

HC stays Franklin's e-voting process

Jayshree P Upadhyay &

Neil Borate

MUMBAI

Within a span of one week, Franklin Templeton India is battling a second court case, with the Gujarat high court staying the winding-up exercise undertaken by the asset manager for its six debt schemes.

In a plea filed by promoters of the soft drink brand Rasna Pvt. Ltd against Franklin alleging that the winding-up of six debt schemes was illegal, the Gujarat high court stayed the e-voting process. The stay puts the winding down process in a limbo till 12 June, when the matter will be heard next.

"By way of ad-interim relief,

the operation and implementation of the notice dated 28.05.2020 regarding e-voting and unit-holder's meeting sent through email by respondent no.3 herein shall remain stayed," said the court order.

On 28 May, Franklin had issued e-voting notices to the 300,000 investors of its six debt funds, seeking authorization to monetize the underlying securities set aside. The voting was to occur between 9 and 12 June.

"We're examining the matter and will take appropriate steps as may be required. We continue to follow due process, both in making investment decisions and in the winding up of these schemes," said a Franklin Templeton India spokesperson.

jayshree.pyasi@livemint.com

The stay by the Gujarat high court puts the winding-down process in a limbo till 12 June, when the matter will be heard next