

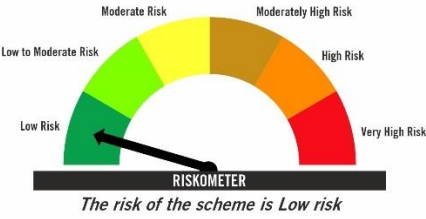
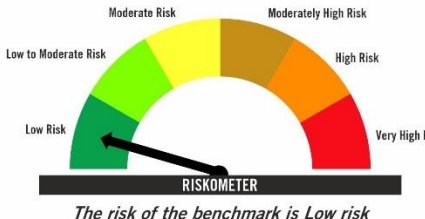
SCHEME INFORMATION DOCUMENT



Section I

Name of the Scheme: Franklin India Arbitrage Fund

Type of the Scheme: An open-ended scheme investing in arbitrage opportunities

This product is suitable for investors who are seeking*:	Scheme Riskometer as on September 30, 2025	Benchmark Riskometer as on September 30, 2025
• Short term income generation • A hybrid scheme that aims to generate returns from arbitrage and other derivative strategies by investing predominantly in cash and derivative segments of the equity market and potential arbitrage opportunities available within the derivative segment. The balance will be invested in fixed income and money market instruments.		Primary Benchmark i.e. NIFTY 50 Arbitrage Index 

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

The above product labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

Please refer to our website (<https://www.franklintempletonindia.com/downloadsServlet/pdf/product-labels-jg9o5k7l>) or latest Risk-o-meters of scheme and primary benchmark (Tier I) calculated in accordance with Para 5.16 and 17.4 of SEBI Master Circular on Mutual Funds dated June 27, 2024.

Continuous Offer: Offer for units on an ongoing basis at NAV based prices.

Name of Mutual Fund	Franklin Templeton Mutual Fund
Name of Asset Management Company	Franklin Templeton Asset Management (India) Pvt. Ltd. CIN - U67190MH1995PTC093356
Name of Trustee Company	Franklin Templeton Trustee Services Pvt. Ltd. CIN - U65991MH1995PTC095500
Addresses of Asset Management Company and Trustee Company	One International Centre, Tower 2, 12th and 13th Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013
Website	www.franklintempletonindia.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date and circulars issued thereunder filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document (SID) sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Franklin Templeton Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on <https://www.franklintempletonindia.com/downloads/fund-documents>.

The SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Franklin Templeton Investor Service Centre or log on to our website.

The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated November 28, 2025.

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Part I. HIGHLIGHTS / SUMMARY OF THE SCHEME

Sr. No.	Title	Description
I.	Name of the Scheme	Franklin India Arbitrage Fund
II.	Category of the Scheme	Arbitrage Fund
III.	Scheme type	An open-ended scheme investing in arbitrage opportunities
IV.	Scheme Code	FTMF/O/H/ARB/24/10/0049
V.	Investment Objective	The investment objective of the scheme is to generate capital appreciation and income by predominantly investing in arbitrage opportunities in the cash and derivative segments of the equity markets and the arbitrage opportunities available within the derivative segment and by investing the balance in debt and money market instruments. There is no assurance that the investment objective of the scheme will be achieved.
VI.	Liquidity/ Listing details	The Scheme will open for purchase/subscriptions, repurchase/redemption on all Business Days. The redemption proceeds will be dispatched to the unitholders within the regulatory time limit of 2 working days of the receipt at the Official Point of Accepting Transactions (OPAT) of the Mutual Fund. The Scheme is not proposed to be listed.
VII.	Benchmark (Total Return Index)	Tier I benchmark – Nifty 50 Arbitrage Index The index is constructed to measure the performance of long position in Nifty 50 index and equivalent short position in Nifty 50 future contracts traded on NSE in equity and equity derivatives segment respectively. This structure makes it most suitable to be used as a benchmark for the arbitrage strategy being employed by the fund. The AMC / Trustee reserves the right to change / modify the benchmark by issuing an addendum.

Sr. No.	Title	Description						
VIII.	NAV Disclosure	The NAV will be calculated for every Business Day and can be viewed on www.franklintempletonindia.com and www.amfiindia.com. NAV will be calculated up to four decimal places using standard rounding criteria. <table><tr><th>Particulars</th><th>NAV declaration time for a Business Day & Rationale</th></tr><tr><td>First NAV</td><td>Shall be calculated and declared within 5 business days from the date of allotment of respective Plan(s)/Option(s) under the Scheme</td></tr><tr><td>If entire assets under management (AUM) is invested only in Indian securities</td><td>11 p.m. on same Business Day</td></tr></table> Further Details in Section II.	Particulars	NAV declaration time for a Business Day & Rationale	First NAV	Shall be calculated and declared within 5 business days from the date of allotment of respective Plan(s)/Option(s) under the Scheme	If entire assets under management (AUM) is invested only in Indian securities	11 p.m. on same Business Day
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If entire assets under management (AUM) is invested only in Indian securities	11 p.m. on same Business Day							
IX.	Applicable Timelines	Dispatch of redemption proceeds - 2 working days from date of receipt of the valid redemption request at the Official Points of Acceptance of Transactions (OPAT) of the Mutual Fund. In case of exceptional situations, additional time for redemption payment may be taken. This shall be in line with AMFI letter dated January 16, 2023. Dispatch of Payout of Income Distribution cum capital withdrawal (IDCW) option - 7 working days from record date.						
X.	Plans & Options Plans/Options and sub options under the scheme	Plans: - Regular - Direct Options: - Growth - Income Distribution cum capital withdrawal (IDCW) Option (Payout and Reinvestment) Default plan and option: Direct – Growth For detailed disclosure on default plans and options, kindly refer SAI.						
XI.	Load Structure	Exit Load: In respect of each purchase of Units – NIL Exit load – for 10% of the units purchased or switched on or before 30 days from the date of allotment.						

Sr. No.	Title	Description
		- o The “First In First Out (FIFO)” logic will be applied while selecting the units for redemption - o Waiver of Exit load is calculated for each inflow transaction separately on FIFO basis and not on the total units through multiple inflows - o The load free units from purchases made subsequent to the initial purchase will be available only after redeeming all units from the initial purchase • All units redeemed /switched-out in excess of the 10% load free units will be subject to the below mentioned exit load. - o 0.25% - if Units are redeemed/switched-out on or before 30 days from the date of allotment - o Nil - if redeemed after 30 days from the date of allotment *This no load redemption limit is applicable on a 30 day basis (from the date of allotment of such units) and the limit not availed during said period, this shall not be clubbed or carried forward Subject to the Regulations, the Trustee / AMC reserve the right to modify / change the load structure on a prospective basis.
XII.	Minimum Application Amount/ Switch in	Subscription: Fresh Purchase - Rs.5,000/- and in multiples of Rs. 1 thereafter
XIII.	Minimum Additional Purchase Amount	Rs.1,000/- and in multiples of Rs. 1 thereafter.
XIV.	Minimum Redemption/ switch out amount	Rs. 1,000/- and in multiples of Rs. 1 thereafter
XV.	Segregated portfolio/ side pocketing disclosure	Currently, the scheme does not have enabling provision to create segregated portfolio. For Details, kindly refer SAI.
XVI.	Swing pricing disclosure	Not applicable.
XVII.	Stock lending/ short selling	The Scheme may engage in stock lending/ short selling of securities in accordance with the guidelines issued by SEBI. For details, kindly refer Section SAI.
XVIII.	How to Apply and other details	Investors can subscribe for the Units of the Scheme by completing the Application Form and delivering it at any Investor Service Centre or Collection Centre. KYC complied

Sr. No.	Title	Description
		investor/ Investors who are able to provide necessary information and/or documents to perform KYC can perform a web-based transaction to purchase units of the Scheme on website of the Mutual Fund under the head “Transact Now” (www.franklintempletonindia.com), FT Mobile App or through any other electronic mode introduced from time to time. Please refer to the SAI and the Key Information Memorandum/ Application Form for the instructions. Further details provided in Section II.
XIX.	Investor services	Contact details for general service requests: Good Shepherd Square, 4th Floor, No.82, MGR Salai (Erstwhile Kodambakkam High Road), Chennai- 600034, Tamil Nadu. Tel: 1-800-425-4255 or 1-800-258-4255 (toll-free numbers). International Callers can reach at 91-44-28885200 or 91-44-69030702 (Local call rates apply to both the numbers) from 8.00 a.m. to 9.00 p.m., Monday to Saturday. Email: service@franklintempleton.com Contact details for complaint resolution: Ms. Rini Krishnan has been appointed as the Investor Relations Officer of the AMC. She can be contacted at the above address.
XX.	Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)	Not applicable.
XXI.	Special Product/ facility available on ongoing basis	Following facilities are available: • Systematic Investment Plan (SIP) • Systematic Investment Plan (SIP) Variants facility • Step Up SIP • Pause SIP • Any Date SIP • SIP Amount Change • Flexi SIP

Sr. No.	Title	Description
		• Systematic Transfer Plan (STP) • Flex STP • Value Systematic Transfer Plan • Systematic Withdrawal Plan (SWP) • Family Solutions' Facility For Details, kindly refer SAI
XXIII.	Weblink	TER for last 6 months, Daily TER as well as scheme factsheet shall be made available www.franklintempletonindia.com/ downloads/ fund-literature In case of new launched scheme TER details shall be available from the first NAV date.

DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- i. The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- ii. All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- iii. The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.
- iv. The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- v. The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct.
- vi. A confirmation that the AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations.
- vii. Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.
- viii. The Trustees have ensured that Franklin India Arbitrage Fund approved by them is a new product offered by Franklin Templeton Mutual Fund and is not a minor modification of any existing scheme/fund/product.

Date: November 28, 2025
Place: Mumbai

Name: Saurabh Gangrade
Designation: Compliance Officer

Part II. INFORMATION ABOUT THE SCHEME

A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal market circumstances, the investment range would be as follows:

Instruments	Indicative Allocations (% of Net assets)	
	Minimum	Maximum
Equity and Equity related securities ^{\$}	65	100
Debt & Money Market Instruments, cash & cash equivalent	0	35

^{\$}including equity derivative instruments.

The cumulative gross exposure through equity, debt, derivative positions, repo transactions in corporate debt securities, Real Estate Investment Trusts (REITs), other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time should not exceed 100% of the net assets of the schemes subject to regulatory approval, if any.

Indicative Table (Actual instrument/ percentages may vary subject to applicable SEBI circulars):

Sl. No	Type of Instrument	Percentage of exposure	Circular references
1.	Derivatives including index futures, stock futures, index options, & stock options as part of hedged / arbitrage exposure	Upto 90% of net assets of the scheme The Scheme may use derivatives for such purposes as may be permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time.	Para 12.25 of SEBI Master Circular dated June 27, 2024.
2.	Securities Lending	Upto 20% of net assets and the maximum single party exposure will be restricted to 5%^ of net assets outstanding at any point of time. ^ Presently, Securities lending and borrowing (SLB) is an Exchange traded product. Counterparty is not known for transactions carried out under SLB segment and they are guaranteed by Clearing Corporations and hence do not carry any counter party risk. Accordingly, single party exposure limit will not apply to	Para 12.11 of SEBI Master Circular dated June 27, 2024.

Sl. No	Type of Instrument	Percentage of exposure	Circular references
		trades on Stock Exchange platform. Single party exposure limits can only apply in case of OTC (over the counter) trades where counterparty can be identified.	
3.	Securitized Debt	The scheme will invest upto 20% of net assets	Para 12.3 of SEBI Master Circular dated June 27, 2024.
4.	Debt instruments with special features	Upto 10% of the debt portfolio of the scheme and not more than 5% of debt portfolio of the scheme in instruments issued by a single issuer	Referred in Para 12.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024
5.	Units of debt-oriented mutual funds	Upto 5% of net assets	Not Applicable
6.	Foreign securitized debt	The scheme will not invest	Not Applicable
7.	Foreign securities	The scheme will not invest	Not Applicable
8.	Credit default swaps	The scheme will not invest	Not Applicable
9.	REITs and InvITs	The scheme does not intend to invest in units issued by REITs* and InvITs. *Any potential future investment in units of Real Estate Investment Trusts (REITs) shall be undertaken in accordance with the Securities and Exchange Board of India (Mutual Funds) (Second Amendment) Regulations, 2025, notified on October 31, 2025, and any other applicable Regulations, circulars or guidelines issued by SEBI from time to time.	Not Applicable In accordance with the SEBI (Mutual Funds) (Second Amendment) Regulations, 2025, notified on October 31, 2025
10.	Equity linked debentures	The scheme will not invest	Not Applicable
11.	Debt Instruments with special features (AT1 and AT2 Bonds)	The scheme will invest upto 10% of net assets	Not Applicable
12.	Tri-party repos	To meet liquidity requirements or pending deployment as per regulatory limits	Clause 1 of Seventh Schedule of SEBI Mutual Fund Regulation
13.	Credit Enhancement / structured obligations	Maximum 10% of the debt portfolio of the Scheme (where group exposure in such	Paragraph 12.3 of the SEBI Master Circular dated June 27, 2024 for Mutual Funds.

Sl. No	Type of Instrument	Percentage of exposure	Circular references
		instruments shall not be more than 5% of the debt portfolio of the Scheme)	
14.	Repo transactions in corporate debt securities	Upto 10% of the net assets	Clause 12.18 of Master Circular
15.	Securities borrowing and short selling activities	The scheme will not invest	Not Applicable
16.	Debt derivatives	Upto 30% of the net assets of the scheme (hedging and non-hedging purposes)	Clause 12.25 of Master Circular

The fund managers will follow an active investment strategy taking defensive/aggressive postures depending on opportunities available at various points in time.

It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially (subject to and within the maximum limits prescribed above) depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. The asset allocation pattern described above may alter from time to time on a short-term basis on defensive considerations (As per Para 1.14.1.2.b of SEBI Master circular on Mutual Funds dated June 27, 2024), keeping in view market conditions, market opportunities, applicable regulations and political and economic factors (i.e., for reasons other than downgrade in rating) and would, in such cases, shall be rebalanced within 30 calendar days from date of deviation. However, if the asset allocation pattern is to be altered for other reasons, as this is a fundamental attribute, the procedure outlined in the paragraph on fundamental attributes below, shall be followed.

Portfolio Rebalancing

In the event of deviations the portfolio will be rebalanced as per Para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024. In the event of deviation from mandated asset allocation mentioned in the Scheme Information Document (SID) due to passive breaches (occurrence of instances not arising out of omission and commission of AMCs), rebalancing period shall be 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment committee shall then decide on the course of action. The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

All the reporting and disclosure requirements as mentioned in Para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024 shall be complied with. This includes disclosure to investors in case the AUM of deviated portfolio is more than 10% of the AUM of main portfolio of scheme.

B. WHERE WILL THE SCHEME INVEST?

Subject to the SEBI Regulations and the asset allocation pattern mention above for the respective scheme, the Scheme may invest in various types of instruments including, but not limited to, any of the following:

- (a) Equity and Equity related instruments of domestic companies / corporations
- (b) Securities issued, guaranteed or supported by the Central Government or any state government (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
- (c) Securities issued by any domestic government agencies, quasi-government or statutory bodies, Public Sector Undertakings, which may or may not be guaranteed or supported by the Central Government or any state government.
- (d) Domestic non-convertible securities as well as non-convertible portion of convertible securities, such as debentures, coupon bearing bonds, zero coupon bonds, deep discount bonds, Mibor-linked or other floating rate instruments, premium notes and other debt securities or obligations of public sector undertakings, banks, financial institutions, corporations, companies and other bodies corporate/entity as may be permitted by SEBI / RBI from time to time
- (e) Domestic securitised debt, pass through obligations, various types of securitisation issuances such as Asset Backed Securitisation, Mortgage-Backed Securitisation and so on as may be permitted by SEBI from time to time.
- (f) Domestic Commercial Paper (CP), Certificate of Deposits (CD), Bills Rediscounting, TREPs, Repo, Reverse Repo, Treasury Bills, Tri-party Repo and other Money Market Instruments as may be permitted by SEBI / RBI from time to time.
- (g) Domestic derivatives including Interest Rate Futures, Interest rate swaps, imperfect hedging and other derivative instruments are permitted by SEBI from time to time
- (h) Deposits with domestic banks and other bodies corporate as may be permitted by SEBI from time to time
- (i) Other schemes managed by the AMC or in the schemes of any other mutual funds
- (j) Any other domestic debt and money market instruments that may be available or evolve with the development of the securities markets and as may be permitted by SEBI from time to time.

The securities mentioned above could be listed, unlisted, publicly offered, privately placed, secured, unsecured, rated or unrated and of varying maturity. The securities may be acquired through public offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals. The Scheme may also enter into repurchase and reverse repurchase obligations in all securities held by it as per the guidelines and regulations applicable to such transactions.

C. WHAT ARE THE INVESTMENT STRATEGIES?

The primary objective of the scheme is to invest actively in arbitrage opportunities between spot and futures prices of exchange traded equities and other potential arbitrage opportunities available within the derivative segment and cash segment. The market provides opportunities to the investor to derive returns from the implied cost of carry between the underlying cash market and the derivatives market. This provides for opportunities to generate returns that are possibly higher than short term interest rates with minimal active price risk on equities. Implied cost of carry and spreads across the spot, futures and options markets can potentially lead to profitable arbitrage opportunities. The Scheme would carry out arbitrage strategies, which would entail taking offsetting positions in the various markets simultaneously. As arbitrage opportunities are dependent on ensuing market conditions, there will be a part of the portfolio, which will be invested in debt securities and money market securities. This component of the portfolio will provide the necessary liquidity to meet redemption needs and other liquidity requirements of the Scheme.

Elaboration of Investment Strategy & Approach

The Scheme will invest in arbitrage opportunities between spot and futures prices of exchange traded equities and the arbitrage opportunities available within the derivative segment. If suitable arbitrage opportunities are not available in the opinion of the Fund Manager, the Scheme may invest in short term debt and money market securities.

The Fund Manager will evaluate the difference between the price of a stock in the futures market and in the spot market. If the price of a stock in the futures market is higher than in the spot market, after adjusting for costs and taxes the scheme shall buy the stock in the spot market and sell the same stock in equal quantity in the futures market, simultaneously.

The Scheme will endeavour to build similar market neutral positions that offer an arbitrage potential for e.g. buying the basket of index constituents in the cash or futures segment and selling the index futures, etc. The Scheme would also look to avail of opportunities between one futures contract and another.

I. Derivative & Arbitrage Strategies:

The Scheme will invest in arbitrage opportunities between spot and futures prices of exchange traded equities. The Scheme may build similar hedge positions that offer an arbitrage potential for example buying the basket of index constituents in the cash or futures segment and selling the index futures, and selling the corresponding stock future, etc.

The Scheme will also invest in low-risk derivatives strategies. These strategies will involve any combination of cash, futures and options.

1. Cash Future Arbitrage:

This strategy is employed when the price of the future is trading at a premium to the price of its underlying in spot market. The Scheme shall buy the stock in spot market and endeavor to simultaneously sell the future at a premium on a quantity neutral basis.

Buying the stock in spot market and selling the futures results into a hedge where the Scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts. The future contracts are settled based on the last half an hour's weighted average trade of the spot market. Thus there is a convergence between the spot price and the futures market on expiry. This convergence helps the Scheme to generate the arbitrage return locked in earlier.

On or before the date of expiry, if the price differential between the spot and futures position of the subsequent month maturity still remains attractive, the scheme may rollover the futures position and hold onto the position in the spot market. In case such an opportunity is not available, the scheme would liquidate the spot position and settle the futures position simultaneously.

Rolling over of the futures transaction means unwinding the short position in the futures of the current month and simultaneously shorting futures of the subsequent month maturity, and holding onto the spot position.

Illustrations

- Buy 100 shares of Company A at Rs 100 and sell the same quantity of stock's future of the Company A at Rs 101.

Market goes up and the stock end at Rs 200.

- At the end of the month (expiry day) the future expires automatically:
Settlement price of future = closing spot price = Rs 200
Gain on stock is $100 \times (200 - 100) = \text{Rs } 10,000$
Loss on future is $100 \times (101 - 200) = \text{Rs } -9,900$
Net gain is $10,000 - 9,900 = \text{Rs } 100$

Market goes down and the stock end at Rs 50.

- At the end of the month (expiry day) the future expires automatically:
Settlement price of future = closing spot price = Rs 50
Loss on stock is $100 \times (50 - 100) = \text{Rs } -5,000$
Gain on future is $100 \times (101 - 50) = \text{Rs } 5,100$
Net gain is $5,100 - 5,000 = \text{Rs } 100$

Unwinding the position:

- Buy 100 shares of Company A at Rs 100 and sell the same quantity of stock's future of the Company A at Rs 101.

The market goes up and at some point of time during the month (before expiry) the stock trades at Rs 120 and the future trades at Rs 119 then we unwind the position:

- Buy back the future at Rs 119: loss incurred is $(101 - 119) \times 100 = \text{Rs } -1,800$
Sell the stock at Rs 120: gain realized: $(120 - 100) \times 100 = \text{Rs } 2,000$
Net gain is $2,000 - 1,800 = \text{Rs } 200$

Rolling over the futures:

- Scheme keeps the stocks position. Close to expiry, if the stocks price is at Rs 150 then the stock's future is close to Rs 150 as well. Also if the current month stock future is below the next month stock future, we roll over the future position to the next expiry: Stock future next month is at Rs 151 Stock future current month is at Rs 150

- Then sell future next month at Rs 151 and buy back actual future at Rs 150 = gain of $100 \times (151 - 150) = \text{Rs } 100$ and the arbitrage is continuing.

2. Index Arbitrage:

The Nifty 50 derives its value from fifty constituent stocks; the constituent stocks (in their respective weights) can be used to create a synthetic index matching the Nifty Index. Also, theoretically, the fair value of a future is equal to the spot price plus the cost of carry.

Theoretically, therefore, the pricing of Nifty Index futures should be equal to the pricing of the synthetic index created by futures on the underlying stocks.

Due to market imperfections, the index futures may not exactly correspond to the synthetic index futures. The Nifty Index futures normally trades at a discount to the synthetic Index due to large volumes of stock hedging being done using the Nifty Index futures giving rise to arbitrage opportunities.

One instance in which an index arbitrage opportunity exists is when Index future is trading at a discount to the index (spot) and the futures of the constituent stocks are trading at a cumulative premium.

The fund manager shall endeavour to capture such arbitrage opportunities by taking long positions in the Nifty Index futures and short positions in the synthetic index (constituent stock futures).

Based on the opportunity, the reverse position can also be initiated.

Index Arbitrage (Spot market): This strategy is very similar to the index arbitrage strategy explained above. This strategy can be executed when the index future is trading at a premium to the underlying index. The Fund Manager will buy the index constituents (ratio of weights in the index) in the spot market and simultaneously sell the index future at a premium. On expiry day, the futures expire at cash. This convergence helps realize the profits locked-in.

3. Portfolio Protection/ Hedging:

The Scheme may use exchange-traded derivatives to hedge the equity portfolio. The fund manager shall either use index futures and options or stock futures and options to hedge the stocks in the portfolio. The fund would endeavour to generate alpha by superior stock selection and removing market risks by selling appropriate index or taking tactical view of market direction.

Illustrations of hedging using options–

Call Option (Buy): The fund buys a call option at the strike price of say Rs.1000 and pays a premium of say Rs. 50, the fund would earn profits if the market price of the stock at the time of expiry of the option is more than 1050 being the total of the strike price and the premium thereon. If on the date of expiry of the option the stock price is below Rs 1000, the fund will not exercise the option while it loses the premium of Rs. 50.

Put Option (Buy): The fund buys a Put Option at Rs 1000 by paying a premium of say Rs 50. If the stock price goes down to Rs. 900, the fund would protect its downside and would only have to bear the premium of Rs 50 instead of a loss of Rs 100 whereas if the stock price moves up to say Rs. 1100 the fund may let the Option expire and forego the premium thereby capturing Rs. 100 upside after bearing the premium of Rs. 50. The Scheme may use both index and stock futures and options to hedge the stocks in the portfolio.

4. Covered Call Strategy:

The fund manager may use the covered call strategy by writing call options against an equivalent long position in the underlying security thereby locking in the returns instead of keeping the position open. This strategy allows fund managers to earn premium income in addition to returns locked in from the long underlying. The objective of the strategy is to earn the option premium.

