

Press Clipping

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Reliance Capital AMC gets Malaysia nod

Stepping ahead

- ▶ Permission granted two days ago
- ▶ Firm will be a subsidiary of Reliance Capital
- ▶ To look at starting an Islamic fund
- ▶ Ops to start within next 6-8 months



Markets Bureau
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India's largest fund house Reliance Capital Asset Management Company has received approval from the Malaysian authorities to start operations in Malaysia. This development was declared by the chairperson of Securities Commission, Malaysia on Thursday at India-Malaysia Capital Market Forum.

Zarinah Anwar, chairperson of Securities Commission, Malaysia said, "The permission to Reliance Capital Asset Management Company for beginning operations in Malaysia was granted by the authorities two days ago."

Confirming this development Vikrant

Gugnani told FE that the asset management company would look at starting an Islamic fund based on the Shari'ah principles of investing. "We will look at starting our operations within the next six to eight months," Gugnani mentioned. The firm will be a subsidiary of Reliance Capital he mentioned.

Islamic funds have been gaining popularity in Malaysia and nearly 180 Islamic mutual funds registered in Malaysia and tracked by global fund intelligence firm Lipper managed about \$5 billion at the end of October.

This growing market presents unique opportunities to both new entrants and existing players. There are now over 300 institutions offering Shari'ah compliant banking, with an asset base of around \$250bn-500 billion, say experts.

Speaking at a day-long forum held in Mumbai, jointly organised by the Securities and Exchange Board of India (Sebi) and Securities Commission of Malaysia, Anwar said, "The bond market in Malaysia, established for financing corporates, has risen to become the biggest current bond market in South-East Asia and the investment management industry, with a growth rate of 20%, is the fastest growing section of the Malaysian capital market."