

● **STRICT STEP**

Sebi bars Franklin from offering debt funds for two years

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MARKETS REGULATOR SEBI on Monday barred Franklin Templeton from offering new debt funds for two years, following a probe into the asset management company's shutting of six funds last year.

Franklin would also have to refund management and advisory fees collected for the funds between June 2018 and April 2020, according to an order by the Securities and Exchange Board of India. The regulator also imposed a monetary penalty of ₹5 crore (\$686,530) to be paid to the government.

Franklin Templeton wound up \$4.1 billion of Indian debt funds after a liquidity crisis compelled the firm to freeze investor withdrawals. The decision then marked the biggest-ever forced closure of Indian funds and fuelled worries of a renewed wave of withdrawals from similar products.

The regulator separately barred Franklin's Vivek Kudva, and Roopa Kudva from accessing the securities market for a period of one year, besides imposing a combined penalty of ₹7 crore. —BLOOMBERG



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■ Franklin would have to refund management and advisory fees collected for the funds between June 2018 and April 2020

■ The markets regulator also imposed a penalty of ₹5 cr to be paid to the government for violating regulatory norms

■ Sebi separately barred Franklin's Vivek Kudva, and Roopa Kudva from accessing the securities market for a period of one year