This strategy allows the Fund Manager to reduce downside risk (to extent of premium received), thereby resulting in better risk adjusted returns for the Scheme. Covered calls although has inherent risk of loss of upside, i.e. if the share price rises above strike price and it is called away, the option seller forgoes any share price appreciation above the option strike price

Illustrations of strategy

- Current price of stock A: Rs. 500 per share
- 1 contract = 100 shares
- Total no of contracts: 10
- Strike price: Rs. 550/- per share
- Premium: Rs. 7 per share

The following can be the scenarios reflecting risks and benefits at the end of the option expiry:

- Case 1 | Stock falls below current price of Rs. 500 per share: The option expires worthless. Hence the loss from the stock position gets reduced to the extent of the premium income.
- Case 2 | Stock goes up above current price but remains below Rs. 550 per share (strike price): The option expires worthless. Hence the income from the gains in the stock price gets further boosted to the extent of the premium income.
- Case 3 | Stock goes above Rs. 550 per share: Option position goes out of the money for the writer but the losses from the option position are matched by the gains from the underlying stock position above Rs. 550 per share. Hence the return from the position is equal to the return from stock up to the strike price of Rs. 550 per share and the premium income from the option.

II. Debt Derivatives:

The Scheme may use derivative instruments like Interest rate swaps like Overnight Indexed Swaps (OIS), Forward rate agreements, or such other derivative instruments as may be introduced from time to time. Derivatives will be used for the purpose of hedging, increasing the returns of the Scheme and portfolio balancing as may be permitted under the Regulations and Guidelines.

Investment strategy while using Overnight Indexed Swaps:

In a rising interest rate scenario the Scheme may enhance returns for the investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a predetermined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme's assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives.

The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e., to hedge the floating rate assets in its portfolio the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

Investment strategy while using Forward Rate Agreement (FRA)

Forward rate agreement is a transaction in which the counterparties agree to pay or receive the difference between an agreed fixed rate and the interest rate prevailing on a stipulated future date, based on a notional amount, for an agreed period. As in the case of interest rate swaps, only notional amounts are exchanged. FRAs are purchased to hedge the interest rate risk; schemes facing uncertainty of the interest rate movements can fix the interest costs by purchasing an FRA.

In a rising interest rate scenario, the Scheme may enhance returns for the investor by hedging the risk on its fixed interest paying assets by entering into an FRA where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a predetermined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme's fixed income assets and the fixed interest payments to be made by the Scheme on account of the FRA offset each other and the Scheme benefits on the floating interest payments that it receives.

The Scheme may enter into an opposite position in case of a falling interest rate scenario, to mitigate reinvestment risk on its existing bond portfolios. The Scheme enters into an FRA, wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The Scheme benefits on the fixed interest payments that it receives in such a scenario (higher than floating rate).

Illustration of FRA in falling interest rate scenario:

- Assume that on June 30, 2024, the 90-day commercial paper (CP) rate is 6.5% and the Scheme has an investment in a CP of face value Rs. 100 crores which is going to mature on September 30, 2024.
- Fund manager, who wants to re-deploy the maturity proceeds for 3 more months, does not want to take the risk of interest rates going down, can use FRA to mitigate the reinvestment risk as follows:
 - The Fund Manager can enter into a FRA on June 30, 2024, based on notional of Rs. 100 crs, to receive fixed rate of 6.5%, to pay floating rate of 90-day CP benchmark with contract tenure of 3 months.
 - If the 90-day CP benchmark on settlement date is 6.25%, the scheme will receive a

payment based on the difference between the fixed rate (6.5%) and the floating rate (6.25%) on the principal amount. Thus, allowing fund manager to mitigate the reinvestment risk.

- If the rates move up by 25 basis points to 6.75% on the settlement date, the Scheme loses 25 basis points but since the reinvestment will then happen at 6.75%, effective returns for the Scheme are unchanged at 6.50% (prevailing rate on June 30, 2024)

III. Other Arbitrage Derivative Strategies:

The Scheme will also invest in arbitrage opportunities arising out of corporate actions (e.g. – mergers, FPO, delisting, open offers, etc). See below for few examples of Corporate Action / Event Driven Strategies:

Dividend Arbitrage:

Usually during the period prior to dividend declaration, the stock futures/options market can provide a profitable opportunity. Typically, the stock price declines by the dividend amount when the stock goes ex-dividend. The fund manager may take advantage of this by buying the stock in the spot market and selling the same stock in the futures market if there is an arbitrage opportunity.

Buy-Back Arbitrage

This strategy involves taking advantage of the price differential between the buy-back price and the traded price when a company announces a buy-back of its own shares. For example, if a company announces a buy-back at Rs 100 per share, while the current market price is Rs 95, its futures prices is likely to be higher in anticipation of the buyback price. Here, the fund manager may choose to buy the stock at Rs 95 and sell its futures price at say Rs 100 to capture the high arbitrage opportunity.

Merger

When the Company announces any merger, amalgamation, hive off, de-merger, etc, there could be opportunities due to price differential in the cash and the derivative market.

These are just a few examples of arbitrage opportunities arising out of corporate actions. This is not an exhaustive list as every corporate action could offer a different and unique opportunity.

The Scheme may also use derivative instruments as may be introduced from time to time, with the underlying being any of the stocks in a recognized stock exchange.

The Scheme may deploy one or more of the above-mentioned derivative Strategies to the extent they are in line with the investment objective of the Scheme.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

For detailed derivative strategies, please refer to SAI.

Portfolio Turnover

Portfolio turnover is defined as lesser of purchases and sales as a percentage of the average corpus of the Scheme during a specified period of time. Portfolio turnover in the scheme will be a function of market opportunities. The scheme is open-end scheme. It is expected that there would be a number of subscriptions and repurchases on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs.

The AMC will endeavour to optimise portfolio turnover to optimise risk adjusted return keeping in mind the cost associated with it. A high portfolio turnover rate is not necessarily a drag on portfolio performance and may be representative of arbitrage opportunities that exist for securities held in the portfolio rather than an indication of change in AMC's view on a security etc. However, the AMC will take advantage of the opportunities that present themselves from time to time because of the inefficiencies in the securities markets.

D. How will the scheme benchmark its performance?

The Mutual Fund has identified the following as the benchmark for the scheme:

Benchmark	Justification
Tier 1: Nifty 50 Arbitrage Index	The index is constructed to measure the performance of long position in Nifty 50 index and equivalent short position in Nifty 50 future contracts traded on NSE in equity and equity derivatives segment respectively. This structure makes it most suitable to be used as a benchmark for the arbitrage strategy being employed by the fund.

As per clause 1.9 of SEBI Master Circular dated June 27, 2024, requires mutual funds to adopt first tier benchmarks for schemes as notified by AMFI. Accordingly, the benchmark is selected from the benchmarks notified by AMFI for the category of scheme. The performance will be benchmarked to the Total Returns Variant of the Index.

The AMC/ Trustee reserves the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (MF) Regulations, and other prevailing guidelines, if any.

E. WHO MANAGES THE SCHEME?

Fund Manager	Tenure of managing the scheme as on September 30, 2025
Mukesh Jain*	2 months
Rajasa Kakulavarpu	10 months
Pallab Roy	10 months
Rohan Maru	9 months

*Mr. Mukesh Jain is the new fund manager effective July 07, 2025

Name	Qualifications	Functions & Experience	Schemes Managed
Mukesh Jain Age: 43 years Total experience: 17 years	Postgraduate in Finance	Senior Manager - Portfolio Manager/ Equity Trader (based at Chennai). Prior Assignments (last 10 years): • EQUIRUS - AVP, Equity - September 2018 - June 2025. • Anand Rathi - Institutional Derivatives Dealer - January 2017 - August 2018. Religare Securities - Deputy Manager - August 2011- December 2016.	• Franklin India Arbitrage Fund
Rajasa Kakulavarpu Age: 41 years Total Experience: 17 years	B.Tech. (ECE) from NIT, Jaipur and MBA from Indian Institute of Management, Ahmedabad	Vice President & Sr Research Analyst & Portfolio Manager. She is responsible for equity research support and fund management. (based at Chennai) Prior assignments:	• Franklin India Flexi Cap Fund • Franklin India ELSS Tax Saver Fund • Franklin India Aggressive Hybrid Fund • Franklin India Dynamic Asset

		Franklin Templeton Asset Management (India) Pvt. Ltd. (Since 2016 till date): AVP/Senior Research Analyst. • Jefferies India Pvt. Ltd. (June 2011 to March 2016) • Credit Suisse Securities (India) Pvt. Ltd. (May 2008 to June 2011)	Allocation Active Fund of Funds • Franklin India Conservative Hybrid Fund • Franklin India Dividend Yield Fund • Templeton India Value Fund • Franklin India Retirement Fund • Franklin India Multi-Asset Solution Fund • Franklin India Equity Savings Fund • Franklin India Balanced Advantage Fund • Franklin India Arbitrage Fund
Pallab Roy Age: 50 Years Total Years of Experience : 24 Years	MBA (Fin.), M.Com., DBF	Assistant Vice President and Portfolio Manager - Fixed Income (based at Mumbai). Prior assignments: Franklin Templeton Asset Management (India) Pvt. Ltd. (June 2001 - till date). Previous roles included Bond/Money market security trading along with responsibility for Liquidity Management & Portfolio MIS - Fixed Income funds	• Franklin India Conservative Hybrid Fund • Franklin India Floating Rate Fund • Franklin India Retirement Fund • Franklin India Liquid Fund • Franklin India Overnight Fund • Franklin India Ultra Short Duration Fund • Franklin India Arbitrage Fund • Franklin India Multi-Asset Allocation Fund

			Franklin India Income Plus Arbitrage Active Fund of Funds
Rohan Maru Age: 41 years Total Years of Experience:17.5 Years	PGeMBA – Mumbai Education Trust (Finance) Masters in Commerce – RA Podar College, Mumbai University Bachelors in management studies – VES College, Mumbai University.	Vice President-Portfolio Manager, Fixed Income (based in Mumbai). Prior Assignments (last 10 years): ICICI Prudential Asset Management Company Pvt Ltd (05 November 2012 till 27 September 2024)	- Franklin India Conservative Hybrid Fund - Franklin India Floating Rate Fund - Franklin India Liquid Fund - Franklin India Money Market Fund - Franklin India Overnight Fund - Franklin India Equity Savings Fund - Franklin India Ultra Short Duration Fund - Franklin India Arbitrage Fund - Franklin India Low Duration Fund - Franklin India Multi-Asset Allocation Fund - Franklin India Income Plus Arbitrage Active Fund of Funds

F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?

As per Para 2.6 of SEBI Master Circular on Mutual Funds dated June 27, 2024, Franklin India Arbitrage Fund is a unique Product. It falls under 'Hybrid- Arbitrage Fund Category'. The list of existing open-ended Schemes falling under the Hybrid Schemes category are mentioned below.

Hybrid Schemes	Scheme Category	Product Positioning
Franklin India Conservative Hybrid Fund (FICHF)	Conservative Hybrid Fund	A fund that invests predominantly in debt instruments with marginal equity exposure.
Franklin India Aggressive Hybrid Fund (FIAHF)	Aggressive Hybrid Fund	A hybrid fund predominantly investing in a portfolio of equity, equity related instruments along with exposure to fixed income securities.
Franklin India Equity Savings Fund (FIESF)	Equity Savings Fund	A fund that invests in equity and equity related securities including the use of equity derivatives strategies and arbitrage opportunities with balance exposure in debt and money market instruments
Franklin India Balanced Advantage Fund (FIBAF)	Dynamic Asset Allocation or Balanced Advantage Fund	A fund that invests in a dynamically managed portfolio of equity & equity related securities, fixed income and money market instruments based on an asset allocation model
Franklin India Multi Asset Allocation Fund (FIMAAF)	Multi Asset Allocation Fund	A fund that invests in equity and equity related instruments, debt & money market instruments and commodities based on an asset allocation model

For detailed comparative table of the aforesaid schemes, please click here: www.franklintempleton.com.

G. HOW HAS THE SCHEME PERFORMED?

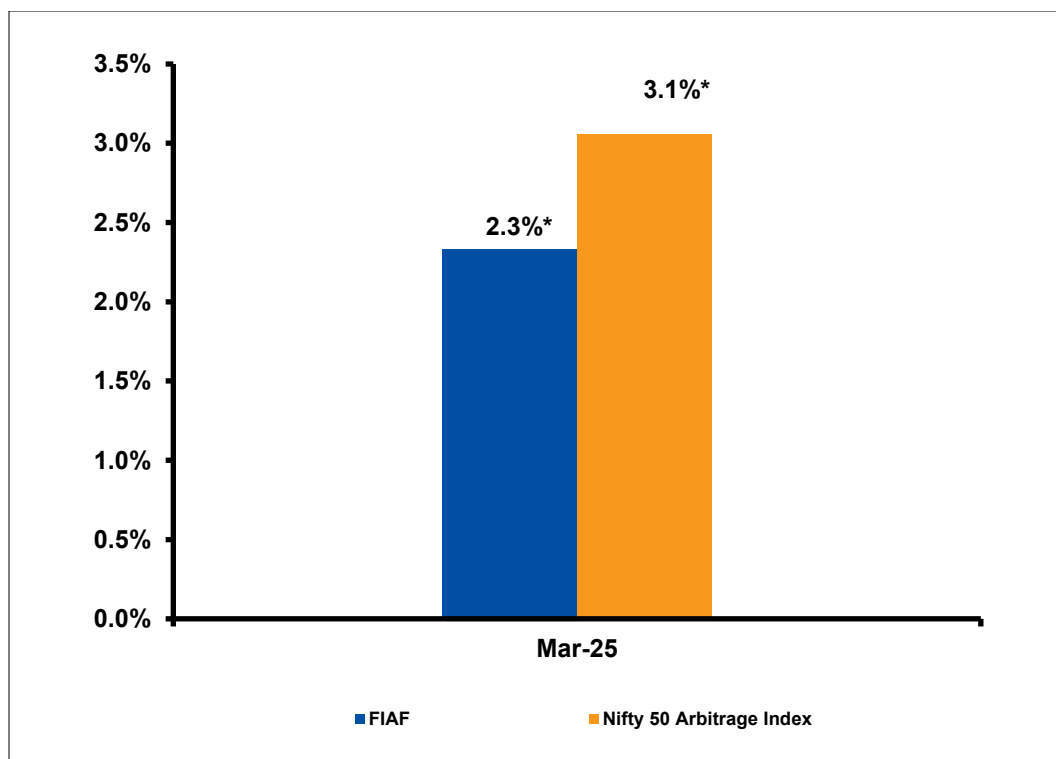
FIAF

Absolute returns	FIAF	NIFTY 50 Arbitrage Index
Returns for the last 1 year	N.A	N.A
Returns for the last 3 years	N.A	N.A
Returns for the last 5 years	N.A	N.A
Returns since inception	5.31%	6.49%

Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Based on Growth Plan NAVs of September 30, 2025.

The scheme's Inception date is November 19, 2024 and has been in existence for less than one year. Therefore, absolute returns have been reported.



Past performance may or may not be sustained in future and is not a guarantee of any future returns.

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Based on Growth Plan NAVs.

*For schemes/plans launched during the year the returns are from inception date.

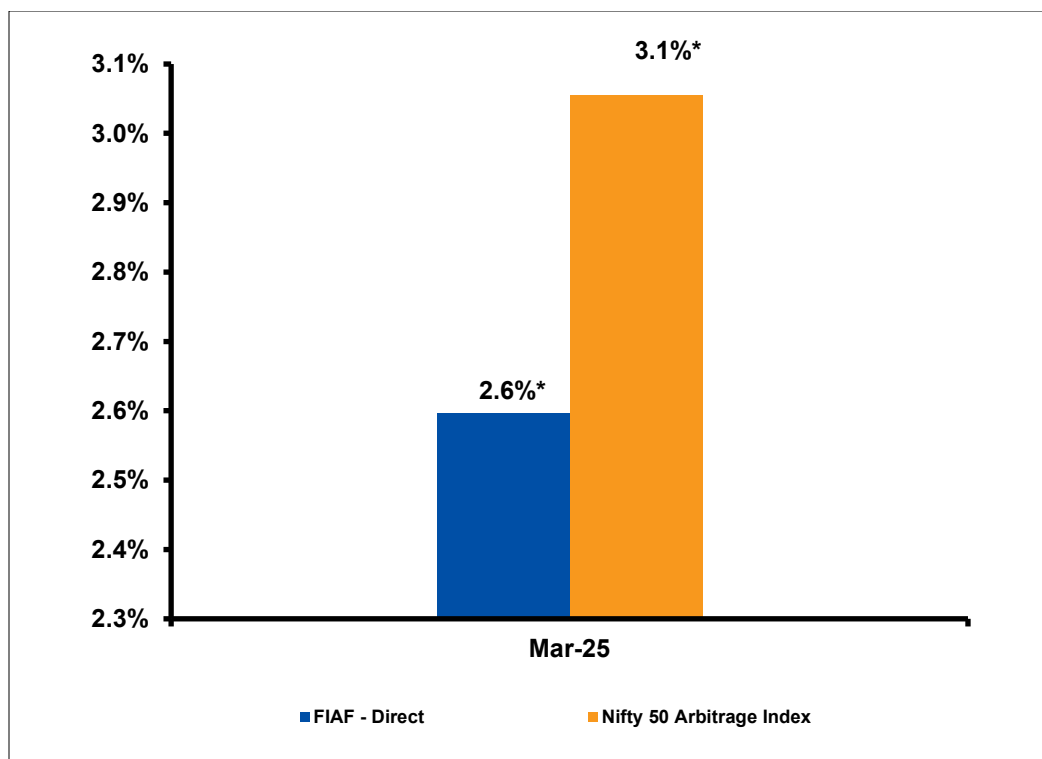
FIAF-Direct

Absolute returns	FIAF	NIFTY 50 Arbitrage Index
Returns for the last 1 year	N.A	N.A
Returns for the last 3 years	N.A	N.A
Returns for the last 5 years	N.A	N.A
Returns since inception	5.97%	6.49%

Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Based on Growth Plan NAVs of September 30, 2025.

The scheme's Inception date is November 19, 2024 and has been in existence for less than one year. Therefore, absolute returns have been reported.



Past performance may or may not be sustained in future.

Based on Growth Plan NAVs.

*For schemes/plans launched during the year the returns are from inception date.

H. ADDITIONAL SCHEME RELATED DISCLOSURES

- i. Scheme's portfolio holdings – These details are available on <https://www.franklintempletonindia.com/downloads/fund-documents>
- ii. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme in case of debt and equity ETFs/index funds through a functional website link that contains detailed description- Not applicable
- iii. Functional website link for portfolio Disclosure – Fortnightly / Monthly/ Half yearly – Not applicable as this is a new scheme. The same will be available on the below link hereinafter:- <https://www.franklintempletonindia.com/reports> and <https://www.franklintempletonindia.com/funds-and-solutions/funds-explorer/all-mutual-funds>
- iv. Portfolio Turnover Rate – 1087.06%.

- v. Aggregate investment in the Scheme as on September 30, 2025 by Concerned scheme's Fund Manager(s):

Sr. No	Category of Persons	Net Value		Market Value (in Rs)
		Units	NAV per unit	
1.	Fund Manager(s) of the Scheme	641.189	10.5967	6794.49

- vi. For any other disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI.
- vii. Investments of AMC in the Scheme – Franklin Templeton Asset Management (India) Private Limited, the asset management company may invest in the Scheme. However, as per SEBI (Mutual Funds) Regulations, 1996, Franklin Templeton Asset Management (India) Private Limited will not charge any Investment Management Fee for its investment in the Scheme. In addition, the funds managed by the sponsors, Franklin Templeton Group may invest in the Scheme.
The details are provided on www.franklintempletonindia.com
- viii. Risk-o-meter shall be evaluated on a monthly basis and the Risk-o-meter shall be disclosed along with portfolio disclosure on FTMF website (<https://www.franklintempletonindia.com/downloadsServlet/pdf/product-labels-jg9o5k7l>) and on AMFI website within 10 days from the close of each month.
- ix. Scheme Summary Document (SSD) shall be updated on a Monthly basis or on changes in any specified fields, whichever is earlier. The same shall be uploaded on websites of FTMF (<https://www.franklintempletonindia.com/downloads/fund-documents>), AMFI and stock exchanges.

Part III. OTHER DETAILS

A. COMPUTATION OF NAV

The Net Asset Value (NAV) is the value of a Unit and is computed as shown below:

NAV = (Rs. Per unit)	Market Value of the scheme's investments + other assets (including accrued interest) - all liabilities except unit capital & reserves
	Number of units outstanding at the end of the day

For example, if the market value of securities of a mutual fund scheme is INR 200 lakh and the mutual fund has issued 10 lakh units of INR 10 each to the investors, then the NAV per unit of the fund is INR 20 (i.e. 200 lakh/10 lakh).

The NAV will be normally computed for all Business Days of the Scheme and will be calculated to four decimals using standard rounding criteria.

While determining the price of the units, the mutual fund shall ensure that the repurchase price of an open ended scheme is not lower than 97 per cent of the Net Asset Value.

Valuation of the scheme's assets, calculation of the scheme's NAV and the accounting policies & standards will be subject to such norms and guidelines that SEBI may prescribe from time to time. For the detailed Valuation Policy and the accounting policy of the AMC, please refer the Statement of Additional Information.

For other details such as policies w.r.t computation of NAV, procedure in case of delay in disclosure of NAV etc. refer to SAI.

B. NEW FUND OFFER (NFO) EXPENSES

Not applicable.

C. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below.

The AMC has estimated that upto 2.25% of the daily average net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund: <https://www.franklintempletonindia.com/reports?secondFilter=15>

In accordance with Regulations, the asset management company ("AMC") is entitled to charge the scheme with investment and advisory fees. In addition to such fees, the AMC may charge the scheme such expenses as may be permitted under Regulations from time to time.

The maximum annual recurring expenses that can be charged to the Scheme, excluding issue or redemption expenses, whether initially borne by the mutual fund or by the asset management company, but including the investment management and advisory fee shall be within the limits stated in Regulations 52 read with SEBI notification no. SEBI/LAD-NRO/GN/2018/51 dated December 13, 2018 and Para 10. 1 of Master Circular on Mutual Funds dated June 27, 2024, as follows:

(I) Recurring expenses including the investment management and advisory fee subject to the limits specified in the table below (as % of daily net assets):

on the first Rs. 500 crores	2.25%
on the next Rs. 250 crores	2.00%
on the next Rs. 1,250 crores	1.75%
on the next Rs. 3,000 crores	1.60%
on the next Rs. 5,000 crores	1.50%
On the next Rs. 40,000 crores	Total expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof.
Above Rs. 50,000 crores	1.05%

(II) In addition to the above, the following costs or expenses may be charged to the Scheme, as per sub regulation 52(6A) namely-

(a) brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions

(b) additional expenses not exceeding 0.05% of daily net assets of the scheme towards various permissible expenses.

Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable.

Any expenditure in excess of the limits specified in sub-regulations 52 (6) and 52 (6A)] shall be borne by the asset management company or by the trustee or sponsors.

(III) The AMC may charge Goods and Service Tax on investment and advisory fees to the Scheme in addition to the maximum limit of annual recurring expenses as prescribed in Regulation 52. Further, the below mentioned expenses and charges shall be borne by the Scheme within the maximum limit of annual recurring expenses as prescribed in Regulation 52.

- Goods and Service Tax on expenses other than investment and advisory fees; and,
- brokerage and transaction costs (including Goods and Service Tax) incurred for the purpose of execution of trade in excess of 0.12% in case of cash market transactions and 0.05% in case of derivatives transactions, if any.

Within such total recurring expenses charged to the scheme as above, the investment

management and advisory fee (charged as a percentage of daily net assets) would be as decided by the AMC from time to time, provided that the investment management and advisory fee shall not exceed the aggregate of expenses charged under clause (I) and (II)(c) above.

The total annual recurring expenses of the Scheme including the investment management and advisory fee (together with additional management fee wherever applicable) shall not exceed the limit stated in Regulation 52 read with Para 10.1.16 of SEBI Master Circular on Mutual Funds dated June 27, 2024, as explained above.

As per Para 10.1.16 of SEBI Master Circular on Mutual Funds dated June 27, 2024, the AMC shall annually set apart at least 0.02% on daily net assets within the maximum limit of recurring expenses as per Regulation 52 for investor education and awareness initiatives.

