



# FRANKLIN TEMPLETON

## Franklin Templeton Mutual Fund

Indiabulls Finance Center, Tower 2, 12th and 13th Floor, Senapati Bapat Marg,  
Elphinstone Road (West), Mumbai 400013

### NOTICE FOR E-VOTING AND UNITHOLDERS MEET

- Name of the Scheme** : **Franklin India Credit Risk Fund**
- Date of E-Voting** : **From 9am on June 9 to 6pm on June 11, 2020 and during the VC Meeting hours**
- Date of Unitholders Meeting** : **June 12, 2020 (12:00 noon to 1:00 pm)**
- Place of Meeting** : **Video conference, unitholders can attend from their place**

This is with reference to the notice published on April 24, 2020 announcing that Franklin Templeton Trustee Services Private Limited (**Trustee**), as the trustee of Franklin Templeton Mutual Fund, has decided to wind up six Schemes of the Mutual Fund including **Franklin India Credit Risk Fund (Scheme)**, pursuant to regulation 39(2)(a) of the SEBI (Mutual Funds) Regulations, 1996 (**Mutual Funds Regulations**).

Pursuant to Regulation 41(1) of the Mutual Funds Regulations, the approval of unitholders by simple majority of votes cast is sought for authorising the Trustee or DELOITTE TOUCHE TOHMATSU INDIA LLP (**Deloitte**) in the alternative as described below (i.e., either Option 1 or Option 2), to take further steps for winding up of the Scheme.

Kotak Mahindra Bank (**Kotak**) shall be assisting the Trustees (under option 1) and/or the AMC (under option 2) and providing independent advice, wherever required, in liquidation of assets.

The directors of the Trustee and Franklin Templeton Asset Management (India) Private Limited (**AMC**), respectively, who hold units in the Scheme, have decided to abstain from the unitholder vote.

#### **Authorization**

The unitholders are first requested to choose whether they approve an authorization for the Trustee or Deloitte in the alternative as described below (i.e., either Option 1 or Option 2), to take further steps for winding up of the Scheme (**Authorization**).

**If a unitholder approves Authorization by voting 'Yes' to the Authorization, then such unitholder will be requested to make their selection between Option 1 and Option 2. On the other hand, if a unitholder votes 'No' to the Authorization, then such unitholder will not be**

**required or entitled to choose between Option 1 and Option 2 and consequently the selection between Option 1 and Option 2 will get deactivated.**

If a simple majority of unitholders voting approves the Authorization by voting ‘Yes’ to the Authorization, then as between Option 1 and Option 2, the option that receives a simple majority of ‘Yes’ votes as compared to the ‘Yes’ votes cast for the other option will be considered as the resolution passed by the unitholders.

**If a simple majority of unitholders voting rejects the Authorization by voting ‘No’ to the Authorization, then the Trustee will be required to propose other options to unitholders, seeking their authorization by way of a subsequent voting exercise, which may result in delay in monetizing the Scheme assets and distributions to the unitholders.** Although the decision on how to vote vests with the unitholders, the Trustee advises unitholders to vote ‘Yes’ to the Authorization as a rejection of such Authorization may result in delays as described above. **Please note that voting ‘No’ to the Authorization will not change the winding-up status of the Scheme.**

**The Trustee believes that both Deloitte and Kotak have strong capabilities to discharge their respective roles. Unitholders will have the advantage of professional services from Deloitte and Kotak (as an agent and advisor to the AMC and providing independent advice, wherever required) in option 2. The Trustee is equally supportive of both options.**

### **Option 1**

This resolution is for **authorizing the Trustee to take further steps for implementing the winding up of the Scheme** by disposing the assets of the Scheme in the interest of the unitholders including liquidation of assets and distribution of proceeds to unitholders after payment of liabilities and expenses in accordance with Regulation 41(2). The Trustee will monetize the assets with the assistance of the **AMC and Kotak** as an agent of the Trustees and also providing independent advice to it, whenever required.

**Both the AMC and Kotak have decided not to charge any investment management and consultancy fees to the Scheme.** The fees payable to Kotak will be borne by the AMC.

