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SC signs MoU with Securities and Exchange Board of India

THE need for greater collaboration in both the securities and futures market of both countries has prompted the Securities Commission to sign an MoU with its Indian counterpart, the Securities and Exchange Board of India (Sebi).

The MoU, the SC's 13th similar arrangement, was signed yesterday in Putrajaya, Kuala Lumpur and witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad and visiting Indian premier Atal Bihari Vajpayee.

With the agreement, the SC and Sebi aim to strengthen their communication channels and establish a framework for assistance and mutual co-operation.

SC chairman Ali Abdul Kadir said that South-South co-operation is crucial for the exchange of 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.

In a statement, the SC said the MoU marked the need for greater collaboration between India and Malaysia to effectively police and develop securities and futures markets, in view of greater cross-border trade and cross-market linkages brought about by the globalisation of financial markets.

Both regulators said they recognised the desirability for providing assistance and exchange of information to aid each other in ensuring compliance with laws and regulations in their respective countries.

SC said the scope of the memorandum includes providing assistance and taking action against insider dealing, market manipulation and other fraudulent practices in securities dealings.

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