The investments under 'Direct' shall have a lower expense ratio excluding distribution expenses, commission, etc., and no commission shall be paid on investments under Direct Plan. The Direct Plan shall also have a separate NAV.

The Trustee / AMC reserves the right to charge higher operating expenses in relation to investing overseas as and when SEBI permits.

The AMC has estimated the following recurring expenses for the first Rs.500 crores of Average Daily Net Assets:

Particulars	% of Average Daily Net Assets
Recurring expenses permissible under Regulation 52(6)(c)(i): (a) Investment Management and Advisory Fee (b) Expenses - - Custodial Fees - Registrar & Transfer Agent Fees including cost related to providing accounts statement, IDCW/redemption cheques/warrants etc., Listing Fees - Marketing & Selling Expenses including distributor /agent Commission, brokerage & transaction Cost pertaining to the distribution of units and statutory advertisements - Costs related to investor communications - Expenses towards investor education and awareness initiatives (at least 0.02%) - Fees and Expenses of Trustees / Audit Fees - Costs of fund transfer from location to location - Goods and Service Tax on expenses other than investment and advisory fees - Brokerage and transaction costs (including Goods and Service Tax) incurred for the purpose of execution of trade in excess of 0.12% (in case of cash market transactions) / 0.05% (in case of derivatives transactions) - Other permissible expenses	(a) + (b) - not exceeding 2.25% of daily net assets
(c) Goods and Service Tax on investment and advisory fees	At actual
(d) Additional expenses permissible under Regulation 52(6A)(c) towards various permissible expenses	not exceeding 0.05% of daily net assets

The above estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se and types of the expenses charged shall be as per the Regulations.

For the actual Annual Scheme Recurring expenses currently being charged, the investor should refer to <https://www.franklintempletonindia.com/reports?secondFilter=15>

The tables relating to Annual Scheme Recurring Expenses given above and the Load structure given below have been given to the investor to assist him / her in understanding the various costs and expenses that an investor of the scheme will bear directly or indirectly.

Investment management fees are payable monthly in arrears. The direct expenses incurred by each scheme of Franklin Templeton Mutual Fund shall be chargeable to that scheme. The common expenses incurred on various schemes could be allocated to the schemes based on various parameters such as number of unitholders, the size of the corpus / assets, equally or any other basis in conformity with generally accepted accounting principles.

Illustration of expenses and impact on the return						
	Regular Plan			Direct Plan*		
	Amount	Units	NAV Per Unit	Amount	Units	NAV Per Unit
Opening Investment and NAV Per Unit for the Day (a)	1,000,000	100,000	10.0000	1,000,000	100,000	10.0000
Closing Investment and NAV Per Unit for the Day (b)	1,099,940	100,000	10.9994	1,099,970	100,000	10.9997
NAV Movement (c = a - b)	99,940		0.9994	99,970		0.9997
Return for the Day after expenses (d = (c / a) %)	9.9940%		9.9940%	9.9970%		9.9970%
TER % (e)	2%			1%		
Distribution Expenses %(j)	1%					
Expenses for the Day (f = (b * e)/365 days)	60		0.0006	30		0.0003
Impact on Return due to Expenses % (g = (f / a) %)	0.0060%			0.0030%		
Value of investment prior to expense (h = b + f)	1,100,000		11.0000	1,100,000		11.0000
Return prior to expenses for the Day (i = d + g)	10.00000%			10.00000%		

*The investments under 'Direct' has lower expense ratio excluding distribution expenses, commission, etc., and no commission is paid on investments under Direct Plan. The Direct Plan also has a separate NAV as illustrated above.

Notes:

- The above illustration is provided only to explain the impact of expense ratio on scheme's returns, and not to be construed as providing any kind of investment advice or guarantee on returns on investments.
- The Expense are charged on the closing asset under management and are subject to change on a periodic basis.
- The tax impact has not been considered in the above illustration. In view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

D. LOAD STRUCTURE:

Exit Load is an amount which is paid by the investor to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please visit Franklin Templeton India's website (<https://www.franklintempletonindia.com/funds-and-solutions/funds-explorer/all-mutual-funds>) or call at 1800 425 4255 or 1800 258 4255 (Please prefix the city STD code if calling from a mobile phone. Local call rates apply to both the number) or contact your distributor.

Type of Load	Load Chargeable (as %age of NAV)
Exit Load on redemption/ repurchase/ switch-out	Exit Load: In respect of each purchase of Units – • NIL Exit load – for 10% of the units purchased or switched on or before 30 days from the date of allotment. - o The “First In First Out (FIFO)” logic will be applied while selecting the units for redemption - o Waiver of Exit load is calculated for each inflow transaction separately on FIFO basis and not on the total units through multiple inflows - o The load free units from purchases made subsequent to the initial purchase will be available only after redeeming all units from the initial purchase • All units redeemed /switched-out in excess of the 10% load free units will be subject to the below mentioned exit load. - o 0.25% - if Units are redeemed/switched-out on or before 30 days from the date of allotment - o Nil - if redeemed after 30 days from the date of allotment • *This no load redemption limit is applicable on a 30 day basis (from the date of allotment of such units) and the limit not availed during said period, this shall not be clubbed or carried forward

As per Para 10.4.1.a of SEBI Master Circular on Mutual Funds dated June 27, 2024, no entry load will be charged for purchase/additional purchase/switches accepted by the Mutual Fund. Similarly, no entry load will be charged with respect to all applications for registrations under the Systematic Investment Plan (SIP)/Systematic Transfer Plan (STP) accepted by the Mutual Fund.

All the switches / exchanges will be treated as redemption in the source scheme and subscription in the destination scheme, with the entry and exit load as may be applicable. The switches of Units will be considered on First-in-First-Out (FIFO) basis.

The AMC/Trustee reserves the right to modify the Load/Fee mentioned above at any time in future on a prospective basis, subject to the limits prescribed under the SEBI Regulations.

For the information of the investors, any introduction / change of load in the Scheme may be put up on the website (<https://www.franklintempletonindia.com/downloads/updates>) of the Mutual Fund. The addendum detailing the changes may be circulated among the Investor Service Centres / Distributors / Brokers under directions to display it at their respective offices in form of a Notice and attach it to the copies of Scheme Information Documents and Key Information Memorandum (if required) already in stock. The load may also be disclosed in the account statement issued after the introduction of such load.

The investor is requested to check the prevailing load structure of the scheme before investing.

All loads collected on units shall be retained in the Fund and maintained in a separate account and would strictly and fully be utilised by the Investment Manager in providing distribution related services to the Mutual Fund relating to the sale, promotion, advertising and marketing of Units of the Scheme, including payments to brokers / registrars for their services in connection with the distribution of the Units. Any surplus in this account may be credited to the scheme, whenever felt appropriate by the AMC. As per Para 10.4.1.a of SEBI Master Circular on Mutual Funds dated June 27, 2024, effective August 01, 2009, of the exit load or CDSC charged to the investor, a maximum of 1% of the redemption proceeds shall be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance shall be credited to the scheme immediately.

Load on bonus/ Reinvestment of Income Distribution cum capital withdrawal option units:

As per Para 10.6 of SEBI Master Circular on Mutual Funds dated June 27, 2024, no entry and exit load shall be charged on bonus units or units allotted on reinvestment of IDCW.

Credit of exit load to scheme:

Exit load (if any) charged to the unit holders by the Mutual Fund on redemption (including switch-out) of units shall be credited to the respective scheme net of goods and service tax. Goods and Service tax on exit load, if any, shall be paid out of the exit load proceeds.

SECTION II

I. Introduction:

A. Definitions/ interpretation

For the purpose of this Scheme Information Document, unless the context otherwise requires, the following terms shall have the following meanings:

Scheme	Franklin India Arbitrage Fund
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Words and expression used but not defined in this Scheme Information Document shall have the same meaning respectively assigned to them under the Statement of Additional Information.

In this SID, all references to “U.S.\$” or “\$” are to United States of America Dollars and “Rs.” are to Indian Rupees.

For detailed description please click the link:
<https://www.franklintempletonindia.com/downloads/fund-documents>

B. Risk Factors

STANDARD RISK FACTORS

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down. The value of investments may be affected, inter-alia, by changes in the market, interest rates, changes in credit rating, trading volumes, settlement periods and transfer procedures; the NAV is also exposed to Price/Interest-Rate Risk and Credit Risk and may be affected inter-alia, by government policy, volatility and liquidity in the money markets and pressure on the exchange rate of the rupee.
- Past performance of the sponsors / the asset management company / mutual fund does not indicate or guarantee the future performance of the scheme of the mutual fund.
- There is no assurance or guarantee that the objective of the mutual fund will be achieved.
- Franklin India Arbitrage Fund is only the name of the scheme and do not in any manner indicate either the quality of the scheme or its future prospects and returns.
- The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs.1 lakh made by it towards setting up the Fund.
- Investors in the Scheme are not being offered any guaranteed / assured returns.
- There is no guarantee or assurance on the frequency or quantum of Income Distribution cum capital withdrawal (which shall be at the discretion of the AMC/Trustee and also depend on the availability of adequate distributable surplus) although there is every intention to declare the same in respective IDCW Plan.

SCHEME SPECIFIC RISK FACTORS

- The performance of the scheme may be affected by the corporate performance, macro-economic factors, changes in Government policies, general levels of interest rates and risk associated with trading volumes, liquidity and settlement systems in the securities markets.
- Low trading volumes, settlement periods and transfer procedures may restrict the liquidity of the scheme's investments. Transacting may become difficult due to extreme volatility in the market resulting in constriction in volumes. Additionally, changes in the SEBI/ RBI regulations/Guidelines may have an adverse impact on the liquidity of the scheme. Different segments of the Indian financial markets have different settlement periods, and such period may be extended significantly by unforeseen circumstances. The length of time for settlement may affect the Scheme in the event the Scheme has to meet an inordinately large number of redemption requests. In addition, the Trustee, at its sole discretion, reserves the right to limit or withdraw sale and/or repurchase/redemption and/or switching of the units in the scheme (including any one of the Plans of the scheme) temporarily or indefinitely under certain circumstances. For details refer the Section '**Suspension of sale of units**' and '**Suspension of redemption of units**'. The scheme will retain certain investments in cash or cash equivalent for the day-to-day liquidity requirements.
- In case of a large redemption, the scheme may need to reverse the spot-futures transaction before the date of futures' settlement. This eventuality may lead to the basis risk. While reversing the spot-futures transaction on the Futures & Options settlement day on the National Stock Exchange, there could be a risk of volume-weighted-average-price of the market being different from the price at which the actual reversal is processed. This may result in basis risk.

1. Risks associated with equity investment

- Market Risk: The scheme proposes to invest in equity and equity-related securities. Prices, trading volumes, settlement periods and transfer procedures may restrict liquidity of investments in equity and equity-related securities. Market risk is a risk which is inherent to an equity investment.
- Liquidity Risk: Risk will be monitored in terms of the number of days it takes to liquidate every stock in the portfolio assuming a share of the average volume traded over the previous one year. Efforts would be made to keep the average liquidation period under prudent limits prescribed internally. While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments may be limited by overall trading volumes of the stock exchanges.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. Additionally, the liquidity and valuation of the Scheme's investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the

target date of disinvestment.

- Liquidity in Equity investments may be affected by trading volumes, settlement periods and transfer procedures. These factors may also affect the Scheme's ability to make intended purchases/sales, cause potential losses to the Scheme and result in the Scheme missing certain investment opportunities. These factors can also affect the time taken by Franklin India Mutual Fund for redemption of Units, which could be significant in the event of receipt of a very large number of redemption requests or very large value redemption requests. In view of this, redemption may be limited or suspended after approval from the Boards of Directors of the AMC and the Trustee, under certain circumstances as described in the Statement of Additional Information.
- Potential Loss associated with Derivative Trading pertaining to Equity Markets: a) In case of investments in index futures, the risk would be the same as in the case of investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks. In case futures are used for hedging a portfolio of stocks, which is different from the index stocks, the extent of loss could be more or less depending on the coefficient of variation of such portfolio with respect to the index; such coefficient is known as Beta. b) The risk (loss) for an options buyer is limited to the premium paid, while the risk (loss) of an options writer is unlimited, the latter's gains being limited to the premiums earned. The writer of a put option bears a risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Concentration Risk: Scheme may restrict its investments only to a particular sector. If the sector, for any reason, fails to perform, the portfolio value will plummet, and the Investment Manager will not be able to diversify the investment in any other sector. Investments under this scheme will be in a portfolio of diversified equity or equity related stocks spanning across a few selected sectors. Hence the concentration risks could be high.

2. Risk Factors associated with investment in Fixed Income Securities

- Interest rate risk: This risk results from changes in demand and supply for money and other macroeconomic factors and creates price changes in the value of debt instruments. Consequently, the Net Asset Value of the scheme may be subject to fluctuation. Changes in the interest rates may affect the Scheme's Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long term securities generally fluctuate more in response to interest rate changes than do short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby possible movements in the NAV. This may expose the scheme to possible capital erosion.
- Credit risk or default risk: This refers to the risk that an issuer of a fixed income security may default (i.e. will be unable to make timely principal and interest payments on the security). Default risk / credit risk arises due to an issuer's inability to meet obligations on the principal repayment and interest payments. Because of this risk corporate debentures are sold at a yield above those offered on Government Securities, which are sovereign obligations and free of credit risk. Normally the value

of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

- **Market risk:** This risk arises due to price volatility due to such factors as interest sensitivity, market perception or the credit worthiness of the issuer and general market liquidity, change in interest rate expectations and liquidity flows. Market risk is a risk which is inherent to investments in securities. This may expose the scheme to possible capital erosion.
- **Reinvestment risk:** This risk refers to the interest rate levels at which cash flows received for the securities in the Scheme are reinvested. Investments in debt instruments are subject to reinvestment risks as interest rates prevailing on interest or maturity due dates may differ from the original coupon of the bond, which might result in the proceeds being invested at a lower rate. The additional risk from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk today is a characteristic of the Indian fixed income market.
- Certain fixed income securities give an issuer the right to call its securities, before their maturity date, in periods of declining interest rates. The possibility of such prepayment risk may force the fund to re-invest the proceeds of such investments in securities offering lower yields, thereby reducing the fund's interest income.
- The scheme may invest in non-publicly offered debt securities. This may expose the scheme to liquidity risks.
- Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risks. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.
- Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the scheme.
- The use of an Interest Rate Swap ('IRS') does not eliminate the credit (default) risk on the original investment. While the fixed to floating rate IRS reduces interest rate risk caused by rise in interest rates, it also restricts the profit in case interest rates decline. In case of a floating to fixed rate swap, any subsequent rise in interest rates will result in a loss like in any fixed rate investment. Any IRS carries, the risk of default of the counter party to the swap, which may lead to a loss. Such loss is usually, a small proportion of the notional principal amount of the swap.
- **Basis Risk:** During the life of floating rate security or a swap the underlying benchmark index may become less active and may not capture the actual movement in the interest rates or at times the benchmark may cease to exist. These types of events may result in loss of value in the portfolio. Where swaps are used to hedge an underlying fixed income security, basis risk could arise when the fixed income yield curve moves differently from that of the swap benchmark curve.

3. Risks associated with derivatives

- Derivatives are high risk, high return instruments as they may be highly leveraged. A small price movement in the underlying security could have a large impact on their value and may also result in a loss. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- The Stock Exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.
- In case of investments in index futures, the risk would be the same as in the case of investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks. In case futures are used for hedging a portfolio of stocks, which is different from the index stocks, the extent of loss could be more or less depending on the coefficient of variation of such portfolio with respect to the index; such coefficient is known as Beta.
- The risks associated with futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mispricing of the futures and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- The Long position in the Index (e.g. Nifty Index) will have as much loss as the gain in the short portfolio if hedged completely and would be vice versa if we were holding long portfolio, short Index.
- While Futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time for scheme to purchase or close out a specific futures contract.
- The risk (loss) for an options buyer is limited to the premium paid, while the risk (loss) of an options writer is unlimited, the latter's gains being limited to the premiums earned. However, in the case of Franklin Templeton Mutual Fund, all option positions will have underlying assets and therefore all losses due to price-movement beyond the strike price will actually be an opportunity loss. The writer of a put option bears a risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Risks associated with writing Covered Call Options for Equity Shares
A call option gives the holder (buyer) the right but not the obligation to buy an asset by a certain date for a certain price. Covered calls are an options strategy where a

person holds a long position in an asset and writes (sells) call options on that same asset to generate an income stream. The Scheme may write call options under covered call strategy, as permitted by the regulations. Risks associated thereto are mentioned below:

- Opportunity cost: A covered call strategy limits the upside potential of the underlying stock. If the stock rises sharply, the gains above the call option's strike price will be missed out. When the underlying asset's price rises above the strike price, the short call loses its value as much as the underlying stock gains and as a result the upside of the stock always gets capped. Downside risk is reduced by writing covered call options.
- Exit issues / Illiquidity risk: If the strike price at which the call option contracts have been written become illiquid, the scheme may not be able to sell the underlying equity shares, which can lead to temporary illiquidity of the underlying equity shares and result in loss of opportunity. Also, if covered call options are sold to the maximum extent allowed by regulatory authority, the scheme may not be able to sell the underlying equity shares immediately in case where the view changes to sell and exit the stock.
- The total gross exposure related to option premium paid and received must not exceed the regulatory limits of the net assets of the scheme. This may restrict the ability of scheme to utilize options strategies.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- The Stock Exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.
- The certain risk factors arising out of a derivative strategy may be as below:
 - Lack of opportunity available in the market.
 - Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place.
 - Exchanges could raise the initial margin, variation margin or other forms of margin on derivative contracts, impose one sided margin or insist that margins be placed in cash. All of these might force positions to be unwound at a loss and might materially impact returns.
- Interest rate swaps and Forward Rate Agreement require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that the derivative adds to the portfolio and the ability to forecast failure of another party (usually referred to as the "counter-party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives, the credit risk where the danger is that of a counter-party failing to honour its commitment, liquidity risk where the danger is that the derivative cannot be sold at prices that reflect the underlying assets, rates and indices, and price risk where the market price may move in adverse fashion.

4. Risks associated with Imperfect Hedging using Interest Rate Futures (IRF)

- **Basis risk** – While correlation between the underlying portfolio and IRF are tested, these are historical numbers and could diverge going forward. This could result in the hedge not working as desired.
- **Yield curve slope risk** – The IRF hedge is done on a modified duration basis. This means that the maturity of the underlying instrument and the maturity of the IRF could be different. The hedge ratio is arrived at using the prescribed formula. This hedges the risk arising from a parallel shift in the yield curve. Any change in the slope of the yield curve (flattening/steepening) remains unhedged as residual risk.
- **Spread risk** – The IRF is based on government securities and treasury bills. Imperfect hedging can be applied on portfolios comprised of corporate bonds as well. Corporate bond yield theoretically comprises of the risk free rate (systemic risk) and a credit spread (idiosyncratic risk). IRF would hedge out only the risk free rate. Any compression/expansion of credit spread of the underlying portfolio would not be hedged by the IRF.
- **Liquidity/execution risk** – IRF are relatively new instruments traded on the exchanges and don't have as much liquidity as the OTC market in the underlying bond. This could expose the hedge to liquidity (execution and wider bid-offer spread) risk and associated impact cost.
- **Change in benchmark bond** – IRF of government bonds are based on the liquid, on the run securities. When the underlying security is phased out for issuance by Government of India, a new bond is typically issued. IRFs are subsequently issued on the new bond and the market liquidity shifts to the new bond and away from the older bond. This would also expose the hedge to liquidity risk and impact cost to shift from the older instrument to the newer instrument.
- **Rollover risk** – IRF instruments are available upto a year in maturity, but typically the first few months are more liquid. If the holding period of the hedge exceeds the maturity of the IRF instrument's maturity, then the IRF would have to be rolled over at maturity. This could create rollover risk at maturity and associated costs.
- **Unwinding risk** – An unexpected change in market conditions may require unwinding the derivative positions at disadvantageous prices during periods of heightened volatility e.g. if the yields slide lower due to a surprise RBI rate cut, participants with short Interest Rate Futures positions would seek to cut their losses and exit, leading to an increase in the price of the IRF, and negative price impact on the hedged portfolio there from.
- **Correlation risk** – As per the extant regulation, the IRF has to have a 0.90 correlation coefficient with the underlying bond/portfolio, for the past 90 days, to be considered for imperfect hedging. If the correlation deteriorates going forward, the hedge may have to be removed with attendant impact costs.

5. Risks associated with Securitised Debts

The Risks involved in Securitised Papers described below are the principal ones and does not represent that the statement of risks set out hereunder is exhaustive.

- **Limited Liquidity & Price Risk**

There is no assurance that a deep secondary market will develop for the Certificates. This could limit the ability of the investor to resell them.

- **Limited Recourse, Delinquency and Credit Risk**

The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and do not represent an obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts to the Certificate Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Servicer may repossess and sell the Asset. However, many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realise the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

- **Risks due to possible prepayments and Charge Offs**

In the event of prepayments, investors may be exposed to changes in tenor and yield. Also, any Charge Offs would result in the reduction in the tenor of the Pass Through Certificates (PTCs).

- **Bankruptcy of Bank with Liquidity facility**

If the Bank with Liquidity facility, becomes subject to bankruptcy proceedings then an investor could experience losses or delays in the payments.

- **Risk of Co-mingling**

With respect to the Certificates, the Servicer will deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of originator. If originator in its capacity as Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss.

5. Risks associated with Securities Lending

As with other modes of extensions of credit, there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved

intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The scheme may not be able to sell lent out securities, which can lead to temporary illiquidity & loss of opportunity.

6. Risk factors associated with processing of transaction through Stock Exchange Mechanism

The trading mechanism introduced by the stock exchange(s) is configured to accept and process transactions for mutual fund units in both Physical and Demat Form. The allotment and/or redemption of Units through NSE and/or BSE or any other recognised stock exchange(s), on any Business Day will depend upon the modalities of processing viz. collection of application form, order processing/settlement, etc. upon which the AMC has no control. Moreover, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by respective recognized stock exchange(s).

7. Risk factors associated with investment in Tri-Party Repo

All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by Clearing Corporation of India (CCIL). This reduces the settlement and counterparty risks considerably.

Mutual funds are member of securities segment and Triparty Repo trade settlement of CCIL. The members are required to contribute an amount from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL). As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus, the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. Additionally, the fund contribution is allowed to meet the residual loss in case of default by the other clearing member (the defaulting member). CCIL maintains two separate Default Funds with respect to the Securities Segment. One with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades.

Therefore, mutual fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the contribution of the mutual fund is called upon to absorb settlement/default losses of another member by CCIL, as a result the scheme may lose an amount equivalent to its contribution to the default fund.

Risk associated with investments in Real Estate Investment Trusts (REITs) :

- **Market Risk:** REIT securities are subject to fluctuations in market prices driven by macroeconomic conditions, investor sentiment, and overall equity market volatility. REITs are vulnerable to movements in the prices of securities invested in by the scheme, due to various market-related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures. Adverse economic cycles may lead to a decline in property valuations and rental income streams.
- **Interest Rate Risk:** REITs are highly sensitive to changes in interest rates. An increase in interest rates typically raises borrowing costs and may reduce the relative attractiveness of REIT dividend yields compared to fixed-income securities, thereby impacting valuations.
- **Liquidity Risk:** Although listed REITs provide market liquidity, trading volumes may be limited compared to equities, potentially impacting the ability to exit positions at favorable prices.
- **Property-Specific Risk:** The financial performance of a REIT is directly linked to the quality and occupancy of its underlying real estate assets. Risks include tenant defaults, prolonged vacancies, and sector-specific downturns (e.g., retail, office, hospitality).
- **Regulatory and Taxation Risk:** REITs operate under specific regulatory frameworks and tax regimes. Any amendments to applicable laws, including changes in tax treatment or compliance requirements, may adversely affect distributions and overall returns.
- **Concentration Risk:** REITs with concentrated exposure to a single property type or geographic region are vulnerable to sector-specific or regional economic downturns, which may impair income stability and asset valuations.
- **Inflation Risk:** Although real estate is generally considered an inflation hedge, fixed long-term lease agreements may restrict the ability to adjust rental income in line with inflationary trends, thereby impacting profitability.
- **Management and Operational Risk:** The performance of a REIT is contingent upon the strategic and operational decisions of its management team. Ineffective asset allocation, acquisition strategies, or tenant management practices can materially affect financial outcomes.