### **Option 2**

This is an alternative resolution for unitholders who do not wish to authorize the Trustee to take further steps for disposing the assets of the Scheme and instead **wish to appoint DELOITTE TOUCHE TOHMATSU INDIA LLP (Deloitte) for this purpose.** In that case, the Trustee’s role will be restricted to distribution of proceeds to unitholders after payment of liabilities and expenses in accordance with Regulation 41(2) and the Trustee will not be responsible for disposal or realisation of Scheme assets.

**Deloitte will be responsible to carry out the liquidation process with the assistance of the AMC (Kotak will be an agent of the AMC providing independent advice and assistance, wherever required).** The Trustee will continue to act in its capacity as the trustee of the Mutual Fund and its schemes, including the Scheme being wound-up. However, the Trustee will restrict its role in the winding up process of the Scheme to discharging such obligations, including reporting requirements, as are placed on the trustee of a scheme which is wound up by a person authorised by the unitholders under Regulation 41(1) of the Mutual Funds Regulations, in compliance with the Mutual Fund Regulations.

**The AMC, and Kotak have decided not to charge any investment management and consultancy fees to the Scheme. The fees payable to Deloitte and Kotak will be borne by the AMC. In the event that such fees cannot be paid by the AMC for any reason (including at the direction or advise of SEBI), all such fees shall be payable in accordance with Regulation 41(2)(b) of the Mutual Funds Regulations.**

Due to prevailing restrictions on travel and gatherings on account of the COVID-19 pandemic, approval to the above options is being obtained through electronic means.

Accordingly, pursuant to Regulation 41(1) of the Mutual Funds Regulations, **NOTICE** is hereby given that:

- the facility of electronic voting will be made available to unitholders for the period from Tuesday, June 9, 2020 at 9 am until Thursday, June 11, 2020 at 6 pm through the e-voting mechanism set forth in the Notes and the Annexure below; and
- a meeting of unitholders of the Scheme will be held on Friday, June 12, 2020 from 12:00 noon to 1:00 pm, through video conferencing, accompanied by the facility of electronic voting on the same day from 12 noon until 1:00 pm through the same mechanism as set forth in the Notes and the Annexure below,

in order to obtain approval by a simple majority of votes cast by unitholders voting through electronic means for the following resolutions:

### **Approval for Authorization**

*“RESOLVED THAT pursuant to regulation 41(1) and the winding-up notice issued under regulation 39(2) (a) of the SEBI (Mutual Funds) Regulations 1996 (Mutual Funds Regulations), the authorization of either Trustee or Deloitte in the alternative to take further steps for winding up of the Scheme as described below in Option 1 or Option 2 is hereby approved.”*

### **Option 1**

#### **Resolution to authorize the Trustee to take steps for implementation of winding up of the Scheme with the assistance of Franklin Templeton Asset Management (India) Private Limited and Kotak as independent advisor to the Trustee**

*“RESOLVED THAT pursuant to regulation 41(1) and the winding-up notice issued under regulation 39(2) (a) of the SEBI (Mutual Funds) Regulation 1996 (**Mutual Funds Regulations**), the Trustee of Franklin Templeton Mutual Fund, viz., Franklin Templeton Trustee Services Private Limited, with the assistance of Franklin Templeton Asset Management (India) Private Limited and Kotak Mahindra Bank as an agent of the Trustees ( providing independent advice, wherever required)and any other person appointed by them, be and are hereby authorised to take steps to wind-up the Franklin India Credit Risk Fund, including monetization of the assets of the Scheme and distribution of proceeds to unitholders after payment of liabilities and expenses in accordance with Regulation 41(2), Mutual Funds Regulations.”*

**OR**

### **Option 2**

#### **Resolution to authorize Deloitte Touche Tohmatsu India LLP (Deloitte) instead of the Trustee to take steps for liquidating/monetizing the assets of the Scheme**

