth Plan	10.0114
v) Lowest repurchase price/NAV *	
Growth Plan	10.0000
Dividend Plan	10.0000
Direct Growth Plan	10.0000
vi) Lowest resale price *	
Growth Plan	10.0000
Dividend Plan	10.0000
Direct Growth Plan	10.0000

0.00 less than 0.01 per unit

Per unit calculation is based on number of units at the end of the year. Per unit statistics are disclosed for schemes/plans in existence at the end of respective years.

*The highest and lowest resale price has been determined, after adding to the NAV, the maximum entry load applicable.