C. Risk Mitigation Strategies:

Equity:

- **Liquidity Risk:** The fund will try to maintain a proper asset-liability match to ensure redemption payments are made on time and not affected by illiquidity of the underlying stocks.
- **Concentration Risk:** The scheme will endeavour to have a well-diversified equity portfolio comprising stocks across various sectors of the economy. This would aid in managing concentration risk and sector-specific risks. Generally, diversification across market cap segments also aids in managing volatility and ensuring adequate liquidity at all times.

- **Derivatives Risk:** The fund will endeavour to maintain adequate controls to monitor the derivatives transactions entered into.

Debt

- **Interest Rate Risk:** The Fund seeks to mitigate this risk by keeping the maturity of the scheme in line with the interest rate expectations.
- **Credit risk or default risk:** Management analysis will be used for identifying company specific risks. Management's past track record will also be studied. In order to assess financial risk a detailed assessment of the issuer's financial statements will be undertaken.
- **Reinvestment Risk:** Reinvestment risks will be limited to the extent of coupons received on debt instruments, which will be a very small portion of the portfolio value.
- The Scheme may invest in derivative for the purpose of hedging, portfolio balancing and other purposes as may be permitted under the Regulations. Interest Rate Swaps will be done with approved counter parties under pre-approved ISDA agreements. Interest rate swaps and other derivative instruments will be used as per local (RBI and SEBI) regulatory guidelines.
- **Liquidity or Marketability Risk:** Liquidity risk may be high on select securities due to duration and/or issue structure and/ or issuer-specific risk. Liquidity Risk can be partly mitigated by diversification, staggering of maturities as well as internal risk controls that lean towards purchase of liquid securities.

REITs:

The fund will comply with the prescribed SEBI limits on exposure. The scheme will endeavour to invest in liquid REITs.

II. Information about the Scheme:

A. Where will the scheme invest

Detailed description of the instruments (including overview of debt markets in India, if applicable) mentioned in Section I is provided below:

- **Equity Securities:**
Equity and Equity related instruments include convertible debentures, equity warrants, convertible preference shares and equity derivatives.
- **Debt Securities:**
Debt instruments (in the form of non-convertible debentures, bonds, secured premium notes, zero interest bonds, deep discount bonds, floating rate bonds/notes, securitised debt, pass through certificates, asset backed securities, mortgage backed securities and any other domestic fixed income securities including structured obligations etc.) include, but are not limited to:

1. Debt issuances of the statutory bodies (which may or may not carry a state/central government guarantee),
2. Debt securities that have been guaranteed by Government of India and State Governments,
3. Debt securities issued by Corporate Entities (Public /Private sector undertakings),
4. Debt securities issued by Public/Private sector banks and development financial institutions,
5. Securitized Debt, Structured Obligations, Credit enhanced Debt,
6. Non Convertible Preference Shares.

• **Money Market Instruments include:**

1. Commercial papers
2. Commercial bills
3. Tri-party Repos on Government securities or treasury bills (TREPS)
4. Certificate of deposit
5. Usance bills
6. Permitted securities under a repo/reverse repo agreement
7. Any other like instruments as may be permitted by RBI/SEBI for liquidity requirements from time to time.

Investments In Derivative Instruments

As part of the Fund Management process, the Trustee may permit the use of derivative instruments such as index futures, stock futures and options contracts, warrants, convertible securities, swap agreements, Forward Rate Agreement (FRA) or any other derivative instruments that are permissible or may be permissible in future under applicable regulations and such investments shall be in accordance with the investment objectives of the scheme.

Index futures/options are meant to be an efficient way of buying/selling an index compared to buying/selling a portfolio of physical shares representing an index for ease of execution and settlement. Index futures/options can be an efficient way of achieving the scheme's investment objective. On the fixed income side, an interest rate swap agreement from fixed rate to floating rate is an example of how derivatives can be an effective hedge for the portfolio in a rising interest rate environment.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on Stock Exchanges whereas OTC derivative transactions are generally structured between two counterparties.

Derivatives may be high risk - high return instruments, upon leveraging. As they are highly leveraged, a small price movement in the underlying security could have a large impact on their value and may also result in a loss.

Position Limits:

The scheme may enter into derivative transactions in line with the guidelines prescribed by SEBI from time to time. The exposure limit per scrip/instrument shall be to the extent permitted by the SEBI Regulation for the time being in force. These limits will be reviewed by the AMC from time to time. Trading in derivatives by the scheme shall be restricted to hedging and portfolio balancing purposes.

Currently, the position limits for Mutual Funds and its schemes, as permitted by the SEBI Regulations, are as under:

The cumulative gross exposure through equity, debt and derivative positions (including commodity and fixed income derivatives), and repo transactions in corporate debt securities, Real Estate Investment Trusts (REITs), other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time) should not exceed 100% of the net assets of the scheme. Exposure due to hedging positions may not be included in the above mentioned limit subject to the following:

- Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
- Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned above.
- Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
- The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
- Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned above.

Further, the total exposure related to option premium paid must not exceed 20% of the net assets of the scheme. Pursuant to SEBI letter dated November 03, 2021, Cash or cash equivalents shall consist of following securities having residual maturity of less than 91 days which are not considered for the purpose of calculating gross exposure limit:

- 1) Government Securities
- 2) T-Bills
- 3) Repo on Government Securities

Mutual Funds shall not write options or purchase instruments with embedded written options.

i. Position limit for Mutual Funds in index options contracts:

1. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.
2. This limit would be applicable on open positions in all options contracts on a particular underlying index.

- ii. Position limit for Mutual Funds in index futures contracts:
 1. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.
 2. This limit would be applicable on open positions in all futures contracts on a particular underlying index.
- iii. Additional position limit for hedging
 In addition to the position limits at point (i) and (ii) above, Mutual Funds may take exposure in equity index derivatives subject to the following limits:
 1. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
 2. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.
- iv. Position limit for Mutual Funds for stock based derivative contracts

 The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts shall be 20% of the applicable Market Wide Position Limit (MWPL).
- v. Position limit for each scheme of a Mutual Fund
 The position limits for each scheme of mutual fund and disclosure requirements shall be identical to that prescribed for a sub-account of a FII. Therefore, the scheme-wise position limit/disclosure requirements shall be –
 1. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:
 1% of the free float market capitalisation (in terms of number of shares)
 Or
 5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts)
 2. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
 3. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

Purpose of investment:

- Trading in derivatives by the scheme shall be restricted to hedging and portfolio balancing purposes.
- The scheme shall fully cover its positions in the derivatives market by holding underlying securities/cash or cash equivalents/option and/or obligation for acquiring underlying assets to honour the obligations contracted in the derivatives

market.

- Separate records shall be maintained for holding the cash and cash equivalents/securities for this purpose.
- The securities held shall be marked to market by the AMC to ensure full coverage of investments made in derivative products at all time.

Valuation:

- The traded derivatives shall be valued at market price in conformity with the stipulations of sub clauses (i) to (v) of clause 1 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
- The valuation of untraded derivatives shall be done in accordance with the valuation method for untraded investments prescribed in sub clauses (i) and (ii) of clause 2 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

Stock and Index Options:

Option contracts are of two types - Call and Put; the former being the right, but not obligation, to purchase a prescribed number of shares at a specified price before or on a specific expiration date and the latter being the right, but not obligation, to sell a prescribed number of shares at a specified price before or on a specific expiration date. The price at which the shares are contracted to be purchased or sold is called the strike price. Options that can be exercised on or before the expiration date are called American Options, while those that can be exercised only on the expiration date are called European Options. In India, all individual stock options are American Options, whereas all index options are European Options. Option contracts are designated by the type of option, name of the underlying, expiry month and the strike price.

Strategies that employ Options:

Buying a Call Option: Let us assume that the Fund buys a call option of XYZ Ltd. with strike price of Rs. 1000, at a premium of Rs. 25. If the market price of ABC Ltd on the expiration date is more than Rs. 1000, the option will be exercised. The Fund will earn profits once the share price crosses Rs. 1025 (Strike Price + Premium i.e. 1000+25). Suppose the price of the stock is Rs. 1100, the option will be exercised and the Fund will buy 1 share of XYZ Ltd. from the seller of the option at Rs 1000 and sell it in the market at Rs. 1100, making a profit of Rs. 75. In another scenario, if on the expiration date the stock price falls below Rs. 1000, say it touches Rs. 900, the Fund will choose not to exercise the option. In this case the Fund loses the premium (Rs. 25), which will be the profit earned by the seller of the call option.

Risks:

In case of buying options either call/put, the maximum loss would be the premium paid in case of options expiring out of the money.

Buying a Put Option: Let us assume the Fund owns the shares of XYZ Ltd, which is trading at Rs. 500. The fund wishes to hedge this position in the short-term as it perceives some downside to the stock in the short-term. It can buy a Put Option at Rs. 500 by paying

a premium of say Rs. 10/- In case the stock goes down to Rs. 450/- the fund has protected its downside to only the premium i.e Rs 10 instead of Rs. 50. On the contrary if the stock moves up to say Rs. 550/- the fund may let the Option expire and forego the premium thereby capturing Rs. 40/- upside. The strategy is useful for downside protection at cost of foregoing some upside.

Risks:

In case of buying options either call/put, the maximum loss would be the premium paid in case of options expiring out of the money.

Stock and Index Futures:

The Stock Exchange, Mumbai and the National Stock Exchange have introduced Index futures on BSE Sensex (BSE 30) and Nifty (NSE-50). Generally, three futures of 1 month, 2 months and 3 months are presently traded on these exchanges. These futures will expire on the last working Thursday of the respective month.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. Individual stock futures are also widely used derivative instruments for enhancing portfolio returns. Stock futures trade either at a premium or at discount to the spot prices, usually the level of premium reflective of the cost of carry. Many a times the stock-specific sentiments too have a bearing on Futures as speculators may find futures as a cost-effective way of executing their view on the stock. However such executions usually increase the premium/discount to the spot significantly, thereby giving rise to clean arbitrage opportunities for a fund.

Strategies that employ Index Futures:

Illustrative list of strategies that can employ index futures:

- (a) The fund has an existing equity portion invested in a basket of stocks. In case the fund manager has a view that the equity markets are headed downwards, the fund can then hedge the exposure to equity either fully or partially by initiating short futures positions in the index. A similar position in the long direction can also be initiated by the fund to hedge its position of cash and permissible equivalents. The extent to which this can be done is determined by existing guidelines.
- (b) To the extent permissible by extant regulations the scheme can initiate a naked short position in an underlying index future traded on a recognized stock exchange.

In case the Nifty near month future contract trading at say, 1850, and the fund manager has a view that it will depreciate going forward, the fund can initiate a sale transaction of nifty futures at 1850 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to 1800 after say, 20 days the fund can initiate a square-up transaction by buying the said futures and book a profit of 50. Correspondingly the fund can take a long position without an underlying cash/ cash equivalent subject to the extant regulations.

Risks:

- The risks associated with index futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mispricing of the futures and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- The Long position in the Nifty will have as much loss as the gain in the short portfolio if hedged completely and would be vice versa if we were holding long portfolio, short Index.

Strategies that employ Stock Futures:

Sell Spot Buy Future: To illustrate, let us assume the fund holds the stock XYZ Ltd which is trading @ Rs. 100/- at the spot market. If for some reasons the stock trades at Rs. 98 in the futures, the fund may sell the stock and buy the futures. On the date of expiry, the fund may reverse the transactions (i.e. Buy Spot & Sell futures) and earn a risk-free Rs. 2/- (2% absolute) on its holdings. Since this is done without diluting the fund's view on the underlying stock, the fund will benefit from any upside move i.e. if on the date of futures expiry, the stock is trading at Rs. 110/- the futures too will be trading at Rs. 110- and the fund will capture the 10% upside the stock provided and along with it the 2% arbitrage too, thereby enhancing returns to 12%

Risks:

- While Futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time for scheme to purchase or close out a specific futures contract.
- The risks associated with stock futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mispricing of the futures.

Buy Spot Sell Future: If the fund holds a stock XYZ Ltd which trades @ Rs 100/- at the spot market and is trading at Rs. 102/- in the futures market. The fund may buy the spot and sell the futures and earn the premium of Rs.2 /- which is risk-free. However this strategy can be used only when the fund is sitting in cash and is looking at enhancing the returns on the cash.

Risks:

- While Futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time for scheme to purchase or close out a specific futures contract.
- The risks associated with stock futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mispricing of the futures.

Sell Future: This helps in shorting the market and taking a direct short position in the market. Futures facilitate a short position if fund manager has a bearish view in the market. A sold Futures can be re-purchased any time up to the date of its expiry. If not re-purchased, it is automatically squared off on the expiry date at Spot Rate.

Risks:

The risks associated with stock futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mis-pricing of the futures and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Buy Future: If the fund wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at 98, the fund may just buy the futures contract instead of the spot thereby benefiting from a lower cost option.

Risks:

The risks associated with stock futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mis-pricing of the futures and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Interest Rate Swaps:

The Indian markets have faced high volatility in debt and equity markets. An interest rate swap is a contractual agreement between two counter-parties to exchange streams of interest amount on a notional principal basis. In this, one party agrees to pay a fixed stream of interest amount against receiving a variable or floating stream of interest amount. The variable or floating part is determined on a periodical basis.

The Scheme may enter into plain vanilla Interest Rate Swaps (IRS) for hedging purposes. The value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme.

In case of participation in IRS is through over the counter transactions, the counter party has to be an entity recognized as a market maker by RBI and exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if Scheme is transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable.

➤ **Purpose of Interest Rate Swaps:**

- The Indian markets have faced high volatility in debt and equity markets. An interest rate swap is a contractual agreement between two counter-parties to exchange streams of interest amount on a notional principal basis. In this, one party agrees to pay a fixed stream of interest amount against receiving a variable or floating stream of interest amount. The variable or floating part is determined on a periodical basis.
- The scheme shall use derivative position for hedging the portfolio risk on a non-leverage basis. The scheme shall fully cover their positions in the derivatives market by holding underlying securities / cash or cash equivalents / option and / or obligation for acquiring underlying assets to honour the obligations contracted in the derivatives market.

Let us look at an example of an interest rate swap:

Entity A has Rs.20 crores, 3 month asset which is being funded through call. Entity B, on the other hand, has deployed Rs.20 crores in overnight call money market, 3 month liability. Both the entities are taking on an interest rate risk.

To hedge against the interest rate risk, both the entities can enter into a 3 month swap agreement based on say MIBOR (Mumbai Inter Bank Offered Rate). Through this swap, entity B will receive a fixed pre-agreed rate (say 8%) and pay NSE MIBOR ("the benchmark rate") which will neutralize the interest rate risk of lending in call. Similarly, entity A will neutralize its interest rate risk from call borrowing as it will pay 8% and receive interest at the benchmark rate.

Assuming the swap is for Rs.20 crores 1 September to 1 December, Entity A is a floating rate receiver at the overnight compounded rate and Entity B is a fixed rate receiver. On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On December 1, they will calculate as explained below:

Entity A is entitled to receive daily compounded call rate for 92 days and pay 8% fixed. Entity B is entitled to receive interest on Rs.20 crores @ 8% i.e. Rs.40.33 lakhs, and pay the compounded benchmark rate.

Thus on December 1, if the total interest on the daily overnight compounded benchmark rate is higher than Rs.40.33 lakhs, entity B will pay entity A the difference and vice versa.

Forward Rate Agreement (FRA)

A FRA is basically a forward starting IRS. It is an agreement between two parties to pay or receive the difference between an agreed fixed rate (the FRA rate) and the interest rate (reference rate) prevailing on a stipulated future date, based on a notional principal amount for an agreed period. The only cash flow is the difference between the FRA rate and the reference rate. As is the case with IRS, the notional amounts are not exchanged in FRAs.

Example: Let us assume that a scheme has an investment of Rs.10 crore in an instrument that pays interest linked to NSE Mibor. Since the NSE Mibor would vary daily, the scheme is running interest rate risk on its investment and would stand to lose if rates go down. To hedge itself against this risk, the scheme could do an IRS where it receives a fixed rate (assume 10%) for the next 5 days on the notional amount of Rs. 10 crore and pay a floating rate (NSE Mibor). In doing this, the scheme would effectively lock itself into a fixed rate of 10% for the next five days. The steps would be:

1. The scheme enters into an IRS on Rs. 10 crore from December 1 to December 6. It receives a fixed rate of interest at 10% and the counter party receives the floating rate (NSE Mibor). The scheme and the counter party exchange a contract of having entered into this IRS.

2. On a daily basis, the NSE Mibor will be tracked by the counterparties to determine the floating rate payable by the scheme.
3. On December 6, the counterparties will calculate the following:
 - The scheme will receive interest on Rs. 10 crore at 10% p.a. for 5 days i.e. Rs.1,36,986/-
 - The scheme will pay the compounded NSE Mibor for 5 days by converting its floating rate asset into a fixed rate through the IRS.
 - If the total interest on the compounded NSE Mibor rate is lower than Rs. 1,36,986/-, the scheme will receive the difference from the counterparty and vice-versa. In case the interest on compounded NSE Mibor is higher, the scheme would make a lower return than what it would have made had it not undertaken IRS.

Risks:

Interest rate swaps and Forward Rate Agreement require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that the derivative adds to the portfolio and the ability to forecast failure of another party (usually referred to as the “counter-party”) to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives, the credit risk where the danger is that of a counter-party failing to honour its commitment, liquidity risk where the danger is that the derivative cannot be sold at prices that reflect the underlying assets, rates and indices, and price risk where the market price may move in adverse fashion.

As is clear from the above examples, engaging in derivatives has the potential to help the scheme in minimising the portfolio risk and/or improve the overall portfolio returns.

Please note these examples are hypothetical in nature and are given for illustration purposes only. The actual returns may vary depending on the market conditions.

The AMC retains the right to enter into such derivative transactions as may be permitted by the applicable regulations from time to time.

Interest Rate Futures

An Interest Rate Futures (‘IRF’) contract is “an agreement to buy or sell a debt instrument at a specified future date at a price that is fixed today.” The underlying security for Interest Rate Futures is either Government Bond or T-Bill. Interest Rate Futures are Exchange traded and standardized contracts based on 6 year, 10 year and 13 year Government of India Security and 91-day Government of India Treasury Bill (91DTB). These future contracts are cash settled. These instruments can be used for hedging the underlying cash positions.

Numerical Example –

When the underlying asset being hedged and the IRF contract are based on the same instrument, the hedge is known as a perfect hedge.

Imperfect hedging is when the underlying asset being hedged and the IRF contract has a 90 day correlation of closing prices of more than 90%. If such a correlation does not exist

at any time, the derivative position shall be counted as exposure. Maximum permissible imperfect hedging is 20%. For example, assume a portfolio comprising the following structure:

Security	Amount (crs)	Price (INR)
IGB 6.79% 2027	50	94.6
IGB 6.68% 2031	25	91
IGB 7.17% 2028	15	98
Cash	10	-
Total	100	

Assuming the fund manager intends to hedge the portfolio using IRF and uses contracts on IGB 6.79% 2027 as it is most liquid. Maximum permissible imperfect hedging is 20%. For the above fund is $100 \times 20\% = \text{INR } 20 \text{ crores}$. Maximum perfect hedging using 6.79% 2027 is INR 50 crores. Total hedge the fund can enter into is INR 50 crores + INR 20 crores = INR 70 crores. Assuming the 90 day historical correlation between the instruments in the portfolio are as follows:

90 day historical correlation	IGB 6.79% 2027	IGB 6.68% 2031	IGB 7.17% 2028
IGB 6.79% 2027	1	0.95	0.85
IGB 6.68% 2031	0.95	1	0.80
IGB 7.17% 2028	0.85	0.80	1

Given that we are using IRF on 6.79% 2027, we can hedge 6.68% 2031 using IRFs as correlation is more than 90% upto INR 20 crores (based on the 20% limit of imperfect hedging). Since one contract of IRF has a notional value of INR 2 lakhs, in this example the fund manager may sell $(\text{INR } 70 \text{ crores} / 2 \text{ lakhs})$ 3500 contracts, to hedge his position.

Scenario 1: When the bonds close higher than at the time the hedge was entered into:

Security	Amount (crs)	Price before hedging (INR)	Price on maturity of hedge (INR)	Gain/Loss	Net Gain (INR lakhs)
IGB 6.79% 2027	50	94.6	94.7	0.1	5
IGB 6.68% 2031	25	91	91.15	0.15	3.75
IGB 7.17% 2028	15	98	98.05	0.05	0.75
Cash	10				
Without IRF					9.5
IRF based on IGB 6.79% 2027	70	94.5	94.65	-0.15	-10.5
Total with IRF	100				-1

Scenario 2: When the bonds close lower than at the time the hedge was entered into:

Security	Amount (crs)	Price before hedging (INR)	Price on maturity of hedge (INR)	Gain/Loss	Net Gain (INR lakhs)
IGB 6.79% 2027	50	94.6	94.5	-0.1	-5
IGB 6.68% 2031	25	92	91.85	-0.15	-3.75
IGB 7.17% 2028	15	100	99.95	-0.05	-0.75
Cash	10				-
Without IRF					-9.5
IRF based on IGB 6.79% 2027	70	98.5	98.45	0.05	3.5
Total with IRF	100				-6

As can be seen in the cases above, IRFs help in reducing the volatility of the loss/gain to the fund in case of yield movements.

As is clear from the above examples, engaging in derivatives has the potential to help the scheme in minimising the portfolio risk and/or improve the overall portfolio returns.

Please note these examples are hypothetical in nature and are given for illustration purposes only. The actual returns may vary depending on the market conditions.

The AMC retains the right to enter into such derivative transactions as may be permitted by the applicable regulations from time to time.

SECURITIES LENDING

If permitted by SEBI under extant regulations/guidelines, the Scheme may also engage in scrip lending as provided under Securities Lending Scheme 1997, as per Para 12.11 of SEBI Master Circular on Mutual Funds dated June 27, 2024, and other applicable guidelines/regulations, as amended from time to time. Scrip lending means lending a security to another person or entity for a fixed period of time, at a negotiated compensation. The security lent will be returned by the borrower on or before the expiry of the stipulated period.

The AMC will comply with the required reporting obligations and the Trustee will carry out the reviews required under SEBI/RBI guidelines. Further a maximum of 40% of net assets will be deployed in securities lending and the maximum single party exposure will be restricted to 10%# of net assets outstanding at any point of time.

Presently, Securities lending and borrowing (SLB) is an Exchange traded product. Counterparty is not known for transactions carried out under SLB segment and they are guaranteed by Clearing Corporations and hence do not carry any counter party risk. Accordingly, single party exposure limit will not apply to trades on Stock Exchange platform. Single party exposure limits can only apply in case of OTC (over the counter) trades where counterparty can be identified.

Engaging in scrip lending is subject to risks related to fluctuations in the collateral value / settlement / liquidity / counter party.

INVESTMENT IN SECURITISED DEBT

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitization is the fact or process of securitizing assets i.e. the conversion of loans into securities, usually in order to sell them on to other investors. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs mainly in two respects. One, the liquidity of securitized debt is less than similar debt securities. Two, for certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. After considering these additional risks, the investment is no different from investment in a normal debt security. Considering the investment objective of the scheme, these instruments with medium risk profile can be considered in the investment universe. Thus if the Fund Manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table.

2. Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc

Investments in securitized debt will be done based on the assessment of the originator and the securitized debt which is carried out by the Fixed Income team based on the in-house research capabilities as well as the inputs from the independent credit rating agencies and by following Franklin Templeton's internal credit process.

Specifically, in order to mitigate the risk at the issuer/originator level the Fixed Income team will consider various factors which will include -

- Track record of the originator in the specific business to which the underlying loans correspond to;
- size and reach of the issuer/originator;
- Collection infrastructure & collection policies;
- Post default recovery mechanism & infrastructure;
- Underwriting standards & policies followed by originator;
- Management information systems;
- Financials of the originators including an analysis of leverage, NPAs, earnings, etc.;
- Future strategy of the company for the specific business to which the underlying loans correspond to;

- Performance track record of Originator's portfolio & securitized pools, if any;
- Utilization of credit enhancement in the prior securitized pools;
- The quality of information disseminated by the issuer/ originator; and
- The credit enhancement for different types of issuer/originator.