*“RESOLVED THAT pursuant to Regulation 39(2)(a) and Regulation 41 of the SEBI (Mutual Funds) Regulations, 1996 and other applicable provisions, if any, of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and other applicable SEBI Rules or Regulations made thereunder (including any amendment(s), statutory modification(s) or any re-enactments thereof) and the notice published on April 24, 2020 issued and published by Franklin Templeton Trustee Services Private Limited (“Trustee”) declaring that the Trustee has decided to wind up certain schemes of Franklin Templeton Mutual Fund (including Franklin India Credit Risk Fund (the “Scheme”)), and subject to the directions or advice from the Securities and Exchange Board of India and further subject to such terms and conditions or modifications as may be prescribed or imposed by SEBI, consent and approval of the unitholders be and is hereby granted to authorize and appoint Deloitte Touche Tohmatsu India LLP (“Deloitte”) to take steps for winding up of the Scheme with the cooperation of the Trustee, including disposing of the assets of the Scheme in terms of the scope outlined at Annexure B for distribution of proceeds to unitholders of the Scheme after payment of liabilities and expenses in accordance with Regulation 41(2) of the SEBI (Mutual Funds) Regulations, 1996 (“Mutual Funds Regulations”), with the assistance of the AMC, i.e. Franklin Templeton Asset Management (India) Private Limited (together with Kotak Mahindra Bank as an agent to the AMC providing independent advice, wherever required) and such other advisors as necessary to carry out the winding-up process in the best interest of unitholders.”*

By order of the Board of **Franklin Templeton Trustee Services Pvt. Ltd**

Alok Sethi

Director (DIN: 00277481)

Date : May 28, 2020

## NOTES:

### A. Approval for Authorization

**The unitholders are first requested to choose whether they approve an authorization for the Trustee or Deloitte in the alternative as described below, to take further steps for winding up of the Scheme. If a unitholder approves Authorization by voting ‘Yes’ to the Authorization, then such unitholder will be requested to make their selection between Option 1 and Option 2. On the other hand, if a unitholder votes ‘No’ to the Authorization, then such unitholder will not be required or entitled to choose between Option 1 and Option 2 and consequently the selection between Option 1 and Option 2 will get deactivated.**

**If a simple majority of unitholders voting approves the Authorization, by voting ‘Yes’ to the Authorization, then as between Option 1 and Option 2, the option that receives a simple majority of ‘Yes’ votes as compared to the ‘Yes’ votes cast for the other option will be considered as the resolution passed by the unitholders.**

**If a simple majority of unitholders voting rejects the Authorization by voting ‘No’ to the Authorization, then the Trustee will be required to propose other options to the unitholders, seeking their authorization by way of a subsequent voting exercise, which may result in delay in monetizing the Scheme assets and distributions to the unitholders. Although the decision on how to vote vests with the unitholders, the Trustee advises unitholders to vote ‘Yes’ to the Authorization as a rejection of such Authorization may result in delays as described above. **Please note that voting ‘No’ to the Authorization will not change the winding-up status of the Scheme.****

### B. Option 1

Features of option 1

1. Pending authorization from the unitholders, as desired by the Trustee and advised by SEBI, Kotak has been appointed to assist and advise the Trustee and AMC in the monetization of assets. Subject to the authorization of Trustee under Regulation 41(1), Mutual Funds Regulations, the Trustee proposes to continue availing the service of Kotak. Kotak will assist with monetization/disposal of portfolio assets of the Scheme and when required for this purpose, Kotak will act as an agent (for the limited purpose under section 6 of Banking Regulation Act, 1949) and provide independent advice and assistance to the Trustee and AMC through the entire process of winding-up. Kotak will provide its services in terms of the engagement letter dated May 18, 2020. Any fees payable to Kotak will not be charged to the Scheme and will be borne by the AMC.

2. **Please refer annexure A for a brief write up on the credentials of Kotak Mahindra Bank.**
3. The AMC shall not charge fees and investment / advisory fees for the services rendered by them for the winding-up. Recurring expenses including winding-up expenses will be charged to the Scheme as permitted under regulation 52(4) (b) and regulation 41 of the Mutual Funds Regulations. The maximum expenditure charged towards winding-up will not exceed the TER of the Scheme mentioned in the offer documents.
4. It is the endeavor of the Trustee to liquidate the assets of the Scheme in an orderly manner at the earliest and with a view to maximizing value, in the best interest of the unitholders.

