

14 MAY 2001

SECURITIES COMMISSION-MOU

SC SIGNS MOU ON MUTUAL COOPERATION WITH INDIAN COUNTERPART

KUALA LUMPUR, May 14 (Bernama) -- The Securities Commission (SC) today signed a Memorandum of Understanding (MoU) with its Indian counterpart, the Securities and Exchange Board of India (SEBI) to establish a framework for assistance and mutual cooperation between Malaysia and India.

The signing ceremony was witnessed by the Prime Minister of Malaysia, Datuk Seri Dr Mahathir Mohamad and Atal Bihari Vajpayee, Prime Minister of India at Putrajaya today.

"The MoU marks the need for greater collaboration between India and Malaysia to effectively police and develop securities and futures market in view of greater cross-border trade and cross market linkages due to the globalisation of financial markets," said SC in a statement.

It said, under the MoU, both regulators would recognise the need for providing assistance and exchange of information to aid each other in ensuring compliance with laws and regulations in their respective countries.

In line with that, the scope of the MoU includes providing assistance and taking action against insider dealing, market manipulation and other fraudulent practices in securities dealing.

"The exchange of information also seeks to promote high standards of fair dealing and integrity in the conduct of business.

"In essence, the signing of the MoU would help to safeguard the interests of market participants and ensure the fair and orderly development of the securities and futures markets of the signatory countries," it added.

Meanwhile, the chairman of SC, Ali Abdul Kadir said the South-South cooperation was crucial for the exchange of the information, know-how and skills amongst South countries.

"Increasing internationalisation of securities markets has created new challenges for the region. As regulators, we must join forces to ensure that there are adequate protections for investors in a constantly changing marketplace," he said.

The MoU signed today is the 13 MoUs SC had signed with its counterparts. The SC had earlier signed MoUs with market regulators in Argentina, Australia, Brazil, Chile, China, Hong Kong, Indonesia, Kenya, South Africa, Taiwan and Thailand. -- BERNAMA

COY KTC