

Region Fertile Ground For Growth Of Mutual Funds

FW BUREAU

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"With about 200 AMFI-certified people present in Ludhiana and Chandigarh, indications are that the region holds great potential for mutual funds industry," opined N R Ramanujam, managing director, Canbank Investment Management Services Ltd, adding that Canbank Mutual Fund was planning an aggressive retail foray in the northern part of the country, with emphasis on Chandigarh, Ludhiana, Delhi and Uttar Pradesh.

The MD of the asset management company (AMC) that manages Canbank Mutual and is a wholly owned subsidiary of

Canara Bank was here, today for an investor meet.

According to him, the company would be in touch with 107 AMFI-certified people in Ludhiana and 97 in Chandigarh; also market its product through other intermediary agencies like Karvy and Canara Bank itself.

The "absence of clarity in the initial years" was the reason that the company only had only Rs 1,750 crore as AUM (asset under management), he said adding that the "northern belt" was important although the best markets for Canbank Mutual fund were Mumbai, Chennai, Kolkata and Karnataka.

He also announced that the company that has an investor base of 2.25 lakh, with 14 open-

ended schemes and one closed-ended scheme on offer would shortly be launching the CanIndex scheme, which would be based on the Nifty Index. "The only thing lacking in our portfolio was an index scheme and we have sent the proposal for the same to SEBI," he revealed. The company reached a recent high of Rs 1,900 crore AUM, holds a minuscule market share in the mutual fund industry with total AUM of Rs 1,54,024 crore as on May 2004.

Out of this around 50 per cent of the company's AUM are parked in the Canliquid Fund, he revealed, explaining that the scheme was basically a fund management scheme for corporates.