### **C. Option 2**

#### Features of Option 2

5. If the unitholders opt for option 2, the liquidation of Scheme assets will be carried out by Deloitte instead of the Trustee. The AMC will provide its services to Deloitte and will also take the advice and assistance of Kotak while providing assistance to Deloitte. The AMC will pay the fee payable to Deloitte and Kotak for the services rendered by them. Recurring expenses including winding-up expenses (including cost of advisors appointed by Deloitte to assist with the liquidation process) will be charged to the Scheme as permitted under Regulation 52(4)(b) and Regulation 41 of the Mutual Funds Regulations. The maximum expenditure charged towards winding-up is not expected to exceed the TER of the Scheme mentioned in the offer documents.

The Trustee will continue to act in its capacity as the trustee of the Mutual Fund and its schemes, including the schemes under wind-up. However, the Trustee will restrict its role in the winding up process to disbursement of sale proceeds in compliance with regulation 41(2) (b) of the Mutual Funds Regulation and will not be responsible for realization of Scheme assets.

**Please refer annexure B for a brief write up on the credentials of Deloitte and their scope of work.**

### **D. Other Matters**

6. The value of the investment will be disclosed on a daily basis in the form of NAV.
7. Due to prevailing restrictions on travel and gatherings on account of the COVID-19 pandemic, the approval of unitholders is being obtained through electronic means.

8. The electronic voting / e-voting facility will be available at <https://evoting.karvy.com>. **The e-voting window will open on Tuesday, June 9, 2020 at 9 am and will close on Thursday, June 11, 2020 at 6 pm.** The e-voting facility offered by M/s. KFin Technologies Pvt. Ltd. will be made available for this purpose. The user ID and password for accessing the e-voting facility will be communicated by M/s. KFin Technologies Pvt. Ltd. directly to the unitholders at their registered email addresses. Unitholders, who have not registered their email addresses so far, may register their email addresses at any time until June 8, 2020 by visiting <https://www.franklintempletonindia.com/investor/credit-fund-voting-rights>. Votes once cast through remote e-voting cannot be altered. The procedure for and instructions relating to e-voting are set forth in the Annexure C below.
9. **A meeting through video-conferencing facility will be organized on Friday, June 12, 2020 from 12:00 noon to 1:00 pm** wherein we would endeavour to enable participation of unitholders on a 'first-come-first-serve' basis. Subject to the IT infrastructure, we hope to provide access to at least 2000 unitholders. **Unitholders are requested to pre-submit their question, if any to [unitholdermeet@franklintempleton.com](mailto:unitholdermeet@franklintempleton.com) on or before June 8, 2020** to conduct the meeting in an orderly manner. The procedure for and instructions relating to participation through videoconferencing are set forth in the Annexure C.
10. **The e-voting facility will also be made available on the day of the meeting from 12:00 noon until 1:00 pm.** Unitholders, who are present in the meeting but have not yet exercised their vote through e-voting prior to the meeting, may vote during the meeting. The unitholders who have already exercised their right to vote through e-voting may attend the meeting but will not be entitled to vote again or change their vote.
11. Unitholders whose names appear in the register of unitholders, as at the close of business hours on April 23, 2020 i.e. after giving effect to all the transaction carried out on the last business (April 23, 2020) and reconciliation of open transactions in the Scheme account, shall be entitled to vote on the resolution.
12. Non-individual / corporate unitholders are required to send a duly certified copy of the board resolution / power of attorney authorizing their representative(s) to vote on their behalf to [anjana.potti@jsalaw.com](mailto:anjana.potti@jsalaw.com). They may also upload the same in the e-voting module in their login.
13. The Trustee have appointed **J. Sagar Associates**, a reputed law firm, as the scrutinizer to monitor the e-voting process. The scrutinizer shall submit its report to the Trustee or any person authorized by the Trustee. The Trustee or such authorized person will, thereupon, declare the voting results.
14. For any queries or clarifications regarding the process for joining the meeting or e-voting facility, please contact us at [unitholdermeet@franklintempleton.com](mailto:unitholdermeet@franklintempleton.com).

## **Annexure A: Credentials of Kotak Mahindra Bank Ltd.**

### **About Kotak Mahindra Group**

Established in 1985, Kotak Mahindra Group is one of India's leading financial services conglomerates. In February 2003, Kotak Mahindra Finance Ltd. (KMFL), the Group's flagship company, received banking license from the Reserve Bank of India (RBI), becoming the first non-banking finance company in India to convert into a bank - Kotak Mahindra Bank Ltd (KMBL).

