

Supreme Court transfers Franklin Templeton cases to Karnataka HC

The Supreme Court (SC) on Friday directed that cases relating to Franklin Templeton Mutual Fund (FT MF) winding up schemes filed in three high courts (HCs), be heard in the Karnataka HC. It did not intervene in Gujarat HC's stay order on the e-voting process.

FT MF had approached the SC asking it to vacate the stay on the unitholders' e-voting, which came into force following the Gujarat HC's order. The Gujarat HC had granted the stay till a forensic audit of FT MF's schemes by the Securities and Exchange Board of India (Sebi) was made public. "The SC has ordered that all the cases

may be heard in Karnataka HC. This includes the letter patent appeal (LPA) filed by Sebi," said Paritosh Gupta of Gupta Law Associates, counsel for petitioners, Areez and Persis Khambatta (part of the Rasna business family). Following the stay order, Sebi had filed an LPA in Gujarat HC, which is an appeal filed to refer the order of a single judge Bench to a larger Bench in the same court.

As the matter is being heard at multiple HCs, the fund house had sought that they be heard in a single court through a transfer petition subject to the SC's approval.

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