Also, assessment of business risk would be carried out which includes -

- Outlook for the economy (both domestic and global); and
- Outlook for the industry

In addition, the fund analyses the specific pool and the broad evaluation parameters are as follows:

- Average seasoning of the loans in the pool
- Average Loan to value ratio of the loans in the pool
- Average ticket size of the loans
- Borrower profile (salaried / self employed, etc)
- Geographical profile of the pool
- Tenure profile of the pool
- Obligor concentration
- Credit enhancement cover available over and above the historic losses on Originator's portfolio
- Expected Prepayment rate in the specific asset class experienced by the originator in the past as well as the industry
- Limited Liquidity and Price Risk.

The scheme will invest in securitized debt which are rated investment grade and above by a credit rating agency recognized by SEBI. The investment team analyses the Rating Rationale in detail before investing in any PTCs, and also discusses with the concerned rating agency on a need basis. The rating agency would normally take in to consideration the following factors while rating a securitized debt:

Credit risk at the asset/originator/portfolio/pool level

- The quality of the pool is a crucial element in assessing credit risk. In the Indian context, generally, pools are 'cherry-picked' using positive selection criteria. To protect the investor from adverse selection of pool contracts, the rating agencies normally take into consideration pool characteristics such as pool seasoning (seasoning represents the number of installments paid by borrower till date: higher seasoning represents better quality), over dues at the time of selection and Loan to Value (LTV). To assess its risk profile vis-à-vis the overall portfolio, the pool is analyzed with regard to geographical location, borrower profile, LTV, and tenure.

Counterparty risk

- This includes Servicer Risk, co-mingling risk etc. The rating agencies generally mitigate such risks through the usage of stringent counterparty selection and replacement criteria to reduce the risk of failure.

Bankruptcy risk

- Of the Originator –
 - o Normally, specific care is taken in structuring the securitization transaction so as to minimize the risk of the sale to the trust not being construed as a 'true sale'. It is also in the Interest of the originator to demonstrate the transaction as a true sell to get the necessary revenue recognition and tax benefits.
- Of the Investors' agent
 - o All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor's Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor's Agent.

Legal risks

- The rating agency normally conducts a detailed study of the legal documents to ensure that the investors' interest is not compromised and relevant protection and safeguards are built into the transaction.
 - o Various market risks like interest rate risk, macro-economic risks
 - o Assessment of risks related to business for example outlook for the economy, outlook for the industry and factors specific to the issuer/originator.

3. Risk mitigation strategies for investments with each kind of originator

The examples of securitized assets which may be considered for investment by the Scheme and the various risk mitigation parameters (please read in continuation with point 2 above) which will be considered include;

A) Asset backed securities issued by banks or non-banking finance companies.

Underlying assets may include receivables from loans against cars, commercial vehicles, construction equipment or unsecured loans such as personal loans, consumer durable loans. The various factors which will be usually considered while making investments in such type of securities include profile of the issuer, analysis of underlying loan portfolio – nature of asset class, seasoning of loans, geographical distribution of loans and coverage provided by credit-cum-liquidity enhancements.

B) Mortgage backed securities issued by banks or housing finance companies, where underlying assets are comprised of mortgages/home loan.

The various factors which will be usually considered while making investments in such type of securities include issuer profile of the issuer, quality of underlying portfolio, seasoning of loans, coverage provided by credit-cum-liquidity enhancements and prepayment risks.

C) Single loan securitization, where the underlying asset comprises of loans issued by a bank/non-banking finance company.

The factors which will be usually considered while making investments in such type of securities include assessment of credit risk associated with the underlying borrower as well as the originator. The Fixed Income team will adhere to the Franklin Templeton's internal credit process and perform a detailed review of the underlying borrower prior to making investments. This analysis is no different from the analysis undertaken by Fund when it invests in Debentures or Commercial papers issued by the same borrower.

Critical Evaluation Criteria

Typically the Fund would avoid investing in securitization transaction (without specific risk mitigation strategies / additional cash/security collaterals/ guarantees) if there are concerns on the following issues regarding the originator / underlying issuer:

1. High default track record/ frequent alteration of redemption conditions/covenants
2. High leverage ratios – both on a standalone basis as well on a consolidated level/group level
3. Higher proportion of re-schedulement of underlying assets of the pool or loan, as the case may be
4. Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
5. Poor reputation in market
6. Insufficient track record of servicing of the pool or the loan, as the case may be.

Further, investments in securitized debt will be done in accordance with the investment restrictions specified under the SEBI Regulations/ this Scheme Information Document which would help in mitigating certain risks. Currently, as per the Regulations, the Scheme cannot invest more than 10% of its net assets in debt instruments (irrespective of residual maturity) issued by a single issuer which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the Act. Such investment limit may be extended to 12% of the net assets of the Scheme with the prior approval of the Board of Trustees and the Board of the AMC.

4. The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments

The framework which will generally be applied by the Fund Manager while evaluating the investment decision with respect to securitized debt will be as follows:

Characteristic s/ Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools	Personal Loans	Single Sell down \$	Others
Approximate Average maturity (in Months)	Upto 10 years	Upto 5 years	Upto 5 years	Upto 48 months	Upto 80 weeks	Upto 3 years	Case by case basis	As and when new asset classes of securitized debt are introduced, the investments in such instruments will be evaluated on a case by case basis
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	In excess of 3%	In excess of 4%	In excess of 4%	In excess of 4%	In excess of 5%	In excess of 5%	Case by case basis	
Average Loan to Value Ratio	95% or lower	100% or lower **	95% or lower	95% or lower	Unsecured	Unsecured	Case by case basis	
Average seasoning of the Pool	Minimum 2 months	Minimum 2 months	Minimum 2 months	Minimum 2 months	Minimum 2 weeks	Minimum 2 months	Case by case basis	
Maximum single exposure range *	< 5%	< 5%	NA (retail pool)	NA (retail pool)	NA (Very Small retail pool)	NA (retail pool)	Not applicable	
Average single exposure range % *	< 5%	< 5%	< 2%	< 1%	< 1%	< 1%	Not applicable	

* denotes % of a single ticket/loan size to the overall assets in the securitized pool.

** LTV Based on chassis value

\$ Broad evaluation criteria as per point 3 above

Notes:

1. Retail pools are the loan pools relating to Car, 2 wheeler, micro finance and personal loans, wherein the average loan size is relatively small and spread over large number of borrowers.
2. The information illustrated in the table above is based on current scenario relating to securitized debt market and is subject to change depending upon the change in the related factors.

In addition to the framework stated in the table above, in order to mitigate the risks

associated with the underlying assets where the diversification is less, at the time of investment the Fixed Income team could consider various factors including but not limited to -

- Size of the loan - the size of each loan is generally analysed on a sample basis and an analysis of the static pool of the originator is undertaken to ensure that the same matches with the static pool characteristics. It also indicates whether there is high reliance on very small ticket size borrower which could result in delayed and expensive recoveries.
- Average original maturity of the pool of underlying assets
- The analysis of average maturity of the pool is undertaken to evaluate whether the tenor of the loans are generally in line with the average loans in the respective industry and repayment capacity of the borrower.
- Loan to value ratio, average seasoning of the pool of underlying assets - these parameters would be evaluated based on the asset class as mentioned in the table above.
- Default rate distribution - the Fixed Income team generally ensures that all the contracts in the pool are current to ensure zero default rate distribution.
- Geographical distribution - the analysis of geographical distribution of the pool is undertaken to ensure prevention of concentration risk.
- Credit enhancement facility - credit enhancement facilities in the form of cash collateral, such as fixed deposits, bank guarantee etc could be obtained as a risk mitigation measure.
- Liquidity facility - these parameters will be evaluated based on the asset class as mentioned in the table above.
- Structure of the pool of underlying assets - The structure of the pool of underlying assets would be either single asset class or combination of various asset classes as mentioned in the table above. We could add new asset class depending upon the securitization structure and changes in market acceptability of asset classes.

5. Minimum retention period of the debt by originator prior to securitization

The minimum retention period of the debt by the originator prior to securitization and the minimum retention percentage by originator of debts will be as per the guidelines/regulations issued by the RBI/other regulatory agencies from time to time. Also, please refer the table in point 4. The Fund will adopt that policy, whichever is stricter.

6. Minimum retention percentage by originator of debts to be securitized

Same as point 5 above.

7. The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund

An investment by the scheme in any security is done after detailed analysis by the Fixed Income team and in accordance with the investment objectives and the asset allocation pattern of a scheme. All investments are made on an arm's length basis without consideration of any investments (existing/potential) in the schemes made by any party related/involved in the transaction. The robust credit process ensures that there is no

conflict of interests when a scheme invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The resources for and mechanisms of individual risk assessment with the AMC for monitoring investment in securitized debt are as follows:

- Fixed Income Team – Currently, the AMC has a well experienced team, which is responsible for credit research and monitoring and fund management, for all exposures including securitized debt.
- Ratings are monitored for any movement – Based on the cash flow report and Fixed Income Team’s view, periodic review of utilization of credit enhancement shall be conducted and ratings shall be monitored accordingly.
- For legal and technical assistance with regard to the documentation of securitized debt instruments, the team can make use of resources within the internal legal team and if required take help of our external legal counsel as well.

As per the prevailing SEBI guidelines, the investments in securitised debt instruments will be shown as a separate category under debt instruments in the half yearly disclosure of scheme portfolio.

- **Usage of Short Term Deposits:**

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide Para 12.16 of SEBI Master Circular on Mutual Funds dated June 27, 2024, as may be amended from time to time.

B. What are the investment restrictions?

In pursuance of the Regulations, the following restrictions are currently applicable to the scheme:

1. Investment in securities from the scheme’s corpus would be only in transferable securities in accordance with Regulation 43 of Chapter VI of SEBI [Mutual Funds] Regulations, 1996.
2. The Scheme shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities; provided that the Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI; provided further that the Scheme may enter into derivatives transactions in a recognised stock exchange, subject to the framework specified by SEBI; provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

3. The Mutual Fund shall, get the securities purchased or transferred in the name of the mutual fund on account of the concerned scheme, wherever investments are intended to be of long term nature.
4. No investment shall be made in any Fund of Funds scheme.
5. The mutual fund shall not advance any loans for any purpose.
6. The Scheme may invest in any other scheme without charging any fees, provided that aggregate interscheme investment made by all schemes under the management of Franklin Templeton Asset Management (India) Private Limited or in schemes under the management of any other AMC shall not exceed 5% of the net asset value of the mutual fund.
7. Franklin Templeton Mutual Fund, under all its schemes shall not own more than 10% of any company's voting rights or ten per cent of units of REITs issued by a single issuer, as the case may be.
8. All investments by the scheme in equity shares and equity related instruments shall only be made provided such securities are listed or to be listed.
9. The scheme shall not invest more than 10% of its net assets in the equity or equity related instruments of any entity.
10. The scheme shall not make any investment in debt & money market instrument more than:
 - a. 10% of its NAV in debt and money market securities rated AAA; or
 - b. 8% of its NAV in debt and money market securities rated AA; or
 - c. 6% of its NAV in debt and money market securities rated A and below issued by a single issuer.

The above investment limits may be extended by up to 2% of the NAV of the scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit specified in clause 1 of Seventh Schedule of MF Regulation.

11. Investment in unlisted debt instruments:
 - 11.1. The scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used for hedging. However, the scheme may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the scheme subject to the condition that such unlisted NCDs have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.
 - 11.2. The implementation of the provisions mentioned above would be subject to the following:
 - a. The existing investments of the scheme as on October 1, 2019 in unlisted debt instruments, including NCDs (identified NCDs), may be grandfathered till maturity date of such instruments. The grandfathering of the identified NCDs is applicable across the mutual fund industry. Accordingly, mutual funds can

transact in such identified NCDs and the criteria as specified in point 11.1 is not applicable.

- b. With effect from October 1, 2019, all fresh investments in unlisted NCDs shall be made only in NCDs satisfying the conditions mentioned in 11.1 above.
 - c. Extension of maturity or rolling over of existing investments in unlisted NCDs shall be subject to the prescribed limits mentioned in point 11.2(a) and the requirements mentioned at 11.1 above.
 - d. For mutual fund schemes whose existing investments in unlisted NCDs are more than the threshold limit as on the timeline mentioned at 11.2(a), all fresh investments in NCDs by mutual fund schemes, shall only be in listed NCDs till they comply with the requirements mentioned in 8.1 above.
 - e. For the purpose of the provisions of point 11, listed debt instruments shall include listed and to be listed debt instruments.
 - f. All fresh investments by the scheme in CPs would be made only in CPs which are listed or to be listed.
12. Investment in unrated debt and money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. by the scheme shall be subject to the following:
- a. Investments should only be made in such instruments, including bills rediscounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder.
 - b. Exposure of the scheme in such instruments, shall not exceed 5% of the net assets of the scheme.
 - c. All such investments shall be made with the prior approval of the Board of AMC and the Board of Trustees.
 - d. The investments of the schemes in such instruments as on October 1, 2019 in excess of the aforesaid limit of 5% may be grandfathered till maturity date of such instruments.
 - e. The Scheme may enter into plain vanilla Interest Rate Swaps (IRS) for hedging purposes. The value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme.
 - f. In case of participation in IRS is through over the counter transactions, the counter party has to be an entity recognized as a market maker by RBI and exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if Scheme is transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable.
13. **a. Sector Exposure –**
The exposure in a particular sector (excluding investments in Bank CDs, TREPs, G-Secs, T-Bills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) under the portfolio will not exceed 20% of the net assets on

account of purchase.

An additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme on account of purchase shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only. Further, an additional exposure of 5% of the net assets of the scheme shall be allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio.

Provided that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 20% of the net assets of the scheme on account of purchase.

The above restriction will not be applicable to the equity portion of the Scheme's portfolio (where applicable).

b. Group Exposure - The total exposure of Scheme in a Group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) will not exceed 20% of the net assets of the Scheme. Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Board of Trustees.

Investments by the Scheme in debt and money market instruments of group companies of both the sponsor and the asset management company shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the Scheme with the prior approval of the Board of Trustees.

For this purpose, a group means a Group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 (Regulations) and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

The above restrictions will not be applicable to the equity portion of the Scheme's portfolio.

14. Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments as specified under Clause 1 and 1A of Seventh Schedule to SEBI Regulations.
15. Transfers of investments from one Franklin Templeton Mutual Fund scheme to another will be done in inconformity with as per Para 12.30 of SEBI Master Circular on Mutual Funds dated June 27, 2024 and Interscheme Transfer policy of FTMF.
16. No investment shall be made in
 - any unlisted security of an associate or group company of the sponsor; or
 - any security issued by way of private placement by an associate or group company of the sponsor; or
 - the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
17. Pending deployment of funds in securities in terms of investment objectives of the Scheme, the Mutual Fund can invest the funds of the scheme in short term deposits of scheduled commercial banks in line with Para 4.5 of SEBI Master Circular on

Mutual Funds dated June 27, 2024 as amended from time to time. The Scheme shall abide by the following guidelines for parking of funds in short term deposits:

- Such short term deposits shall be held in the name of the scheme.
- The scheme shall not park more than 15% of the net assets in Short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustees.
- Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the mutual fund in short term deposits.
- The scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- The Scheme shall not park funds in short-term deposit of a bank, which has invested in the Scheme. The bank in which the scheme has short-term deposit shall not be permitted to invest in the said scheme until the scheme has short-term deposit with such bank.
- AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.
- The aforesaid limits are not applicable to term deposits placed as margins for trading in cash and derivatives market.

18. Restrictions on Investment in debt instruments having Structured Obligations / Credit Enhancements:

- Investment of the scheme in the following instruments shall not exceed 10% of the debt portfolio of the scheme and the Group exposure in such instruments shall not exceed 5% of the debt portfolio of the scheme:
 - a) Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade.; and
 - b) Supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade.
- For this purpose, a group means a Group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 (Regulations) and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.
- These investment limits mentioned above shall not be applicable on investments in securitized debt instruments, as defined in SEBI (Public Offer and Listing of Securitised Debt Instruments) Regulations 2008.
 - Investment in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares.
AMC may ensure that the investment in debt instruments having credit enhancements are sufficiently covered to address the market volatility and reduce the inefficiencies of invoking of the pledge or cover, whenever required, without impacting the interest of the investors. In case of fall in the value of the cover below the specified limit, AMC shall initiate necessary

steps to ensure protection of the interest of the investors.

- The existing investments by the scheme as on October 1, 2019 in debt instruments that are not in terms of the provisions of point herewith may be grandfathered till maturity date of such debt instruments.

19. Repo transactions in corporate debt securities

- The gross exposure of any mutual fund scheme to repo transactions in corporate debt securities shall not be more than 10 % of the net assets of the concerned scheme.
- The cumulative gross exposure through repo transactions in corporate debt securities along with equity, debt and derivatives shall not exceed 100% of the net assets of the concerned scheme.

20. The scheme may invest in certain debt instruments with special features viz. subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption (For eg. Additional Tier I bonds and Tier 2 bonds issued under Basel III framework) subject to the following:

- a) Franklin Templeton Mutual Fund, under all its schemes shall not own more than 10% of such instruments issued by a single issuer
- b) A Mutual Fund scheme shall not invest:
 - a. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and
 - b. more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single issuer.

The above investment limit for a mutual fund scheme shall be within the overall limit for debt instruments issued by a single issuer, as specified at clause 1 of the Seventh Schedule of SEBI (Mutual Fund) Regulations, 1996, and other prudential limits with respect to the debt instruments.

The investments of mutual fund schemes in such instruments in excess of the limits specified above as on March 10, 2021 may be grandfathered and such mutual fund schemes shall not make any fresh investment in such instruments until the investment comes below the specified limits.

21. A mutual fund may invest in the units of InvITs subject to the following:

- (a) No mutual fund under all its schemes shall own more than 10% of units issued by a single issuer of InvIT; and
- (b) A mutual fund scheme shall not invest –
 - i. More than 10% of its NAV in the units of InvIT; and
 - ii. More than 5% of its NAV in the units of InvIT issued by a single issuer.

Provided that the limits mentioned in sub-clauses (i) and (ii) above shall not be applicable for investments in case of index fund or sector or industry specific scheme pertaining to InvIT.

22. The scheme may consider investment in other financial market investments as per guidelines issued by the Central Government/SEBI/RBI from time to time.

The AMC/Trustee may alter these investment restrictions from time to time to the extent SEBI regulations/applicable rules change/permit so as to achieve the investment objective of the scheme. Such alterations will be made in conformity with SEBI regulations. Further, apart from the investment restrictions prescribed under SEBI regulations, the scheme may follow any internal norms vis-à-vis limiting exposure to a particular scrip or sector, etc.

The investment restrictions specified as a percentage of net assets will be computed at the time of making the investment and it is clarified that changes need not be effected, merely by reason of appreciation or depreciation in value or by reason of factors beyond the control of the scheme (such as receipt of any corporate or capital benefits or amalgamations). In case the limits are exceeded due to reasons beyond its control, the AMC shall adopt necessary measures of prudence to reset the situation having regard to the interest of the investors.

Portfolio rebalancing

In the event of deviations, the portfolio will be rebalanced as per Para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024. In the event of deviation from mandated investment restrictions (occurrence of instances not arising out of omission and commission of AMCs), rebalancing period shall be 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment committee shall then decide on the course of action. The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

All the reporting and disclosure requirements as mentioned in Para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024, shall be complied with. This includes disclosure to investors in case the AUM of deviated portfolio is more than 10% of the AUM of main portfolio of scheme.

C. Fundamental Attributes

Following are the Fundamental Attributes of the scheme, in terms of Clause 1.14 of SEBI Master Circular for Mutual Funds dated June 27, 2024:

(i) Type of a scheme

- o Open ended/~~Close ended/Interval scheme~~
- o ~~Sectoral Fund/~~ /~~Balance Fund/Income Fund/Index Fund/Any other type of Fund~~

Franklin India Arbitrage Fund (FIAF) is an open-ended scheme investing in arbitrage opportunities

(ii) Investment Objective

- o **Main Objective -** ~~Growth/Income~~/The investment objective of the scheme is to generate capital appreciation and income by predominantly

investing in arbitrage opportunities in the cash and derivative segments of the equity markets and the arbitrage opportunities available within the derivative segment and by investing the balance in debt and money market instruments. There is no assurance that the investment objective of the scheme will be realized.

- o **Investment pattern** - Please refer to the section “How will the scheme allocate its assets?”. The fund retains the option to alter the asset allocation on a short-term basis in the interest of unitholders on defensive considerations.

(iii) Terms of Issue

- o **Liquidity provisions such as listing, repurchase, redemption** - Please refer to the Part I.
- o **Aggregate fees and expenses charged to the scheme:** Please refer to the Part III - Other Details.
- o **Any safety net or guarantee provided:** None

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and Clause 1.14.1.4 /of SEBI Master Circular for Mutual Funds dated June 27, 2024 the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- SEBI has reviewed and provided its comments on the proposal
- a written communication about the proposed change is sent to each unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the mutual fund is situated; and
- the unitholders are given an option to exit at the prevailing Net Asset Value without any exit load for a period of atleast 30 days

- D. **Index methodology (for index funds, ETFs and FOFs having one underlying domestic ETF) - Not applicable**
- E. **Principles of incentive structure for market makers (for ETFs) - Not applicable**
- F. **Floors and ceiling within a range of 5% of the intended allocation against each sub class of asset, as per clause 13.6.2 of SEBI master circular for mutual funds dated June 27, 2024 (only for close ended debt schemes) - Not applicable**

G. Other Scheme Specific Disclosures:

Listing and transfer of units	The Scheme is open ended and the Units are not listed on any stock exchange. However, the Mutual Fund may, at its sole discretion, list the Units on one or more Stock Exchanges at a later date, and thereupon the Mutual Fund will make suitable public announcement to that effect. The Mutual Fund will offer and redeem Units on a continuous basis during the Continuous Offer Period. The Unit holders are given an option to hold the Units by way of an Account Statement (physical form) or in Dematerialized (demat form). Units held in Demat form are transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 1996, as may be amended from time to time. Transfer can be made only in favor of transferees who are capable of holding Units and having a Demat Account. The delivery instructions for transfer of Units will have to be lodged with the DP in requisite form as may be required from time to time and transfer will be effected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode. Further, for the procedure of release of lien, the investors shall contact their respective DP. For units held in paper form, normally, units are not certified. However, if an applicant so desires to transfer units, the AMC, upon submission of documents which will be prescribed from time to time, shall certify the units and issue a fresh statement/certificate to the extent of certified units to the investor within 5 business days of the receipt of request. If the investor intend to transfer units, it could be done to the extent of certified units mandatorily using the statement/certificate issued post certification of units. Certificate/ statement issued post certifying of units must be duly discharged by the Unit holder(s) and surrendered along with the request for Transfer / Redemption / Switch or any other transaction of Units covered therein. AMC reserves the right to accept the request for certification of units. The AMC reserves the right to reject the application for transfer, post acceptance of the same, if any of the requisite documents / declarations are
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	unavailable or incomplete. However, if a person becomes a holder of the Units consequent to operation of law or upon enforcement of a pledge, the Mutual Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death, insolvency etc., the transferee's name will be recorded by the Mutual Fund subject to production of satisfactory evidence.
Dematerialization of units	The Unit holders have an option to hold the Units in dematerialized (demat) form or account statement (non-demat) form. Units held in Demat Form are freely transferable. The Applicant intending to hold Units in demat form will be required to have a beneficiary account with a Depository Participant (DP) of the NSDL/CDSL and will be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units.
Minimum Target amount (This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)	INR 10 crore
Maximum Amount to be raised (if any)	Not applicable.
Dividend Policy (IDCW)	The Trustee may, at its sole discretion distribute income under IDCW option/plan in the fund at any time and at such frequency (such as daily, weekly, monthly, quarterly, half-yearly, annually etc.) as it deems appropriate. Although there is every intention to distribute income, there is no assurance or guarantee as to the frequency or quantum of such distribution nor that the distributions be regularly paid. Income Distribution cum capital withdrawal (IDCW) is based on the availability of adequate distributable surplus in the scheme. Distributions can be made out of available distributable surplus (including Equalization Reserve, which is part of sale price that represents realized gains). Such distributions are payable to the Unitholders in the IDCW Plan, whose names appear on

	the Unitholders' register on the record date. The Trustee may not distribute income at all in the event of inadequacy of distributable income. The scheme reserves the right to suspend sale of units for such period of time as it deems necessary before the record date to ensure proper processing. The amount of distribution will be distributed within 7 working days from the record date. IDCWs will be paid through electronic mode or by cheque (in exceptional circumstances only), net of taxes as may be applicable, and payments will be in favour of the first-named registered holder in the folio. To safeguard the interest of Unitholders from loss or theft of IDCW cheques, it is mandatory for investors to provide the details of their bank account in the Application Form. IDCW cheques or electronic payments will be sent in accordance with such information. Record dates for declaration of IDCW The procedure of declaring IDCW and fixing of record dates will be in accordance with Chapter 11 of SEBI Master Circular on Mutual Funds dated June 27, 2024.
Allotment (Detailed Procedure)	Subject to the Scheme receiving the minimum subscription, full allotment will be made to all valid applications received during the New Fund Offer (NFO). Allotment of Units on Application shall be made in the following manner: - An Account Statement containing the number of Units allotted will be issued within 5 Business Days from the closure of the NFO. The Units allotted in electronic form will be credited to the investor's Beneficiary Account with a Depository Participant (DP) of CDSL or NSDL as per the details furnished by the investor in the Application Form within 5 Business Days from the closure of the NFO and an intimation / allotment advice specifying the number of units allotted to the investor. The Account Statement of the Beneficiary Account with the DP will be sent by the respective DP's as per their service standards. - Refund of subscription money to applicants, in case applications are invalid or rejected will be made within 5 Business Days from the closure of the NFO

	without any return. No interest will be payable on any subscription money so refunded. If the Mutual Fund refunds the amount after 5 Business Days from the closure of the NFO, interest at the rate as may be prescribed by SEBI (presently 15% p.a.) shall be paid out of the assets of the AMC for the period thereafter. Refund orders will be marked "A/c Payee only" and drawn in the name of the applicant in the case of a sole applicant and in the name of the first applicant in all other cases. For applicants applying through the ASBA mode, on allotment, the amount will be unblocked in their respective bank accounts and account will be debited only to the extent required to pay for allotment of Units applied in the application form.
Refund	If application is rejected, full amount will be refunded within 5 working days of closure of NFO. If refunded later than 5 working days @ 15% p.a. for delay period will be paid and charged to the AMC.
Who can invest This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.	The scheme units can be purchased by the following entities (subject to the applicable legislation/regulation governing such entities): 1. Adult individuals, either singly or jointly (not exceeding three), resident in India. 2. Parents/Guardian on behalf of minors. 3. Companies/ Domestic Corporate Bodies/ Public Sector Undertakings registered in India. 4. Charitable, Religious or other Trusts authorised to invest in units of mutual funds. 5. Banks, Financial Institutions and Investment Institutions. 6. Non-Resident Indians (NRIs) and Overseas Citizen of India (OCI) (including erstwhile Person of Indian Origin card holders) on full repatriation basis and on non-repatriation basis but not (a) United States Persons within the meaning of Regulation 'S' under the United States Securities Act of 1933 or as defined by the U.S. Commodity Futures Trading Commission, as amended from time to time or (b) residents of Canada. 7. Foreign institutional investors and their sub accounts on full repatriation basis/ Foreign Portfolio Investors (subject to RBI approval) and such other entities as may be permitted under SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time. 8. Hindu Undivided Family (HUF).