Kotak Mahindra Group (Group) offers a wide range of financial services that encompass every sphere of life. From commercial banking, to stock broking, mutual funds, life and general insurance and investment banking, the Group caters to the diverse financial needs of individuals and the corporate sector. The premise of Kotak Mahindra Group's business model is *concentrated India, diversified financial services*. The bold vision that underscores the Group's growth is an inclusive one, with a host of products and services designed to address the needs of the unbanked and insufficiently banked.

Kotak Mahindra Group has a global presence through its subsidiaries in UK, USA, Gulf Region, Singapore and Mauritius with offices in London, New York, California, Abu Dhabi, Mauritius and Singapore respectively. As on 31<sup>st</sup> March, 2020, Kotak Mahindra Bank Ltd has a national footprint of 1,600 branches and 2,519 ATMs, and branches in GIFT City and DIFC (Dubai).

For more information, please visit the Company's website at <http://www.kotak.com>

### **About the Debt Capital Markets team in Kotak Mahindra Bank Limited**

The Debt Capital Markets (DCM) team at Kotak Mahindra Bank Limited (KMBL) is one of most prominent DCM desks in the country and has been active in the debt markets for over 25 years.

Kotak DCM team, has comprehensive experience across the entire product suite of fixed income assets, from vanilla liquid bonds, credit bonds, acquisition finance, promoter financing, holdco financing, structured solutions for NBFCs across pools, credit enhanced structures, project loans, corporate loans, lease rental discounting loans, annuity & toll based infrastructure bonds, financing solutions for REITs & InvITs, construction finance loans, external commercial borrowings and Dollar bonds. The product team is supported by a strong and experienced institutional sales team with extensive coverage across Mutual Funds, Insurance companies, domestic & foreign banks, NBFCs, Foreign Portfolio Investors (FPIs), Pension & Provident funds, Family offices, Wealth Management teams, corporates and strategic high yield funds.

Over the last 4 years, the Kotak DCM team has placed a cumulative debt of over Rs. 600 bn across the entire product suite and has been actively involved in various marquee transactions in the DCM space. In the recent past Kotak DCM has been:

- Bankers to the first bond issuance by a REIT in India
- Bankers to the first bond issuance of an InvIT of toll road receivables
- Bankers to some of the largest acquisition transactions that entailed advise on optimum capital structures and innovative fund raise advice and placement, domestic as well as offshore



- Bankers to Corporates & NBFCs over the years with fund raising across asset classes including vanilla loans/bonds, Structured Debt, Securitisation, acquisition finance, Dollar Bonds, ECBs, fund raise under the Partial Corporate Guarantee scheme etc.

The team has won various awards over the last few years including:

- Best deal under the ‘Acquisition Finance’ category in the ‘Asset Triple A Awards’ in 2018
- Asian Loan of the Year in ‘The Banker – Deals of the Year Awards’ in 2017
- Best Country Deal (India) in ‘Global Capital Asia Awards – 2016’
- Best Project Financing in ‘Global Capital Asia Awards – 2015’
- Best Bond Deal in the ‘IJGlobal Awards – 2015’

The Kotak DCM team is part of the Wholesale Banking Group (WBG) of KMBL and is headed by Ms. Sujata Guhathakurta. She is assisted by a team of senior bankers, who between them, have extensive experience across the DCM, Treasury, Structured Products, Project Finance and Corporate Banking space and enjoy a deep relationship with Corporates as well as Investors.

### **Key Leadership team for the transaction**

- **KVS Manian (Whole Time Director – Corporate, Institutional & Investment Banking, Wealth Management)** – KVS Manian heads the Wholesale Banking business and Wealth Management and has oversight responsibility of the Investment Bank and Institutional Equities businesses in the Group. He is also part of the Bank’s Group Management Council that drives and oversees the firm’s growth charter. Manian has had an illustrious career of over 35 years including the last 25 with the Kotak Mahindra Group where he has been instrumental in setting up and growing many business divisions into success stories.
- **Paritosh Kashyap (President, Head – Corporate Real Estate, Banking & Financial Institutions Group, Debt Capital Markets)** – Paritosh heads the real estate, structured finance, BFIG & DCM verticals of the Kotak Group. He is also a Director on the board of KMIL and has oversight responsibilities for the infrastructure debt fund (IDF) run by the Kotak Group. He has an experience of over two decades in the financial services space and has spent over 25 years in various businesses of Kotak Mahindra Group.
- **Sujata Guhathakurta (President, Debt Capital Markets)** – Sujata heads the DCM team of KMBL and is a part of the Kotak Leadership team. She has over 25 years of work experience, with the Kotak Group, spanning across the entire Fixed Income universe, which includes trading, origination, structuring & placement of all Fixed Income Products including bonds, loans & structured products. She is also on the board of the Kotak – IDF.

