

Observer to oversee Franklin MF e-vote: SC

COGENCIS
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The Supreme Court today asked Franklin Templeton Trustee Services to give in a sealed cover the results of the voting by unitholders of six schemes that were closed down.

An apex court bench comprising Justice S. Abdul Nazeer and Sanjiv Khanna also asked the Securities and Exchange Board of India to appoint an observer for the voting, which is scheduled for Dec 26-28.

The court also asked market regulator to submit in a sealed cover the final report of its forensic audit on Franklin Templeton.

The court clarified that orders passed in this case would not be considered a precedent, after Solicitor General Tushar Mehta submitted that certain rules of SEBI were yet to be settled

The Supreme Court has also asked Sebi to submit in a sealed cover the final report of forensic audit of Franklin Templeton

and, therefore, the case should not be treated as a binding precedent.

The court, which extended the stay on redemptions from the closed schemes till further orders, will hear the case again in January.

The Supreme Court is hearing a petition by Franklin Templeton against a Karnataka High Court order that the decision to wind down six debt schemes of the mutual fund in April required a simple majority consent from unitholders.