	9. Wakf Boards or Endowments / Societies / Co-operative societies / Association of Persons or Body of individuals (whether incorporated or not), Trusts and clubs authorised to invest in units of mutual funds. 10. Sole Proprietorship, Partnership Firms, Limited Liability Partnerships (LLPs). 11. Army/ Air Force/ Navy/ Para-military funds and other eligible institutions. 12. Scientific and/or industrial research organizations. 13. Other Associations, Institutions, Bodies etc. authorized to invest in the units of mutual funds. 14. Such other individuals/institutions/body corporate etc., as may be decided by the AMC from time to time, so long as wherever applicable they are in conformity with SEBI Regulations. 15. Mutual fund Schemes/ Alternative Investment Funds can also invest in the Scheme, subject to SEBI Regulations applicable from time to time. Subject to the requirement applicable under respective state laws governing public Trust, units of the schemes of Franklin Templeton Mutual Fund is an eligible investment for charitable and religious trusts under the provisions of Section 11(5)(xii) of the Income Tax Act, 1961, read with Rule 17C of the Income Tax Rules, 1962. In view of the individual nature of implications, the investors are advised to consult their own advisors to ascertain if they are eligible to invest in the scheme as per the laws applicable to them and whether the scheme is suitable for their risk profile.
Who cannot invest	The below mentioned persons/entities shall not be eligible to invest in the Scheme, if such persons/entities are: 1. United States Person (U.S. person*) as defined under the extant laws of the United States of America. <i>*The term "U.S. person" means any person that is a U.S. person within the meaning of Regulation S under the Securities Act of 1933 of U.S. or as defined by the U.S. Commodity Futures Trading Commission or as per such further amended definitions, interpretations, legislations, rules etc, as may be in force from time to time.</i> 2. Residents of Canada

How to Apply and other details	Investors can subscribe for the Units of the Scheme by completing the Application Form and delivering it at any Investor Service Centre or Collection Centre. KYC complied investors/ Investors who are able to provide necessary information and/or documents to perform KYC can perform a web-based transaction to purchase units of the Scheme on website of the Mutual Fund (https://www.franklintempletonindia.com/downloads/forms-and-instructions) , FT Mobile app or through any other electronic mode introduced from time to time. Please refer to the SAI and Application form for the instructions. The Applications Forms shall be made available at Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of Mutual Fund and/or may be downloaded from the website of AMC. The list of the Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Mutual Fund will be provided on the website of the AMC (https://franklintempletonprod.widen.net/s/gq9lcrfdk5/list-of-official-points-of-acceptance). Please refer to Application form for the instructions. Email based non-commercial transactions (NCT) facility Will also accept specified non-commercial transactions (NCT) on email as attachments on nonfintransaction@franklintempleton.com will be dedicated for receiving specified non-commercial transaction requests. The list of Non-commercial Transactions that are eligible for this facility and Terms & Conditions applicable to the NCT requests received through email mode for the same is available on our website https://www.franklintempletonindia.com/downloads/forms-and-instructions Financial transactions through email in respect of non-individual investors shall be accepted in terms of AMFI Best Practice Guidelines (BPG) no. 118/ 2024-25 dated January 31, 2025, and such other circulars issued in this regard from time to time.
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The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Not applicable.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	Suspension of sale of units With the approval of the Boards of Directors of the Trustee and the Asset Management Company, the sale of Units may be suspended temporarily or indefinitely when any of the following conditions exist: 1. The equity / debt market stops functioning or trading is restricted. 2. Periods of extreme volatility in the equity / debt market, which, in the opinion of the Investment Manager, is prejudicial to the interest of the investors. 3. When there is a strike by the banking community or trading is restricted by RBI or other authority. 4. Period of extreme volatility in the equity / debt / money market, which in the opinion of the Board of Directors of AMC and Trustee is prejudicial to the interest of the scheme's investors. 5. As and when directed by the Government of India or RBI or SEBI to do so or conditions relating to natural calamity/external aggression/internal disturbances etc. arises, so as to cause volatile movements in the money or debt market, which in the opinion of the AMC, will be prejudicial to the interest of the unitholders, if further trading in the scheme is continued. 6. Break down in the information processing/communication systems affecting the valuation of investments/processing of sale/repurchase request. 7. Natural calamity. 8. SEBI, by order, so directs. 9. Trustee views that increasing the Scheme's size further may prove detrimental to the existing/prospective Unitholders of the Scheme. 10. Any other circumstances which in the opinion of the Board of Directors of AMC and Trustee is prejudicial to the interest of the existing/prospective investors. Suspension of redemption of units With the approval of the Boards of Directors of the Trustee and the Asset Management Company, the

	redemption of Units may be suspended temporarily when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as: i. Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security. Further, restriction on redemption due to illiquidity of a specific security in the portfolio of a scheme due to a poor investment decision, shall not be allowed. ii. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies. iii. Operational issues - when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems. iv. Based on any other guidance/ circular issued by SEBI from time to time. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period. The approval from the Boards of AMC / Trustee shall also be informed to SEBI in advance. When restriction on redemption is imposed, the following procedure shall be applied: i. No redemption requests upto Rs. 2 lakh shall be subject to such restriction. ii. Where redemption requests are above Rs. 2 lakh, AMC shall redeem the first Rs. 2 lakh without such restriction and remaining part over and above Rs. 2 lakh shall be subject to such restriction. Any Units which, by virtue of these limitations, are not redeemed on a particular Business Day will be carried forward for redemption on the next following Business
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	Day in order of receipt. Redemptions carried forward will be made at the NAV in effect on the subsequent Business Day(s) on which the condition for redemption request is fulfilled. To the extent multiple redemptions are being satisfied in a single day under these circumstances, such payments will be made pro-rata based on the size of each redemption request. Under such circumstances, redemption cheques may be mailed out to investors within a reasonable period of time and will not be subject to the normal response time for redemption cheque mailing. In case where more than one application is received for redemption in a scheme for an aggregate redemption amount equal to or more than Rs.2 lakhs on any Business Day across all plans/options of the relevant scheme, then such applications shall be aggregated at the investor level (same holders/joint holders identified by their Permanent Account Numbers (PAN) in the same sequence). Such aggregation shall be done irrespective of the number of folios under which the investor is redeeming and irrespective of mode, location and time of application.
Cut off timing for subscriptions/ redemptions/ switches This is the time before which your application (complete in all respects) should reach the official points of acceptance.	<u>For subscriptions:</u> Pursuant to SEBI guidelines, the cut off timings and the applicability of Net Asset Value of the scheme is under: In respect of valid applications received* up to 3:00 p.m. by the Mutual Fund and the funds are available for utilisation on the same day before the cut-off time - the closing NAV of the day on which the funds are available for utilisation shall be applicable. In respect of valid applications received* after 3:00 p.m. by the Mutual Fund and the funds are available for utilisation on the same day - the closing NAV of the Business Day following the day on which the funds are available for utilisation shall be applicable. However, irrespective of the time of receipt of application, where the funds are not available for utilisation on the day of the application, the closing NAV of the Business Day on which the funds are available for utilisation before the cut-off time (3:00 p.m.) shall be applicable provided the application is received* prior to availability of the funds.

	Investors are encouraged to avail electronic payment modes to transfer funds to the bank account of the Scheme to expedite unit allotment. For determining the availability of funds for utilisation, the funds for the entire amount of subscription/purchase (including switch-in) as per the application should be credited to the bank account of the scheme before the cut-off time and the funds are available for utilisation before the cut-off time without availing any credit facility whether intra-day or otherwise, by the respective scheme. For investments through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP), Transfer of Income Distribution cum capital withdrawal plan (TIDCW) etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the destination Scheme irrespective of the instalment date of the SIP, STP or record date of IDCW etc. In case of transactions through online facilities / electronic modes, there may be a time lag of upto 5-7 banking days between the amount of subscription being debited to investor's bank account and the subsequent credit into the respective Scheme's bank account. This lag may impact the applicability of NAV for transactions where NAV is to be applied, based on actual realization of funds by the Scheme. Under no circumstances will AMC or its bankers or its service providers be liable for any lag / delay in realization of funds and consequent pricing of units. Transfer of unit(s) shall be subject to payment of applicable stamp duty by the unitholder(s) and applicable laws. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including switch-in, Systematic investments, Reinvestment of Income Distribution cum capital withdrawal option, etc) to the unitholders would be reduced to that extent. The Trustee/AMC may alter the limits and other conditions in line with the SEBI Regulations. *Received at the Official Points of Acceptance of
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	Transactions of Franklin Templeton Mutual Fund. For Redemptions: Pursuant to SEBI guidelines, the cut off timings and the applicability of Net Asset Value of the scheme is under: In respect of valid applications received up to 3:00 p.m. by the Mutual Fund, same day's closing NAV shall be applicable. In respect of valid applications received after 3:00 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable. The redemption and switch-out of transaction will be processed only if the payment instrument of the original purchase transaction under that particular fund is realised. *Received at the ISC/Collection Centres of Franklin Templeton Mutual Fund.
Minimum amount for purchase/redemption/switches (mention the provisions for ETFs, as may be applicable, for direct subscription/redemption with AMC.	Subscription: Fresh Purchase - Rs.5,000/-. Additional Purchase - Rs.1,000/-. Systematic Investment Plan (SIP) – Rs. 500 Redemption: Rs.1,000/-. The amount for subscription, SIP and redemption in excess of the minimum amount specified above is any amount in multiple of Re. 1/-.
Minimum balance to be maintained and consequences of non-maintenance	There is no minimum balance requirement.
Accounts Statements	The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 working days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form). A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month by mail or email on or before 15th of the succeeding month. Half-yearly CAS shall be issued at the end of every six

	months (i.e. September/ March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable For further details, refer SAI.
Dividend/ IDCW	The payment of dividend/IDCW to the unitholders shall be made within seven working days from the record date.
Redemption	The redemption or repurchase proceeds shall be dispatched to the unitholders within two working days from the date of redemption or repurchase. This shall be in line with AMFI letter dated January 16, 2023. For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024
Bank Mandate	As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications and therefore, investors are requested to fill-up the appropriate box in the application form failing which applications are liable to be rejected. Change in Bank Mandate - For investors holding units in demat mode, the procedure for change in bank details would be as determined by the depository participant. - For investors holding units in non-demat mode, the Unit holders may change their bank details registered with the Mutual Fund by submitting an application for the same In an endeavour to protect the investors from possible fraudulent activities, the AMC may require the investors to submit such documents as may be deemed necessary or appropriate from time to time, for verification and validation of the bank account details furnished by the investors. The AMC reserves the right to deny the request for registration of a bank account for the investor's Folio in case the investor fails to submit the necessary document to the satisfaction of the AMC.
Delay in payment of redemption / repurchase proceeds/dividend	The Asset Management Company shall be liable to pay interest to the unitholders at rate as specified vide clause 14.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024 by SEBI for the period of such delay.
Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount	The unclaimed redemption and IDCW amount may be deployed by the mutual fund in call money market, money market instruments or separate plan of Liquid

	scheme / Money Market Mutual Fund scheme floated specifically for deployment of the unclaimed amounts only. The investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. The AMC would make a continuous effort to remind the investors through letters to take their unclaimed amounts. The investment management fees charged by the AMC for managing unclaimed amounts will not exceed 50 basis points. The Fund/AMC shall not be liable to pay any interest or compensation on unclaimed amount.
Disclosure w.r.t investment by minors	Investments in the name of a minor acting through guardian In case of investments held in the name of a minor, no joint holders will be registered. The minor, acting through the guardian, should be the first and sole holder in the Folio/Account. The guardian should be either the parent (i.e. father or mother) or the court appointed legal guardian. The guardian of the minor may need to submit such declarations and/or other documents/information as a proof of guardianship, as may be prescribed by the AMC from time to time. Date of birth of the minor along with photocopies of the supporting documents (viz. birth certificate, school leaving certificate/ Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or, passport or any other document evidencing the date of birth of the minor) should be mandatorily provided while opening the account. Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the

	minor may hold with the parent/ legal guardian after completing all KYC formalities. Upon attainment of majority by the minor, the account should be regularised forthwith, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major. The AMC may specify such procedures for regularisation of the Folio, as may be deemed appropriate from time to time. Post attainment of majority by the minor, the Mutual Fund/AMC will not be obliged to accept any instruction or transaction application made under the signature of the guardian. In case of an application for registration of a systematic transaction facility (Systematic Investment Plan / Systematic Transfer Plan / Systematic Withdrawal Plan or Transfer of Income Distribution cum capital withdrawal), if the end date of the facility extends beyond the date of attainment of majority by the minor, such facility will be registered only up to the date of attaining majority.
Non applicability Minimum Application Amount (Lump-sum) and Minimum Redemption amount	Para 6.10 of SEBI Master Circular on Mutual Funds dated June 27, 2024 regarding Alignment of interest of Designated Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes has, inter alia mandated that a certain percentage of gross annual CTC net of income tax and any statutory contributions of the Designated Employees of the AMCs shall be invested in units of the scheme(s) of the Fund in which they have a role/oversight. In accordance with the regulatory requirement, the minimum application amount and minimum redemption amount will not be applicable for investment made in schemes of the Fund in compliance with the aforesaid circular(s). The above-mentioned provisions shall override the conflicting provisions, if any.

I. Other Details:

- A. In case of Fund of Funds Scheme, Details of Benchmark, Investment Objective, Investment Strategy, TER, AUM, Year wise performance, Top 10 Holding/ link to Top 10 holding of the underlying fund should be provided: Not Applicable
- B. Periodic Disclosures such as Half yearly disclosures, half yearly results, annual report
- **Portfolio/ Financial Results:** This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.

The Mutual Fund shall within one month of the close of each half year i.e., 31st March and 30th September, upload the soft copy of its unaudited financial results containing the details specified in Regulation 59 on its website (<https://www.franklintempletonindia.com/reports>) under the head Mutual Fund reports and shall publish an advertisement disclosing uploading of such financial results on its website (<https://www.franklintempletonindia.com/downloads/updates>), in one English newspaper having nationwide circulation and in one regional newspaper circulating in the region where the head office of the Mutual Fund is situated.

Further, the mutual fund shall also disclose the debt and money market securities transacted (including inter scheme transfers) in schemes portfolio on daily basis with a time lag of 15 days.

The Mutual Fund shall disclose the scheme portfolios as on the last day of the month/ as on the last day of every half year ended March and September within 10 days from the close of each month / half-year respectively. The disclosure shall be on www.franklintempletonindia.com and www.amfiindia.com. The AMC shall send via email the monthly and half-yearly statement of scheme portfolio within 10 days from the close of each month / half-year respectively.

Mutual Fund shall publish an advertisement every half-year disclosing the hosting of the half-yearly statement of its schemes portfolio on its website(<https://www.franklintempletonindia.com/downloads/updates>) and on the website of AMFI. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi. Mutual Fund shall provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.

- **Annual Report:** Scheme Annual report in the format prescribed by SEBI, will be hosted on the website of the Fund viz. <https://www.franklintempletonindia.com/reports> and on the website of Association of Mutual Funds in India (AMFI) viz. www.amfiindia.com as soon as may be but not later than four months from the date of closure of the relevant accounts year (i.e. 31st March each year). Mutual Fund/AMC will publish an

advertisement every year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the Scheme wise Annual Report on the website of the Fund and on the website of Association of Mutual Funds in India (AMFI). Mutual Fund/ AMC will e-mail the Scheme Annual Report or Abridged Summary thereof to those unitholders, whose email addresses are registered with the Mutual Fund. Investors who have not registered their email id will have an option of receiving a physical copy of the Annual Report or Abridged Summary thereof. Mutual Fund/ AMC will provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a unitholder through any mode. A physical copy of the scheme wise annual report shall be made available for inspection to the investors at the registered office of the AMC.

- **Other disclosures:** To enhance investor awareness and information dissemination to investors, SEBI prescribes various additional disclosures to be made by Mutual Funds from time to time on its website/on the website of AMFI, stock exchanges, etc. These disclosures include Scheme Summary Documents, various activities of Mutual Funds with timelines, DOs and DON'Ts for Investors, Grievance Redressal Mechanism, etc.). Investors may refer to the same.

C. Transparency/NAV Disclosure (Details with reference to information given in Section I)

- The NAV shall be normally calculated for all Business Days.
- Thus, the aforesaid Scheme(s) will declare the NAV as follows:

Particulars	NAV declaration time for a Business Day & Rationale
If entire assets under management (AUM) is invested only in Indian securities	11 p.m. on same Business Day

- The Mutual Fund is required to declare the NAV of the Scheme on AMFI's website www.amfiindia.com and also on our website [NAV of Mutual Funds: Latest NAV & Dividend Information - Franklin Templeton India®](#).
- NAV will be calculated up to four decimal places using standard rounding criteria.
- The first NAV shall be calculated and declared within 5 business days from the date of allotment of respective Plan(s)/Option(s) under the Scheme.
- The disclosure of NAV as outlined above is as per the prevailing SEBI Regulations and is subject to change from time to time.

D. Stamp duty- Indicate only the amount of stamp duty applicable. Details to be provided in SAI.

Mutual fund units issued against Purchase transactions (whether through lump-sum investments or SIP or STP or switchins or reinvestment under IDCW Option) would be subject to levy of stamp duty @ 0.005% of the amount invested. Transfer of mutual fund units (such as transfers between demat accounts) are subject to payment of stamp duty @ 0.015%. The rate and levy of stamp duty may vary as amended from time to time.

Please refer SAI for further details.

E. Associate Transactions- Please refer to Statement of Additional Information (SAI)

F. Taxation-

For details on taxation please refer to the clause on Taxation in the SAI apart from the following:

This information is provided for general information only and is based on the prevailing tax laws, as applicable in case of this Scheme. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/ authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

Franklin Templeton Mutual Fund is registered as a Mutual Fund with Securities and Exchange Board of India ('SEBI') under SEBI (Mutual Fund) Regulations, 1996. Any income earned by such mutual fund registered with SEBI is exempt from taxation as per section 10(23D) of the Income Tax Act, 1961 ('Act')

Category of this Scheme: 'Equity oriented' fund as currently defined under the Act as on September 30, 2025.

"Equity oriented fund" is defined to mean a fund set up under a scheme of a mutual fund specified under clause 23D of section 10 and

In case where the fund invests in the units of another fund which is traded on a recognised stock exchange –

- a minimum of 90% of the total proceeds of such fund is invested in the units of such other fund; and
- such other fund also invests a minimum of 90% of its total proceeds in the equity shares of domestic companies listed on a recognized stock exchange; and

In any other case, a minimum of 65% of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognised stock exchange

Provided that the percentage of equity shareholding or unit held in respect of the fund, as the case may be, shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

Taxability in the hands of Investor

If the units are held as stock-in-trade of a business, the said income will be taxed at the rates at which the normal income of that investor is taxed.

If the units are held as investments, the said income will be taxed as capital gains. In such case, the tax rates applicable will depend on whether the gain on sale of units is classified as a short-term capital gain or a long-term capital gain.

Equity oriented fund:

Tax Rates

Nature of Income	Resident Individual & HUF	Domestic Corporate	Non-Resident Investor
IDCW	As per applicable tax rate	As per applicable tax rate	20%
LTCG Holding Period > 12 Months	12.5%*	12.5%*	12.5%*
STCG Holding Period <= 12 Months	20%	20%	20%

* where LTCG exceeds Rs. 1,25,000 in a financial year

Withholding Tax Rates (TDS)

Nature of Income	Resident Individual & HUF	Domestic Corporate	Non-Resident Investor[#]
IDCW	10%**	10%**	20%
LTCG Holding Period > 12 Months	Nil	Nil	12.5%
STCG Holding Period <= 12 Months	Nil	Nil	20%

The above beneficial rates should be applicable only in the case of sale/redemption of units of equity-oriented fund where transaction is chargeable to STT.

Schemes other than equity-oriented fund:

Tax Rates

Nature of Income	Resident Individual & HUF	Domestic Corporate	Non-Resident Investor
IDCW	As per applicable tax rate	As per applicable tax rate	20%
LTCG Listed Units - Holding Period > 12 Months Unlisted Units - Holding Period > 24 Months	12.5% (without indexation)	12.5% (without indexation)	12.5% (without indexation)
STCG Listed Units - Holding Period <= 12 Months Unlisted Units - Holding Period <= 24 Months	As per applicable tax rate	As per applicable tax rate	As per applicable tax rate FPIs – 30%

Withholding Tax Rates (TDS)

Nature of Income	Resident Individual & HUF	Domestic Corporate	Non-Resident Investor[#]
IDCW	10%**	10%**	20%
LTCG Listed Units - Holding Period > 12 Months Unlisted Units - Holding Period > 24 Months	Nil	Nil	12.5% (without indexation)
STCG Listed Units - Holding Period <= 12 Months Unlisted Units - Holding Period <= 24 Months	Nil	Nil	For non- corporates - 30% For corporates – 35%

IDCW – Income Distribution cum capital withdrawal

LTCG – Long Term Capital Gain

STCG – Short Term Capital Gain

[#] In case of a foreign portfolio investor, no TDS is required on LTCG and STCG

^{**} As per provision of section 194K of the Act, where the amount of income credited or paid in a financial year, in aggregate, does not exceed Rs. 10,000, no withholding is required to be carried out. However, the scheme shall be withholding tax when the aggregate amount in financial year at Permanent Account Number (PAN) level exceeds Rs. 9,000.