## **Annexure B: Deloitte Scope of Work and Notes to Option 2**

### **DELOITTE SCOPE OF SERVICES**

1. Deloitte will be authorized by the unitholders to carry out the winding up process of the Scheme under Regulation 41(1) of the Mutual Fund regulations.

2. Included within the scope of services of Deloitte as a party independent of Trustee and AMC, will be to:
  - Undertake, supervise and authorize the orderly monetization of the Scheme assets with the assistance of the AMC (which may seek advice of Kotak) and the co-operation of the Trustee in the interest of the unitholders and in accordance with SEBI Regulations;
  - Ensure communication with unitholders throughout the scheme's winding up process;
  - Supervise and ensure the distribution of all net proceeds, after deduction of any and all liabilities and expenses, to unitholders through the Trustees.
3. Deloitte will require co-operation from the Trustee and assistance from the AMC (which may seek advice of Kotak), in order to leverage their intimate knowledge and understanding of the underlying investment portfolio throughout the winding up process of the Scheme and to compliment Deloitte's own capabilities, expertise and experience (both locally and globally through member firms) in effecting such winding up through asset monetization.
4. Deloitte expects that the Trustee will co-operate with Deloitte and the AMC (which may seek advice of Kotak) will provide its assistance in relation to the implementation of winding up of schemes, including disposal of the assets of the scheme, running a process of disposal of the assets, realisation of proceeds of sale and subsequent distribution to the unit holders, consistent with the SEBI Mutual Funds Regulations.
5. Deloitte may appoint professionals, consultants, legal/other advisors as in order to discharge of its duties, obligations and functions in the best interests of unitholders. Recurring expenses including winding-up expenses (including fee payable to Deloitte, cost of professionals, consultants and legal/other advisors appointed by Deloitte to assist with the liquidation process) will be charged to the Scheme as permitted under Regulation 52(4)(b) and Regulation 41 of the Mutual Funds Regulations. However, the AMC will pay the fee payable to Deloitte directly.

### **Monetization of the Scheme Assets**

6. Deloitte will seek to ensure that the monetization of the Scheme's investments is undertaken in the best interests of unitholders in accordance with Regulation 41(2)(a) of the SEBI Mutual Funds Regulations.

### **Coordinating with the Trustee for Regulatory Compliance**

7. Deloitte will maintain, with co-operation from the Trustees and with the assistance of the AMC (which may seek advice of Kotak), ongoing communication with SEBI with respect to the realization monetization or scheme assets and distribution of proceeds after meeting liabilities and expenses, including updates and information in this regard as and when requested by them.

## **Communication with Unitholders**

8. Upon appointment Deloitte will assess, generate and implement a communication strategy to proactively engage to unitholders.
9. Deloitte will periodically report to unit holders by adopting an identified communication platform to communicate with the unit holders as to progress of monetization of scheme assets both giving full visibility to unitholders as to the progress of the Scheme's winding up, save where such disclosure would prejudice the interests of unit holders.

## **Distribution to Unitholders**

10. In accordance with Regulation 41(2)(b) of the SEBI (Mutual Fund) Regulation, 1996, the proceeds from the monetization of the Scheme's investments are required to be first utilized towards discharge of such liabilities as are due and payable under the Scheme.
11. After making appropriate provision for meeting the expenses connected with such winding up, the balance will be paid to the unitholders in proportion to their respective interest in the assets of the Scheme as on the date when the decision for winding up was taken.
12. Wherever possible, the Trustees and Deloitte will seek to make interim distributions to unitholders, in compliance with the SEBI Mutual Funds Regulations and any directions or advice issued by SEBI in this regard.

