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# CFMA: Over 10 MFs may go Franklin Templeton way

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URGING THE SUPREME Court to come to the rescue of people who had invested in now-closed Franklin Templeton schemes, investors' body CFMA on Saturday claimed more than 10 mutual funds (MFs) may otherwise go the same way creating an MF pandemic comparable to the US subprime crisis.

In a press release, CFMA (Chennai Financial Markets & Accountability) said the judiciary is the only hope for over three crore unitholders of various mutual fund schemes in the country, including those who had invested in Franklin Templeton schemes.

Without disclosing the source of its information to back up its claim, CFMA said it has learned that more than 10 other MFs want to put their losses on unitholders' heads and are only waiting for the Supreme Court verdict. The apex court is hearing pleas, including one filed by Franklin Templeton against a Karnataka High Court order that stopped the fund house from winding up its debt fund schemes without the prior consent of the investors.

Franklin Templeton MF had announced closure of six debt schemes on April 23, 2020, citing redemption pressure and lack of liquidity in the bond market. Capital market regulator Sebi had subsequently asked the fund house on multiple occasions to focus on repaying the investors at the earliest.