

Franklin India ELSS Tax Saver

Fund Snapshot

Morningstar Category	India Fund ELSS (Tax Savings)
Fund Size (INR bn)	60
Inception Date	4/10/1999
Annual Report Net Expense Ratio	1.91
Morningstar Rating Overall	★★★
Manager Name	Multiple
Minimum Investment (INR)	500
Morningstar Analyst Rating	Neutral

Manager Biography & Fund Strategy

Anand Radhakrishnan, CIO-equities, and the portfolio manager of this fund since September 2021, resigned from the fund house in November 2023, with his last day on Jan. 12, 2024. Radhakrishnan, a veteran at the fund house and a seasoned manager, had built a commendable track record. The fund would now be managed by R. Janakiraman, and comanager Rajasa K. Janakiraman is also a veteran at Franklin Templeton, having been a part of it since May 2007. He is a seasoned manager, analyst, and an in-house mid- and small-cap specialist. Hence, he has also been appointed as the new CIO-equities. He is well ingrained in Franklin's thought process and investment style.

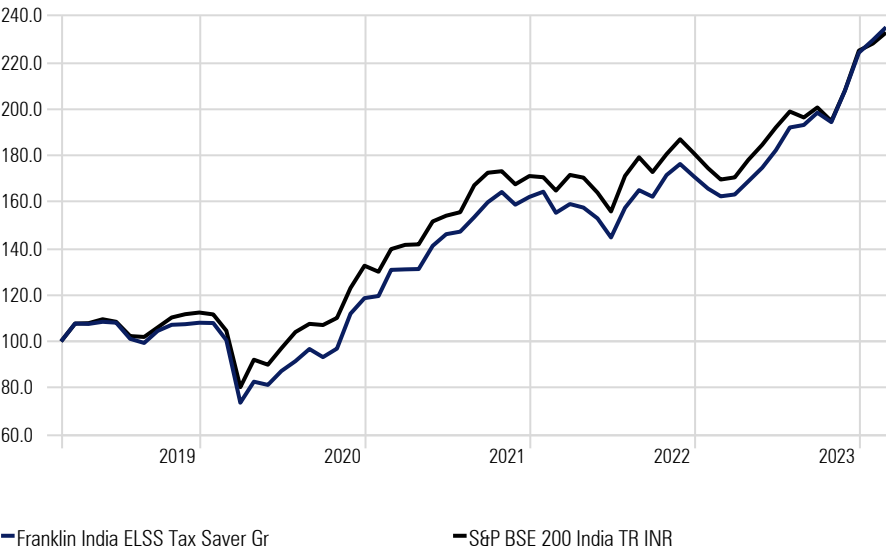
The investment process continues to be research-intensive in nature. Managers and analysts jointly draw up the investment universe. Analysts gauge companies using discounted cash flow models and parameters such as return on equity, price/book value, and P/E. Sector-based model portfolios created by analysts are compiled by the research head to create market-cap-based model portfolios that serve as guides to the portfolio managers. For this fund, the multi-cap model portfolio is the starting point for the manager and becomes the basis for portfolio construction. R. Janakiraman seeks companies with clean balance sheets and steady businesses with sustainable competitive advantages that can generate healthy ROEs and returns on capital employed. A rather contrarian streak is also perceptible in the manager's stock picks. Janakiraman will pare/exit positions he believes are expensive. That said, the strategy is not without risks. A valuation-conscious approach and the manager's inability to play momentum will hold the fund back during speculative or bull markets. The fund had struggled in the past because of a few investment calls that would have been best avoided. However, the process has been sharpened since then to reduce the number of such instances. Measures have been taken to hone the security-selection criteria to avoid investment mistakes.

The strategy is not centered around the manager but follows a well-defined structure backed by a proven research framework. The fund's portfolio largely remains stable in terms of the allocation, nature, style, and diversification. Both large and mid/small-cap stocks form part of the portfolio, with over 70% allocation to large caps. While constructing the portfolio, R. Janakiraman selects stocks using a bottom-up approach with a top-down overlay. This, coupled with his penchant for contrarian bets, often results in a portfolio that is dissimilar to that of the typical peer.

Source: Morningstar Direct

Investment Growth

Time Period: 3/1/2019 to 2/29/2024



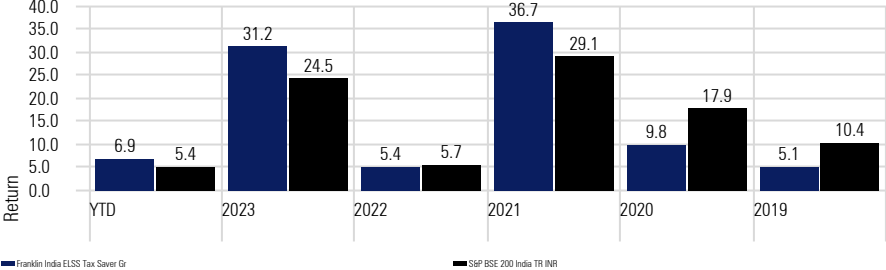
Trailing Returns

Data Point: Return

	YTD	1 Year	3 Years	5 Years	10 Years
Franklin India ELSS Tax Saver Gr	6.86	44.44	21.22	18.47	17.17
S&P BSE 200 India TR INR	5.36	36.39	18.13	18.24	16.32

Calendar Year Returns

Calculation Benchmark: S&P BSE 200 India TR INR



Top Holdings

Portfolio Date: 1/31/2024

	Equity Style Box	Position Market Value (mil)	Portfolio Weighting %
ICICI Bank Ltd		4,729.49	7.84
HDFC Bank Ltd		3,802.63	6.30
Larsen & Toubro Ltd		3,479.75	5.77
Infosys Ltd		3,461.32	5.74
Bharti Airtel Ltd		3,160.89	5.24
Axis Bank Ltd		2,776.15	4.60
HCL Technologies Ltd		2,349.82	3.90
State Bank of India		1,921.50	3.19
NTPC Ltd		1,835.79	3.04
United Spirits Ltd		1,798.09	2.98

Equity Sectors

Portfolio Date: 1/31/2024