## **NOTES TO OPTION 2**

13. Deloitte has confirmed that they have no potential conflict in terms of investments or financial exposure to the Scheme, the Trustee and the AMC.
14. If the unitholders opt for option 2, the winding up of the Scheme assets will be carried out by Deloitte, with the co-operation of Trustee and support and assistance of the AMC (together with Kotak Mahindra Bank as an agent and advisor to the AMC).
15. Deloitte will provide its services as independent person appointed under Mutual Fund regulations and shall draw upon the expertise of the AMC (which may seek advice of Kotak) to the extent required in the best interest of the unitholders.
16. In addition to the above, considering that the fixed income team of the AMC has thorough knowledge of and valuable experience in dealing with the investments made by them for the Scheme, Deloitte will have the benefit of their services (the AMC team may seek advice of Kotak), which will be in the best interest of the unitholders. The AMC shall not charge fees and investment / advisory fees for the services rendered by them for the winding-up.
17. The fees payable to Deloitte will be paid by the AMC as per the terms of engagement agreed among Deloitte and the Trustee. In the event that such fees cannot be paid by the AMC for

any reason (including at the direction or advise of SEBI), all such fees shall be payable in accordance with Regulation 41(2)(b) of the Mutual Funds Regulations.

18. Upon being authorized by the unitholders in terms of Regulation 41(1) of the Mutual Fund Regulations, Deloitte shall act as an independent person and shall monetize the assets of the Scheme in an orderly manner, with a view to optimizing value, in the best interest of the unitholders.

### **Deloitte Capability & Experience**

19. Deloitte is a preeminent professional services firm for liquidation, resolution, restructuring and debt advisory in India with a dedicated Restructuring and Corporate Finance team consisting of over 40 senior professionals (Partners, Directors and Senior Advisors) who are specialists and experts in these fields.
20. Deloitte in India has handled assignments involving stressed debt of over USD 60 billion (INR 450,000 crores) over the last three years, with successful deal closures of USD 20 billion (INR 150,000 crores over 30+ deals) in the same period.
21. Deloitte's financial advisory team in India has more than 20 dedicated debt advisory professionals, including some members who have served for over 40 years in senior positions at large and reputed PSU banks, with over 250 man-years of experience between them.
22. Deloitte has strong experience in handling liquidation and winding-up in large and complex cases such as:
  - Aditya Birla Payments Bank (first voluntary liquidation of a payments bank outside IBC)
  - Lanco Infratech (complex assignment with company having 100+ subsidiaries)
  - Maadurga Thermal Power
  - Bharti Defence and Infrastructure Limited (earlier known as Bharti Shipyard)
23. Some marquee projects handled by the team include:
  - **Resolution Process Advisory - Bhushan Steel** (debt USD 8 billion)
  - **Acquisition Advisory - Essar Steel** (deal size USD 6 billion)
  - **Resolution Process Advisory - Binani Cement** (debt USD 1 billion)
  - **Resolution Process Advisory - Aircel group** (debt USD 3 billion)
  - **Restructuring Advisory - Reliance Commercial Finance** (debt USD 2 billion)
  - **Resolution Process Advisory - Reliance Communications** (debt USD 8 billion)
  - **Stressed assets Portfolio Advisory - Power Finance Corporation** - - resolution strategy and monitoring

**Acquisition of REC shares by PFC**
24. Mr. Vijaykumar Iyer, Senior Partner, Deloitte Touche Tohmatsu India LLP would be designated as the Project Leader to coordinate the winding up of the Scheme by Deloitte, in compliance with Regulation 41(2) of the Mutual Funds Regulations.