Tax rates mentioned above are further increased by surcharge and health and education cess as may be applicable for respective investor.

Surcharge and cess shall not be applied on basic tax while deducting TDS, if any, on income of resident investors.

Surcharge Rates

Total income	Individual /HUF ~~	Partnership Firms & Co-operative Societies	Domestic Companies*	Foreign Companies
Less than or equal to 50 lakhs	NIL	NIL	NIL	NIL
>50 lakhs <= 1 crore	10%	NIL	NIL	NIL
>1 crore <= 2 crores	15%	12%	7%	2%
>2 crores <= 5 crores	25%	12%	7%	2%
>5 crores <= 10 crores	37%	12%	7%	2%
>10 crores	37%	12%	12%	5%

~~ Surcharge rate shall not exceed 25% in case of individual and HUF being taxed under tax regime under section 115BAC of the Act. In case total income includes income by way of dividend on shares, short-term capital gains on units of equity oriented mutual fund schemes and long-term capital gains on mutual fund schemes, the rate of surcharge on the said type of income not to exceed 15% [refer clause on Taxation in the SAI for further details].

* 10% basic surcharge (irrespective of taxable income) for domestic companies availing benefit under section 115BAA and section 115BAB of the Act.

Tax plus surcharge shall be further increased by a health and education cess of 4 percent.

DTAA Benefits

Taxability in the hands of non-resident investor shall be subject to Double Taxation Avoidance Agreement (“DTAA” or “tax treaty”) benefits which can be claimed in the return of income to be filed by such investors, as applicable. Further, such DTAA benefit may also be claimed at the time of withholding of taxes (subject to requisite documents for claiming DTAA benefit made available by investor to the Mutual Fund). The investors should obtain specific advice from their tax advisors regarding the availability of the tax treaty benefits.

PAN-AADHAR Linking

As per section 139AA of the Act read with rule 114AAA of the Income-tax Rules, 1962, in the case of a resident person, whose PAN has become inoperative due to non-linking of PAN with Aadhaar, it shall be deemed that he has not furnished the PAN and tax could be withheld at a higher rate of 20% as per section 206AA of the Act.

Securities Transaction Tax (STT)

STT at 0.001% is payable on sale (redemption) of unit of an equity-oriented fund to the mutual fund (except in case redemption by any person for, or on behalf of, the New

Pension System Trust).

As per Rule 4 of the STT Rules 2004, where the STT payable is 50 paise and above, it shall be rounded off to the nearest rupee. Thereby, where the amount of STT payable is lower than 50 paise, no STT is deducted. Long-term capital gains arising on transfer of units of an equity-oriented fund chargeable to Securities Transaction tax (STT) are subject to tax in accordance with the provisions of section 112A of the Act. Therefore, as per provisions of the Act, if STT payable is NIL due to rounding off, the long-term capital gain shall be chargeable to tax in accordance with the provisions of section 112A and the concessional rate of tax shall be applicable.

DISCLAIMER: The information given here is neither a complete disclosure of every material fact of Income-tax Act 1961 nor does it constitute tax or legal advice. Investors are requested to review the prospectus carefully and obtain expert professional advice with regard to specific legal, tax and financial implications of the investment/participation in the scheme.

G. **Rights of Unitholders-** Please refer to SAI for details.

H. **List of official points of acceptance:** Details to be uploaded and updated on a functional website link. Website link:
<https://franklintempletonprod.widen.net/s/gq9lcrfdk5/list-of-official-points-of-acceptance>

I. **Penalties, Pending Litigation or Proceedings, Findings of Inspections or Investigations For Which Action May Have Been Taken or is in the process of being taken by any Regulatory Authority.**

Please refer <https://www.franklintempletonindia.com/download/en-in/odd-penalties/6e03f15a-bb96-4cfb-a3cf-ca14711b1a82/Penalties-and-Pending-Litigation-Section.pdf>

Notwithstanding anything contained in the Scheme Information Document the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the Guidelines thereunder shall be applicable.

The Scheme under this Scheme Information Document was approved by the Trustees on 10th September 2024.

The Trustees have ensured that Franklin India Arbitrage Fund approved by them is a new product offered by Franklin Templeton Mutual Fund and is not a minor modification of the existing scheme/fund/product.

DIRECTORY

Sponsor Templeton International, Inc. 300 S.E. 2nd Street, 11th Floor, Fort Lauderdale, FL 33301, USA.	Investment Manager Franklin Templeton Asset Management (India) Pvt. Ltd. One International Centre, Tower 2, 12th and 13th Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013	Trustee Franklin Templeton Trustee Services Pvt. Ltd. One International Centre, Tower 2, 12th and 13th Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013
Registrars Computer Age Management Services Private Limited No.10 (Old No.178), M.G.R. Salai, Nungambakkam, Chennai – 600 034 Website: www.camsonline.com Email: enq_fti@camsonline.com	Custodians Hongkong and Shanghai Banking Corporation Limited (HSBC) 52/60, Mahatma Gandhi Road, Fort, Mumbai 400 001	Auditors B S R & Co. LLP, Chartered Accountants – having its office at 5 th Floor, Lodha Excelus, Appollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai – 400 011

Franklin Templeton Branch Offices (Investor Service Centres)

Name of the Branch	Address
Ahmedabad	Ground Floor/Part, Achal Raj Building, Opp. Mayor's House, Law Garden, Ahmedabad – 380006.
Allahabad	S N Tower, 4C Maharishi Dayananad Marg, Opp. Radio Station, Civil Lines, Allahabad-211001
Bangalore	26-27, 1st floor, Northern Area West Wing, Raheja Towers MG Road, Bangalore – 560001.
Bhubaneswar	77, Kharavel Nagar, Unit III, Janpath, Bhubaneswar 751001
Bhopal	Guru Arcade, 2nd Floor, Ramgopal Maheshwari Marg, Plot No.153, M P Nagar Zone 1, Bhopal – 462011
Chandigarh	S.C.O 413-414, 1st Floor, Sector 35-C, Chandigarh - 160022
Chennai	Century Centre, 75 T.T.K. Road, Alwarpet, Chennai 600018
Cochin (Kochi)	41/418-C, Chicago Plaza, First Floor, Rajaji Road, Ernakulam, Cochin 682035
Coimbatore	424-C Red Rose Towers, Second Floor, D. B. Road, R. S. Puram, Coimbatore 641002

Dehradun	Office No. 102, 1st Floor, Sri Ram Arcade - 74, Rajpur Road, Dehradun - 248001
Guwahati	01 st Floor, Royal Center, GS Road, Ulubari, Guwahati - 781007
Hyderabad	Unit No 402, 6-3-1085/1 4th Floor, Dega Towers Rajbhavan Road, Somajiguda, Hyderabad-500 082
Indore	Office No.101, 1 st Floor, Vikram Heights, Opposite Rani Sati Gate,25/2, Yashwant Niwas Road, Indore - 452001
Jaipur	Office No.18, 2nd Floor, Laxmi Complex, M.I Road, Jaipur -302001, Rajasthan.
Jalandhar	Ground Floor, SCO- 15 PUDA Complex Ladowali Road Jalandhar - 144 001
Jamshedpur	Fair Deal Complex,1st Floor, Office Unit 1B, Main Road, Opp. Ram Mandir, Bistupur, Jamshedpur-831001
Kanpur	Office no 208, 209 & 210, 2nd floor KAN Chambers, Civil lines, Kanpur-208001
Kolkata	4th Floor, A Block, 22, Abanindra Nath Thakur Sarani (Known as Camac Street), Kolkata - 700016
Lucknow	Office no. 2, Ground Floor, Regency Plaza, Opposite Dr. Shyama Prasad Mukherji Hospital (Civil), 5 Park road, Hazratganj, Lucknow - 226001
Ludhiana	SCO-37, First Floor, Feroze Gandhi Market, Ludhiana 141001
Madurai	Suriya Towers, 1st floor ,Door No 272 /273 , Good Shed Street , Madurai 625001
Mangalore	Lotus Paradise Elite, Unit No 101 & 102, First Floor, Karangalpaday, Opp to AJ Grand Hotel, Mangalore - 575003.
Mumbai	(a) Unit No.202/203/204, 2nd Floor, Dalamal Tower, Plot No. 211, Free Press Journal Marg, Nariman Point, Mumbai - 400 021 (b) One International center, Tower 2, 13th Floor, Senapati Bapat Marg, Elphinstone (W), Mumbai - 400013
Nagpur	Shop No. 3 & 4, Ground Floor, Maharshi Shivpad Complex, Plot No. 262, West High Court Road, Bajaj Nagar, Nagpur 440010
Nasik	Marvel Tanishq, Office No.402, 4th Floor, Sharanpur Road, New Pandit Colony, Nasik - 422002.
New Delhi	707-710, 7th Floor, Ashoka Estate Building, 24 Barakhamba Road, New Delhi 110001
Patna	Unit No.402, 4th Floor, Sai Tower, New Dak Bungalow Road, Patna - 800 001
Panjim	House No. 9/33/1, First Floor, Agva House, Dada Vaidya Road, Panjim Goa 403001.
Pune	Office No. 13,14, 15, 4 th Floor, CTS 96B, 96 Boulevard Suvarnarekha Ghodke Chowk, Prabhat Road, Erandwane, Pune - 411004.
Raipur	First Floor, Piyank tower, GE Road, Raja Talab, Raipur - 492001
Rajkot	408-409, 4th Floor, Sadhana Downtown, Jubilee Chowk, Jawahar Road, Rajkot - 360 001

Ranchi	Saluja Tower, 6th Floor, Peepe Compound, Sujata Chowk, Main Road, Ranchi - 834001
Salem	214/215, Second Floor, Kandaswarna Shopping Mall, Sarada College Road, Salem 636016
Surat	HG-29 International Trade Centre, Majura Gate Cross Road Signal, Ring Road, Surat 395002
Trichy	Arun Arcade, 75/1, First Floor, First Cross, North East Extension, Thillainagar, Trichy 620018
Vadodara	Unit No. - 306, Third Floor, Golden Icon, Opp. BSNL, Bird Circle, Old Padra Road, Vadodara - 390007
Varanasi	D-64/127, C-H, Arihant Complex, 4 th Floor, Sigra, Varanasi, Uttar Pradesh
Vijayawada	White House, III Floor, Room # 2, M. G. Road, Opposite All India Radio, Vijayawada 520010
Visakhapatnam	204, First Floor, Eswar Plaza, Dwaraka Nagar, Visakhapatnam - 530016

National Call Centre:

1800 425 4255 or 1800 258 4255 (please prefix the city STD code if calling from a mobile phone, Local call rates apply to both the numbers) from 8:00 a.m. to 9:00 p.m., Monday to Saturday.

Collection Centres:**Branch Office of Computer Age Management Services Limited**

Name of the branch	Address
Agartala (Tirupura)	Advisor Chowmuhani (Ground Floor), Krishnanagar Agartala, Tripura - 799001
Agra (Uttarpradesh)	No. 8, II Floor Maruti Tower Sanjay Place, Agra , Uttarpradesh-282002
Ahmedabad (Gujarat)	111- 113,1 st Floor- Devpath Building Off C G Road Behind Lal Bungalow, Ellis Bridge, Ahmedabad Gujarat 380006
Ahmednagar (Maharashtra)	Office No.3.1st Floor,Shree Parvati,Plot No.1/175, Opp. Mauli Sabhagruh, Zopadi Canteen, Savedi, Ahmednagar-414003
Ajmer (Rajasthan)	AMC No. 423/30 Near ChurchOpp T B Hospital,Jaipur Road, Ajmer, Rajasthan,305001
Akola (Maharashtra)	Opp. RLT Science CollegeCivil Lines,Akola,Maharashtra,444001
Aligarh (Uttarpradesh)	City Enclave, Opp. Kumar Nursing Home Ramghat Road Aligarh Uttarpradesh-202001
Allahabad (Uttarpradesh)	30/2, A&B, Civil Lines Station Besides ,Vishal Mega Mart Strachey Road, Allahabad ,Uttarpradesh-211001
Alleppey (Kerala)	Doctor's Tower Building, Door No. 14/ 2562, 1st floor, North of Iorn Bridge,Near Hotel Arcadia Regency, Alleppey Kerala,688001
Alwar (Rajasthan)	256A, Scheme No:1, Arya Nagar, Alwar, Rajasthan - 301001
Amaravati (Maharashtra)	81, Gulsham Tower,2nd Floor, Near Panchsheel Talkies, Amaravati, Maharashtra - 444601
Ambala (Haryana)	Shop No.4250, Near B D Senior Secondary School, Ambala Cantt., Ambala, Haryana 133001
Amritsar (Punjab)	3rd Floor, Bearing Unit No-313, Mukut House, Amritsar-143001
Anand(Gujarat)	101, A.P. Tower, B/H, Sardhar Gunj, Next to Nathwani Chambers, Anand Gujarat - 388001
Anantapur(Andhra Pradesh)	15-570-33, I FloorPallavi Towers,Subash Road Opp:Canara Bank,Anantapur,AndhraPradesh,515001
Andheri (Maharashtra)	CAMS Pvt Ltd, No.351, Icon,501,5 th Floor, Western Express Highway, Andheri East,Mumbai-400069
Angul (Orissa)	Similipada, Near Sidhi Binayak +2 Science Collage, Angul-759122
Ankleshwar (Gujarat)	Shop No - F -56First Floor,Omkar ComplexOpp Old Colony,Nr Valia Char Rasta,GIDC,Ankleshwar,Gujarat,393002
Arrah (Bihar)	Old NCC Office, Ground Floor,Club Road,Arrah-802301

Arambagh (West Bengal)	CAMS, Mukherjee Building First Floor, Beside MP Jewellers, Next to Mannapuram, Ward no 5 Link Road, Arambagh Hooghly, West Bengal - 712601
Asansol (West Bengal)	Block – G 1st Floor,P C Chatterjee Market Complex Rambandhu Talab PO, Ushagram Asansol West Bengal - 713303
Aurangabad (Maharashtra)	2nd Floor, Block No.D-21-D-22, Motiwala Trade Centre, Nirala Bazar, New Samarth Nagar, Opp.HDFC Bank, Aurangabad-431001
Balasore (Orissa)	B C Sen Road, Balasore, Orissa - 756001
Ballari (Karnataka)	No.18/47/ A, Govind Nilaya, Ward No.20, Sangankal Moka Road, Gandhinagar, Ballari-583102
Bangalore (Karnataka)	Trade Centre,1st Floor45, Dikensen Road (Next to Manipal Centre) Bangalore, Karnataka,560042
Bangalore (Wilson Garden) (Karnataka)	First Floor, No.17/1, (272) 12Th Cross Road,Wilson Garden, Bangalore - 560027
Bankura (West Bengal)	1st Floor, Central Bank Building, Machantala, P.O. & District-Bankura, West Bengal- 722101
Bagalkot (Karnataka)	Shop No. 2, 1st floor,Shreyas Complex,Near Old Bus Stand, Bagalkot - 587 101
Barasat (West Bengal)	N/39, K.N.C Road, 1 st Floor, Shrikrishna Apartment, (Behind HDFC Bank Barasat Branch) Dist :24PGS (North) Barasat -700 124 West Bengal
Bareilly (Uttarpradesh)	F-62-63,2nd Floor, Butler Plaza Commercial Complex Civil Lines Bareilly Uttarpradesh - 243001
Basti (Uttarpradesh)	CAMS C/O RAJESH MAHADEV & CO SHOP NO 3,1st Floor JAMIA COMLEX STATION ROAD BASTI PIN 272002
Belgaum (Karnataka)	Classic Complex, Block No.104,1st Floor, Saraf Colony,Khanapur Road,Tilakwadi,Belgaum-590006
Berhampur (Orissa)	Kalika temple Street, Ground Floor, Beside SBI BAZAR Branch, Berhampur-760002
Bhadrak (Orissa)	Das & Das Complex, 1st Floor, Bypass Road, Opposite to Vishal Mega Mart, Chhapulia, Bhadrak-756100, Odisha
Bhagalpur (Bihar)	Ground Floor, Gurudwara Road, Near Old Vijaya Bank, Bhagalpur - 812001
Bharuch (Gujarat)	A-111, First Floor,R K Casta, Behind Patel Super Market,Station Road, Bharuch-392001
Bhatinda (Punjab)	2907 GH, GT Road, Near Zila Parishad, Bhatinda, Punjab - 151001
Bhavnagar (Gujarat)	501 – 503, Bhayani Skyline, Behind Joggers Park, Atabhai Road, Bhavnagar – 364001
Bhilai (Chattisgarh)	1st Floor,Plot No.3, Block No.1, Priyadarshini Pariswar west, Behind IDBI Bank, Nehru Nagar, Bhilai-490020
Bhilwara (Rajasthan)	C/o Kodwani Associates Shop No 211-213 2nd floor Indra Prasth Tower syam Ki Sabji Mandi Near Mukerjee Garden Bhilwara-311001 (Rajasthan)

Bhopal (Madhyapradesh)	Plot no 10, 2nd Floor, Alankar Complex, Near ICICI Bank,MP Nagar, Zone II, Bhopal, MadhyaPradesh - 462011
Bhubaneswar (Orissa)	Plot No -111, Varaha Complex Building3rd Floor, Station Square, Kharvel Nagar, Unit 3-Bhubaneswar-Orissa-751001
Bhuj (Gujarat)	Office No.4-5, First Floor, RTO Relocation Commercial Complex-B, Opp.Fire Station, Near RTO Circle, Bhuj-Kutch-370001
Bhusawal (Parent: Jalgaon TP) (Maharashtra)	3, Adelaide Apartment, Christain Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, Bhusawal, Maharashtra - 425201
Bijapur (Karnataka)	Padmasagar Complex,1st floor, 2nd Gate, Ameer Talkies Road, Vijayapur (Bijapur) - 586101
Bikaner (Rajasthan)	Behind rajasthan patrika, In front of vijaya bank 1404, amar singh pura Bikaner - 334001
Bilaspur (Chattisgarh)	Shop No.B-104, First Floor,Narayan Plaza,Link Road,Bilaspur(C.G)-495001
Bohorompur (West Bengal)	No.107/1, A C Road,Ground Floor,Bohorompur,Murshidabad,West Bengal-742103
Bokaro (Jharkhand)	1st Floor, Plot No. HE-7 City Centre, Sector 4, Bokaro Steel City Bokaro- 827004
Bolpur (West Bengal)	Netaji Market, 1st Floor Room No Fb 28, Bolpur Birbhum Birbhum - 731204
Borivali (Maharashtra)	501 - TIARA, CTS 617, 617/1-4, off Chandavarkar Lane, Maharashtra Nagar, Borivali - West, Mumbai - 400092
Burdwan (West Bengal)	399 G T Road, Basement, Building Name: - Talk of the Town, Burdwan-713101.West- Bengal
Calicut (Kerala)	29/97G 2nd Floor,S A Arcade,Mavoor Road, Arayidathupalam,CalicutKerala-673016
Chandigarh (Punjab)	Deepak Tower SCO 154-155,1st Floor-Sector 17-Chandigarh-Punjab-160017
Chandrapur (Maharashtra)	Opp Mustafa décor, Behind Bangalore, Bakery Kasturba Road, Chandrapur, Maharashtra - 442402
Chennai (Tamilnadu)	Ground Floor No.178/10,Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam-Chennai-Tamilnadu-600034
Chennai-Satelite ISC (Tamilnadu)	No.158, Rayala Tower-1, Anna salai, Chennai-600002
Chhindwara (Madhyapradesh)	2nd Floor, Parasia Road, Near Surya Lodge, Sood Complex,Above Nagpur CT Scan, Chhindwara, MadhyaPradesh - 480001
Chittorgarh (Rajasthan)	3, Ashok Nagar, Near Heera Vatika, Chittorgarh, Rajasthan 312001
Cochin (Kerala)	Building Name Modayil, Door No. 39/2638 DJ,2nd Floor 2A M.G. Road, Cochin - 682 016
Coimbatore (Tamilnadu)	No.1334, Thadagam Road, Thirumurthy Layout, R.S.Puram, Behind Venketeswara Bakery, Coimbatore-641002
Coochbehar (West Bengal)	Nipendra Narayan Road (N.N Road) Opposite Udichi Market, Near Banik Decorators, PO & Dist: Coochbehar. Pin 736101

Cuttack (Orissa)	Near Indian Overseas Bank Cantonment Road, Mata Math,Cuttack, Orissa - 753001
Darbhanga (Bihar)	Ground Floor, Belbhadrapur, Near Sahara Office, Laheriasarai Tower Chowk, Laheriasarai, Darbhanga- 846001.
Davangere (Karnataka)	13, 1st Floor, Akkamahadevi Samaj Complex Church Road, P.J.Extension, Davangere, Karnataka,577002
Dehradun (Uttarkhand)	204/121 Nari Shilp Mandir Marg (1st Floor) Old Connaught Place, Chakrata Road, Dehradun, Uttarakhand - 248001
Deoghar (Jharkhand)	S S M Jalan Road, Ground floor, Opp. Hotel Ashoke, Caster Town, Deoghar, Jharkhand - 814112
Dhanbad (Jharkhand)	Urmila Towers, Room No: 111(1st Floor) Bank More, Dhanbad, Jharkhand - 826001
Dharmapuri (Tamilnadu)	16A/63A, Pidamaneri Road, Near Indoor Stadium, Dharmapuri, Tamilnadu - 636701
Dhule (Maharashtra)	House No 3140, Opp Liberty Furniture, Jamnalal Bajaj Road, Near Tower Garden, Dhule, Maharashtra - 424001
Dibrugarh (Assam)	Amba Complex, Ground Floor, H S Road, Dibrugarh-786001
Dimapur (Nagaland)	H/NO-2/2, SKK Building, OPP SUB-Urban Police Station, Dr Hokishe Sema Road, Signal Point, Dimapur-797112
Durgapur (West Bengal)	Plot No.3601, Nazrul Sarani, City Centre, Durgapur-713216
Erode(Tamilnadu)	No.197, Seshaiyer Complex,Agraharam Street, Erode, Tamilnadu,638001
Faizabad(Uttarpradesh)	9/1/51, Rishi Tola, Fatehganj, Ayodhya (Faizabad), Uttar Pradesh-224001
Faridabad(Haryana)	LG3, SCO 12 Sector 16, Behind Canara Bank, Faridabad - 121002
Firozabad(Uttarpradesh)	53,1st Floor, Shastri Market, Sadar Bazar, Firozabad, Uttarpradesh-283203
Gandhi Nagar(Gujarat)	No.507,5Th Floor, Shree Ugati Corporate Park, Opp Pratik Mall,Nr Hdfe Bank, Kudasan, Gandhinagar-382421
Gandhidham(Gujarat)	Shyam Sadan, First Floor, Plot No.120, Sector 1/A, Gandhidham-370201
Gangtok(Sikkim)	House No: GTK /006/D/20(3), (Near Janata Bhawan) D.P.H. road, Gangtok-737101, Sikkim
D(Bihar)	C/o Sri Vishwanath Kunj, Ground Floor, Tilha Mahavir Asthan, Gaya - 823001
Ghatkopar (Maharashtra)	Platinum Mall, Office No.307,3rd Floor, Jawahar Road, Ghatkopar East, Mumbai-400077
Ghaziabad (Uttarpradesh)	1st Floor, C-10 RDC Rajnagar, Opp Kacheri Gate No.2, Ghaziabad-201002
Goa (Goa)	Office No.103,1st Floor, Unitech City Centre, M.G.Road, Panaji Goa, Goa-403001
Gondal (Parent Rajkot) (Gujarat)	A/177, Kailash Complex Opp. Khedut Decor Gondal, Gujarat - 360311