25. Mr. Iyer has been with Deloitte for over 25 years, with 15+ years as an M&A specialist in the field of financial due diligence. He also has relevant liquidation experience of managing first of its kind liquidation processes such as:
- Aditya Birla Payments Bank (voluntary liquidation)
  - Bharti Defence and Infrastructure Limited (earlier known as Bharti Shipyard) (appointed by NCLT).
26. He has also achieved successful resolution in various complex projects such as:
- Bhushan Steel: First large resolution amongst the RBI 'list of 12'
  - Binani Cement: First large turnaround case under IBC which lead to a 100%+ realization by financial creditors
  - SPS Steel: Successful resolution of a rolling mill in Easter India.
  - Murli Industries: One of the initial cases to be admitted under IBC.
27. Rajesh Agarwal (Partner – Debt Advisory, Corporate Finance & Restructuring Services), would be responsible for managing the liquidation of the Scheme's investments. Rajesh has 27+ years of experience across project advisory, restructuring, structured finance, and fund raising, having dealt with debt syndication and restructure of over USD 20 billion (INR 150,000 crores)
28. The overall project would be led by Sumit Khanna (Partner & National Head – Corporate Finance & Restructuring Services), who has over 23 years of experience and has led the team that has worked on resolving stressed debt of USD 60 billion in the past three years and successfully closed M&A transactions worth USD 20 billion in the same period.
29. Uday Bhansali (President - Financial Advisory), is a member of Deloitte India's Executive Committee, and would provide senior oversight as also help leverage the extensive global experience of the firm in liquidation situations.
30. He has over 30 years of experience and plays a leadership and strategic role for Deloitte's Financial Advisory practice, particularly Corporate Finance & Restructuring, Transaction Due Diligence and Forensics.

### **Annexure C**

**The procedure for and instructions relating to E-Voting are set forth below (Remote E Voting):**

- a. Unitholder will receive an e-mail from M/s. KFin Technologies Private Limited
- b. Launch an internet browser and open <https://evoting.karvy.com/>
- c. Enter the login credentials i.e. User ID and password, provided in the email received from KFin Technologies Private Limited. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting your vote.

- d. After entering the above details click on - LOGIN
- e. Password change menu will appear. Change the password with a new password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$ etc.). The system will also prompt you to update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. After changing the password, you need to login again with the new credentials.
- f. On successful login, the system will prompt you to select the E-Voting Event.
- g. Select 'EVENT' of Franklin India Credit Risk Fund and click on - Submit.
- h. Now you are ready for e-voting as voting page opens.
- i. Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- j. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- k. Once you have confirmed your vote on the resolution, you cannot modify your vote.
- l. The Portal will remain open for voting from Tuesday, June 09, 2020 at 09:00 a.m. (IST) and will end on Thursday, June 11, 2020 at 06:00 p.m. (IST).
- m. Corporate / Institutional unitholders (that is, other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: [anjana.potti@jsalaw.com](mailto:anjana.potti@jsalaw.com). They may also upload the same in the e-voting module in their login.

**Instructions for Unitholders for e-Voting during the Meeting session:**

1. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for Remote e-voting.
2. Only those unitholders, who are present in the Meeting and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the Meeting.
3. The e-Voting window shall be activated upon instructions of the chairman during the Meeting proceedings. Unitholders shall vote as per the credentials displayed in the e-voting window.

**Instructions for the Unitholders for attending the meeting through Video Conference:**

- a. **Attending Meeting:** Unitholder will be provided with a facility to attend the Meeting through video conferencing platform provided by M/s KFin Technologies Private Limited. Unitholders may access the same at <https://evoting.karvy.com/> by clicking “eAGM- Video Conference & Streaming” and access the shareholders/Members login by using the remote e-voting credentials. The link for Meeting will be available in shareholder/Members login where the EVENT and the name of the Scheme can be selected.
- b. Please note that the unitholders who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.
- c. Unitholders are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
- d. Further unitholders will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
- e. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- f. **Questions prior to Meeting:** Unitholders who would like to express their views/ask questions during the meeting may log into <https://evoting.karvy.com/> and click on “AGM Questions” and may post their queries/views/questions in the window provided by mentioning the name, folio number, email id, mobile number. Please note that, unitholders’ questions will be answered only if the unitholder continue to hold the units as of cut-off i.e. April 23, 2020. The “AGM Questions” window shall be activated during the remote e-voting period and shall be closed 24 hours before the Meeting.
- g. Due to limitations of transmission and coordination during the Q&A session, the Trustee may dispense with the speaker registration during the Meeting conference.
- h. **Speaker Registration during Meeting session:** In case of decision to allow the Q&A session in the meeting, the Q&A window shall be activated in the Meeting session for unitholders to register as speakers by proving their client id/DP id/folio and mobile number in the window. A pop up giving the “Q” number shall be displayed for unitholder to remember the same and wait for his/her turn to be called by the chairman of the meeting.