Gorakhpur (Uttarpradesh)	Shop No.5 & 6,3Rd Floor,Cross Road The Mall,A D Tiraha,bank Road, Gorakhpur-273001
Gulbarga (Karnataka)	Pal Complex, Ist Floor,Opp. City Bus Stop,SuperMarket,Gulbarga,Karnataka 585101
Guntur (Andhra Pradesh)	D No.31-13-1158,1st Floor,13/1 Arundelpet,Ward No.6,Guntur-522002
Gurgaon (Haryana)	Unit No-115, First Floor Vipul Agora Building Sector-28, Mehrauli Gurgaon Road Chakkar Pur, Gurgaon - 122001 Haryana
Guwahati (Assam)	Piyali Phukan Road,K.C.Path,House No.1,Rehabari,Guwahati-781008
Gwalior (Madhyapradesh)	G-6 Global Apartment,Kailash Vihar Colony, Opp. Income Tax Office, City Centre Gwalior Madhya Pradesh-474002
Haldia (West Bengal)	Mouza-Basudevpur, J.L. No. 126, Haldia Municipality, Ward No 10, Durgachak, Haldia. Pin Code: - 721602
Haldwani (Uttarpradesh)	Durga City Centre, Nainital Road, Haldwani, Uttara - 72160263139
Haridwar (Uttarpradesh)	F-3, Hotel Shaurya, New Model Colony, Haridwar-249 408
Hazaribag (Jharkhand)	Municipal Muktananda Chowk, Hazaribag, Jharkhand,825301
Himmatnagar (Gujarat)	Unit No. 326, Third Floor, One World - 1, Block - A, Himmatnagar, Gujarat - 383001
Hisar (Haryana)	No-12, Opp. HDFC Bank, Red Square Market, Hisar, Haryana - 125001
Hoshiarpur (Punjab)	Near Archies Gallery, Shimla Pahari Chowk, Hoshiarpur, Punjab - 146001
Hassan (Karnataka)	Pankaja,2nd Floor, Near Hotel Palika, Race Course Road, Hassan - 573201
Hosur (Tamilnadu)	Survey No.25/204, Attibele Road, HCF Post, Mathigiri, Above Time Kids School, Oppsite To Kuttys Frozen Foods,Hosur-635110
Hubli (Karnataka)	No.204 - 205,1st Floor' B ' Block, Kundagol ComplexOpp. Court, Club Road,Hubli,Karnataka,580029
Hyderabad (Telangana)	208, II FloorJade ArcadeParadise Circle,Hyderabad,Telangana,500003
Ichalkaranji (Maharashtra)	CAMS, 12/179, Bairagdar Building, Behind Congress Committee Office, Ichalkaranji - 416115, Maharashtra
Indore (Madhyapradesh)	101, Shalimar Corporate Centre8-B, South Tukogunj,Opp.Greenpark, Indore,MadhyaPradesh,452001
Jabalpur (Madhyapradesh)	8, Ground Floor, Datt Towers,Behind Commercial Automobiles,Napier Town,Jabalpur,MadhyaPradesh,482001
Jaipur (Rajasthan)	R-7, Yudhisthir Marg C-SchemeBehind Ashok Nagar Police Station,Jaipur,Rajasthan,302001
Jalandhar (Punjab)	144,Vijay Nagar,Near Capital Small Finance Bank,Football Chowk,Jalandar City-144001
Jalgaon (Maharashtra)	Rustomji Infotech Services70, NavipethOpp. Old Bus StandJalgaon,Maharashtra,425001

Jalna (Maharashtra)	Shop No 6, Ground Floor,Anand Plaza Complex,Bharat Nagar,Shivaji Putla Road,Jalna,Maharashtra,431203
Jalpaiguri (West Bengal)	Babu Para, Beside Meenaar Apartment ,Ward No VIII, Kotwali Police Station,Jalpaiguri-735101 West Bengal
Jammu (Jammu & Kashmir)	JRDS Heights,Lane Opp. S&S Computers Near RBI Building, Sector 14, Nanak Nagar Jammu,Jammu &Kashmir,180004
Jamnagar (Gujarat)	207,Manek Centre,P N Marg,Jamnagar,Gujarat,361001
Jamshedpur (Jharkhand)	Tee Kay Corporate Towers 3rd Floor,S B Shop Area, Main Road, Bistupur, Jamshedpur-831001
Janakpuri (New Delhi)	Office Number 112, 1 st Floor Mahatta Tower, B Block Community Centre, Janakpuri, New Delhi -110058. Phone- 011-41254618
Jaunpur (Uttarpradesh)	248, Fort Road Near Amber Hotel, Jaunpur Uttarpradesh-222001
Jhansi (Uttarpradesh)	No.372/18D,1 st Floor Above IDBI Bank,Beside V-Mart,Near RAKSHAN,Gwalior Road,Jhansi-284001
Jodhpur (Rajasthan)	1/5, Nirmal Tower,1 st Chopasani Road,Jodhpur,Rajasthan,342003
Jorhat (Assam)	Singh Building, Ground Floor, C/o Prabhdeep Singh, Punjabi Gali, Opp V-Mart, Gar Ali, Po & Ps-Jorhat, Jorhat 785001
Junagadh (Gujarat)	"Aastha Plus", 202-A, 2nd FloorSardarbag Road, Nr. AlkapuriOpp. Zansi Rani Statue Junagadh Gujarat-362001
Kadapa (Andhra Pradesh)	Bandi Subbaramaiah Complex,D.No:3/1718, Shop No: 8, Raja Reddy Street,Kadapa,AndhraPradesh,516001
Kakinada (Andhra Pradesh)	D No.25-4-29,1St floor,Kommiredy vari street,Beside Warf Road,Opp swathi medicals,Kakinada-533001
Kalyani (West Bengal)	A-1/50,Block A,Kalyani,Dist Nadia,Westbengal-741235
Kannur (Kerala)	Room No.PP.14/435Casa Marina Shopping CentreTalap,Kannur,Kerala,670004
Kangra (Himachal Pradesh)	College Road Kangra, Opp. Vishal Mega Mart, Tehsil & Distt. Kangra Himachal Pardesh -176001
Kanpur (Uttarpradesh)	I Floor 106 to 108City Centre Phase II,63/ 2, The Mall Kanpur Uttarpradesh-208001
Karimnagar (Telangana)	HNo.7-1-257, Upstairs S B H mangammathota, Karimnagar,Telangana,505001
Karnal (Parent: Panipat TP)(Haryana)	No.29, Avtar Colony,Behind vishal mega mart, Karnal-132001
Karur (Tamilnadu)	126 G, V.P.Towers, Kovai Road, Basement of Axis BankKarur, Tamilnadu,639002
Katni (Madhyapradesh)	1st Floor, Gurunanak dharmakanta, Jabalpur Road,Bargawan,Katni, MadhyaPradesh 483501
Khammam (Telangana)	Shop No: 11 - 2 - 31/3, 1st floor, Philips Complex, Balajinagar, Wyra Road, Near Baburao Petrol Bunk, Khammam, Telangana 507001

Kharagpur (West Bengal)	"Silver Palace" OT Road,Inda-Kharagpur,G-P-Barakola, P.S.Kharagpur Local,Dist West Midnapore-721305
Kolhapur (Maharashtra)	2 B, 3rd Floor, Ayodhya Towers, Station Road, Kolhapur, Maharashtra,416001
Kolkata (West Bengal)	2/1, Russell Street,2nd Floor, Kankaria Centre, Kolkata-700071
Kolkata (West Bengal)	3/1, R.N. Mukherjee Road, 3rd Floor, Office space -3C, Shreeram Chambers, Kolkata -700 001
Kollam (Kerala)	Uthram Chambers(Ground Floor), Thamarakulam,Kollam-691006
Korba (Chattisgarh)	KH. No. 183/2G, Opposite Hotel Blue Diamond, T.P. Nagar, Korba- 495677
Kota (Rajasthan)	B-33 'Kalyan Bhawan, Triangle Part,Vallabh Nagar,Kota,Rajasthan,324007
Kottayam (Kerala)	1307 B,Puthenparambil Building,KSACS Road,Opp.ESIC Office,Behind Malayala Manorama Muttambalam P O,Kottayam-686501
Kukatpally (Telangana)	No.15-31-2M-1/4,1st floor,14-A,MIG,KPHB colony,Kukatpally,Hyderabad-500072
Kumbakonam (Tamilnadu)	No.28/8, 1st Floor, Balakrishna Colony, Pachaiappa Street, Near VPV Lodge, Kumbakonam - 612001
Krishnanagar (West Bengal)	Municipality More , Opposite Kotwali Thana. Pin 741101
Kurnool (Andhra Pradesh)	Shop No.26 and 27,Door No.39/265A and 39/265B,Second Floor,Skanda Shopping Mall,Old Chad Talkies,Vaddageri,39th Ward,Kurnool-518001
Lucknow (Uttarpradesh)	Office No.107,1st Floor,Vaisali Arcade Building,Plot No 11, 6 Park Road,Lucknow-226001
Ludhiana (Punjab)	U/ GF, Prince Market, Green Field,Near Traffic Lights,Sarabha Nagar Pulli,Pakhowal Road,Ludhiana,Punjab,141002
Madurai (Tamilnadu)	Shop No 3 2nd Floor, Suriya Towers, 272/273 - Goodshed Street, Madurai -625001
Malappuram (Kerala)	Kadakkadan Complex, Opp central school, Malappuram-676505
Malda (West Bengal)	Daxhinapan Abasan, Opp Lane of Hotel Kalinga, SM Pally, Malda, Westbangal 732101
Mangalore (Karnataka)	14-6-674/15(1), Shop No -UG11-2, Maximus Complex, Light House Hill Road, Mangalore- 575001
Mandi (Himachal Pradesh)	1st Floor, Above Ram Traders, 328/12, Ram Nagar, Mandi, Himachal Pradesh - 175001
Manipal (Karnataka)	Shop No-A2, Basement floor, Academy Tower, Opposite Corporation Bank, Manipal, Karnataka - 576104
Mapusa (Parent ISC: Goa)(Goa)	CAMS COLLECTION CENTRE, Office No.503, Buildmore Business Park, New Canca Bypass Road, Ximer, Mapusa Goa-403507
Margao (Goa)	F4-Classic Heritage, Near Axis Bank, Opp.BPS Club, Pajifond, Margao, Goa - 403601

Mathura (Uttarpradesh)	159/160 Vikas Bazar Mathura Uttarpradesh-281001
Meerut (Uttarpradesh)	108 1st Floor Shivam Plaza,Opp: Eves Cinema, Hapur Road,Meerut, Uttarpradesh - 250002
Mehsana (Gujarat)	1st Floor,Subhadra ComplexUrban Bank RoadMehsana,Gujarat,384002
Mirzapur(Uttarpradesh)	1st Floor,Canara Bank Building,Dhundhi Katra,Mirzapur-231001
Moga(Punjab)	Street No 8-9 Center, Aarya Samaj Road. Near Ice Factory. Moga - 142 001
Moradabad(Uttarpradesh)	H 21-22, Ist Floor Ram Ganga Vihar Shopping Complex, Opposite Sale Tax Office, Moradabad-244001
Mumbai(Maharashtra)	Rajabahdur Compound,Ground FloorOpp Allahabad Bank, Behind ICICI Bank30, Mumbai Samachar Marg, FortMumbai,Maharashtra,400023
Muzaffarnagar(Uttarpradesh)	No.235,Patel Nagar,Near Ramlila Ground,New Mandi,Muzaffarnagar
Muzaffarpur(Bihar)	Brahman Toli,DurgasthanGola Road,Muzaffarpur,Bihar,842001
Mysore(Karnataka)	No.1,1st Floor,CH.26 7th Main, 5th Cross (Above Trishakthi Medicals),Saraswati Puram,Mysore,Karnataka,570009
Nadiad(Gujarat)	F 134, First Floor,Ghantakarna Complex Gunj Bazar,Nadiad,Gujarat,387001
Nagpur(Maharashtra)	145 ,Lendra,New Ramdaspath,Nagpur,Maharashtra,440010
Namakkal(Tamilnadu)	156A / 1, First Floor, Lakshmi Vilas BuildingOpp. To District Registrar Office, Trichy Road,Namakkal,Tamilnadu 637001
Nanded(Maharashtra)	Shop No.8,9 Cellar "Raj Mohammed Complex" Main Road Shri Nagar,Nanded-431605
Nasik(Maharashtra)	1st Floor,"Shraddha Niketan",Tilak Wadi,Opp Hotel City Pride,Sharanpur Road,Nasik-422002
Navsari(Gujarat)	214-215,2nd floor, Shivani Park, Opp.Shankheswar Complex,Kaliawadi,Navsari -396445,Gujarat
Nellore(Andhra Pradesh)	Shop No. 2, 1st Floor,NSR Complex,James Garden, Near Flower Market,Nellore - 524001
New Delhi(New Delhi)	7-E, 4th FloorDeen Dayaal Research Institute BuildingSwami Ram Tirath Nagar,Near Videocon Tower Jhandewalan Extension,New Delhi,NewDelhi,110055
New Delhi-CC(New Delhi)	Flat no.512, Narian Manzil, 23 Barakhamba Road Connaught Place,NewDelhi,110001
Nizamabad(Telangana)	5-6-208, Saraswathi nagar, Opposite Dr.Bharathi rani nursing home, Nizamabad, Andhra Pradesh503001
Noida(Uttarpradesh)	Commercial Shop No.GF 10 & GF 38, Ground Floor, Ansal Fortune Arcade, Plot No. K-82, Sector -18,Noida-201301
Ongole (Andhra Pradesh)	Shop No 1128, 1st Floor, 3rd Line, Sri Bapuji Market complex, Ongole- 523001

Palakkad(Kerala)	10 / 688, Sreedevi Residency,Mettupalayam Street,Palakkad,Kerala,678001
Palanpur(Gujarat)	Gopal Trade center,Shop No.13-14,3Rd Floor,Nr.BK Mercantile bank,Opp.Old Gunj,Palanpur-385001
Panipat(Haryana)	SCO 83-84, First Floor, Devi Lal Shopping Complex, Opp RBL Bank, G.T.Road , Panipat, Haryana, 132103
Pathankot(Punjab)	13 - A, Ist Floor, Gurjeet Market,Dhangu Road,Pathankot,Punjab 145001
Patiala(Punjab)	No.35 New Lal Bagh,Opp.Polo Ground,Patiala-147001
Patna(Bihar)	301B, Third Floor, Patna One Plaza,Near Dak Bunglow Chowk Patna 800001
Pitampura(New Delhi)	Number G-8, Ground Floor,Plot No C-9, Pearls Best Height -II, Netaji Subhash Place,Pitampura, New Delhi - 110034
Pondicherry(Pondicherry)	S-8, 100,Jawaharlal Nehru Street(New Complex, Opp. Indian Coffee House),Pondicherry,Pondicherry,605001
Pune(Maharashtra)	Vartak Pride,1st Floor,Survey No.46,City Survey No.1477,Hingne budruk,D.P.Road,Behind Dinanath mangeshkar Hospital,Karvenagar,Pune-411052
Rae Bareli(Uttarpradesh)	17, Anand Nagar Complex Opposite Moti Lal Nehru Stadium SAI Hostel Jail Road Rae Bareilly Uttar pradesh -229001
Raipur(Chattisgarh)	HIG,C-23 Sector - 1Devendra Nagar,Raipur,Chattisgarh,492004
Rajahmundry(Andhra Pradesh)	Door No: 6-2-12, 1st Floor,Rajeswari Nilayam,Near Vamsikrishna Hospital,Nyapathi Vari Street, T Nagar,Rajahmundry,AndhraPradesh,533101
Rajapalayam(Tamilnadu)	No 59 A/1, Railway Feeder Road(Near Railway Station)RajapalayamTamilnadu626117
Rajkot(Gujarat)	Office 207 - 210, Everest BuildingHarihar ChowkOpp Shastri Maidan,Limda Chowk,Rajkot,Gujarat,360001
Ranchi(Jharkhand)	4,HB RoadNo: 206,2nd Floor Shri Lok ComplexH B Road Near Firayalal,Ranchi,Jharkhand,834001
Ratlam(Madhyapradesh)	Dafria & Co,No.18, Ram Bagh, Near Scholar's School,Ratlam, MadhyaPradesh 457001
Ratnagiri(Maharashtra)	Orchid Tower,Gr Floor,Gala No.06,S.V.No.301/Paiki 1/2,Nachane Municiple Aat,Arogya Mandir,Nachane Link Road,At,Post,Tal.Ratnagiri Dist.Ratnagiri-415612
Rohtak(Haryana)	SCO 06,Ground Floor,MR Complex,Near Sonipat Stand Delhi Road,Rohtak-124001
Roorkee(Uttarkhand)	22, Civil Lines, Ground Floor,Hotel Krish Residency,Roorkee,Uttarakhand 247667
Rourkela(Orissa)	2nd Floor,J B S Market Complex,Udit Nagar,Rourkela-769012
Sagar(Madhyapradesh)	Opp. Somani Automobile,s Bhagwanganj Sagar, MadhyaPradesh 470002
Saharanpur(Uttarpradesh)	I Floor, Krishna ComplexOpp. Hathi GateCourt Road,Saharanpur,Uttarpradesh,247001

Salem(Tamilnadu)	No.2, I Floor Vivekananda Street, New Fairlands, Salem, Tamilnadu, 636016
Sambalpur(Orissa)	C/o Raj Tibrewal & Associates Opp. Town High School, Sansarak Sambalpur, Orissa, 768001
Sangli(Maharashtra)	Jiveshwar Krupa Bldg Shop. NO.2, Ground Floor, Tilak Chowk Harbhat Road, Sangli, Maharashtra-416416
Satara(Maharashtra)	117 / A / 3 / 22, Shukrawar Peth, Sargam , Apartment, Satara, Maharashtra, 415002
Seerampur(West Bengal)	47/5/1, Raja Rammohan Roy Sarani PO. Mallickpara, Dist. Hoogly, Seerampur, Westbanganal, 712203
Shahjahanpur(Uttarpradesh)	Bijlipura, Near Old Distt Hospital, Jail Road , Shahjahanpur Uttarpradesh-242001
Shillong(Meghalaya)	3rd Floor RPG Complex, Keating Road, Shillong, Meghalaya, 793001
Shimla(Himachal Pradesh)	I Floor, Opp. Panchayat Bhawan Main gate Bus stand, Shimla, Himachal Pradesh, 171001
Shimoga(Karnataka)	No.65 1st Floor Kishnappa Compound 1st Cross, Hosmane Extn, Shimoga, Karnataka, 577201
Sikar (Rajasthan)	CAMS, C/O Gopal Sharma & Company, Third Floor Sukhshine Complex, Near Geetanjali Book depot, Tapadia Bagichi, Sikar - 332001, Rajasthan
Silchar (Assam)	House No 18B , 1 st Floor , C/o Lt. Satyabrata Purkayastha Ambicapatty , Silchar 788004
Siliguri(West Bengal)	No.78, Haren Mukherjee Road, 1st Floor, Beside SBI Hakimpura, Siliguri-734001
Sirsa(Haryana)	M G Complex, Bhawna marg , Beside Over Bridge, Sirsa Haryana, 125055
Sitapur(Uttarpradesh)	Arya Nagar Near Arya Kanya School Sitapur Uttarpradesh-261001
Solan(Himachal Pradesh)	1st Floor, Above Sharma General Store, Near Sanki Rest house, The Mall, Solan, Himachal Pradesh 173212
Solapur(Maharashtra)	Flat No 109, 1st Floor A Wing, Kalyani Tower 126 Siddheshwar Peth, Near Pangal High School Solapur, Maharashtra, 413001
Sonepat (Haryana)	CAMS, SCO - 12, 1st Floor, Pawan Plaza, Atlas Road, Subhash Chowk, Sonepat - 131001, Haryana
Sri Ganganagar(Rajasthan)	18 L Block Sri Ganganagar, Rajasthan, 335001
Srikakulam(Andhra Pradesh)	Door No 4-4-96, First Floor. Vijaya Ganapathi Temple Back Side, Nanubala Street , Srikakulam, Andhra Pradesh 532001
Sultanpur(Uttarpradesh)	967, Civil Lines Near Pant Stadium Sultanpur Uttarpradesh-228001
Surat(Gujarat)	Shop No.G-5, International Commerce Center, Nr. Kadiwala School, Majura Gate, Ring Road, Surat-395002
Surendranagar(Gujarat)	2 M I Park, Near Commerce College, Wadhwan City, Surendranagar Gujarat 363035
Suri (West Bengal)	Police Line , Ramkrishna Pally , Suri , Birbhum 731101

Tambaram(Tamilnadu)	3rd Floor, B R Complex,No.66,Door No.11A,Ramakrishna Iyer Street,Opp.National Cinema Theatre,West Tambaram,Chennai-600045
Tezpur(Assam)	Kanak Tower -1st Floor Opp. IDBI Bank/ ICICI Bank C.K. Das Road, Tezpur Sonitpur, Assam - 784001
Thane(Maharashtra)	Dev Corpora,1st Floor,Office No.102,Cadbury Junction,Eastern Express Way,Thane-400601
Tinsukia(Assam)	CAMS Transaction Point, Bhowal Complex Ground Floor, Near Dena Bank, Rongagora Road PO / Dist - Tinsukia Assam PIN -786 125
Tirunelveli(Tamilnadu)	No.F4,Magnum Suraksaa Apatments,Tiruvananthapuram Road,Tirunelveli-627002
Tirupati(Andhra Pradesh)	Shop No : 6,Door No: 19-10-8,(Opp to Passport Office),AIR Bypass Road,Tirupati-517501,Andhra Pradesh
Tirupur(Tamilnadu)	1(1), Binny Compound,II Street,Kumaran Road,Tirupur,Tamilnadu,641601
Tiruvalla(Kerala)	1st Floor,Room No-61(63),International shopping Mall,Opp.ST Thomas Evangelical Church,Above Thomsan Bakery,Manjady,Thiruvalla-689105
Trichur(Kerala)	Room No. 26 & 27Dee Pee Plaza,Kokkalai,Trichur,Kerala,680001
Trichy(Tamilnadu)	No 8, I Floor, 8th Cross West Extn,Thillainagar,Trichy,Tamilnadu,620018
Trivandrum(Kerala)	TC No: 22/902, 1st - Floor "Blossom" Bldg, Opp.Nss Karayogam, Sasthamangalam Village P.O, Thiruvananthapuram, Trivandrum-695010
Tuticorin(Tamilnadu)	4B/A16, Mangal Mall Complex,Ground Floor,Mani Nagar,TuticorinTamilnadu628003
Udaipur(Rajasthan)	No.32,Ahinsapuri,Fatehpura Circle,Udaipur-313001
Ujjain(Madhyapradesh)	109, 1st Floor, Siddhi Vinayak Trade Center, , Shahid Park, Ujjain - 456010
Vadodara(Gujarat)	103 Aries Complex,Bpc Road, Off R.C.Dutt Road,Alkapuri,Vadodara,Gujarat,390007
Valsad(Gujarat)	3rd floor,Gita Nivas, opp Head Post Office,Halar Cross LaneValsad,Gujarat,396001
Vapi(Gujarat)	208, 2nd Floor HEENA ARCADE,Opp. Tirupati TowerNear G.I.D.C. Char Rasta,Vapi,Gujarat,396195
Varanasi(Uttarpradesh)	Office no 1, Second floor, Bhawani Market, Building No. D-58/2-A1, Rathyatra Beside Kuber Complex, Varanasi, Uttarpradesh-221010
Vasco(Parent Goa)(Goa)	No DU 8, Upper Ground Floor, Behind Techoclean Clinic, Suvidha Complex Near ICICI Bank,Vasco,Goa,403802
Vashi(Maharashtra)	BSEL Tech Park,B-505,Plot No.39/5 & 39/5A,Sector 30A,Opp.Vashi Railway StationmVashi,Navi Mumbai-400705
Vellore(Tamilnadu)	Door No. 86, BA Complex, 1st Floor, Shop No.3, Anna Salai (Officer Line), Tollgate, Vellore - 632 001

Vijayawada(Andhra Pradesh)	40-1-68, Rao & Ratnam Complex,Near Chennupati Petrol Pump,M.G Road, Labbipet,Vijayawada,AndhraPradesh,520010
Vijaynagaram (Andhra Pradesh)	Door No. 4-8-73, Beside Sub Post Office, Kothagraharam, Vizianagaram - 535001, Andhra Pradesh
Visakhapatnam (Andhra Pradesh)	Flat No GF2, D NO 47-3-2/2, Vigneswara Plaza, 5th Lane, Dwarakanagar, Visakhapatnam- 530 016
Warangal(Telangana)	Hno. 2-4-641, F-7, 1st Floor, A.B.K Mall, Old Bus Depot Road, Ramnagar, Hanamkonda, Warangal.Telangana- 506001
Yamuna Nagar(Haryana)	124-B/R, Model Town, Yamunanagar, Yamuna Nagar,Haryana - 135001
Yavatmal(Maharashtra)	Pushpam, Tilakwadi,Opp. Dr. Shrotri Hospital, Yavatmal, Maharashtra - 445001