

Info Capsule

PREZ OKAYS CALL FOR ALL SPEECHES TO BE IN HINDI¹

- President Pranab Mukherjee has accepted the recommendation of the Committee of Parliament on Official Languages for speeches to be delivered only in Hindi by all dignitaries, including the President and ministers, if they can read and speak the language.
- Other recommendations accepted by Mukherjee include usage of Hindi on Air India tickets as it is “grossly neglected by airlines.” The civil aviation ministry has been asked to restrict this only to the state-owned airline, though the recommendation was for all Indian carriers.
- Rejected recommendations include mandatory use of Hindi for correspondence in public shareholding companies and all private companies to provide product information in Hindi and product name in Devnagri. However, as per the President's orders, all government and semigovernment organisations will need to mention products' names in Hindi.
- The committee also sought to extend Hindi being a compulsory subject from class 8 to class 10 in all CBSE and Kendriya Vidyalaya schools. The President has “accepted in principle.” The Centre can do so in category A Hindi-speaking states but only after consultations with states and formulation of policy.
- Universities in non-Hindi speaking states will be asked by the human resource development (HRD) ministry to give students a Hindi language option in examinations and interviews.

PRUDENTIAL GUIDELINES – BANKS’ INVESTMENT IN UNITS OF REITS AND INVITS²

Reserve Bank of India allow banks to participate in Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) within the overall ceiling of 20 per cent of their net worth permitted for direct investments in shares, convertible bonds/ debentures, units of equity-oriented mutual funds and exposures to Venture Capital Funds (VCFs) [both registered and unregistered], subject to the following conditions:

- i. Banks should put in place a Board approved policy on exposures to REITs/ InvITs which lays down an internal limit on such investments within the overall exposure limits in respect of the real estate sector and infrastructure sector.
- ii. Banks shall not invest more than 10 per cent of the unit capital of an REIT/ InvIT.

¹ Available at: <http://epaperbeta.timesofindia.com/Article.aspx?eid=31816&articlexml=PAGE-SUGGESTIONS-Prez-Okays-Call-for-All-Speeches-17042017004033>

² Available at: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10929&Mode=0>

- iii. Banks should ensure adherence to the prudential guidelines issued by RBI from time to time on Equity investments by Banks, Classification and Valuation of Investment Portfolio, Basel III Capital requirements for Commercial Real Estate Exposures and Large Exposure Framework, as applicable.

GST INFO CAPSULE³

1. The board of directors of Vakrangee approved to provide the services of GST registration, filing of returns, payment and other value added services thereunder through Vakrangee Kendra Outlets.

Vakrangee is the unique technology driven company focused on building India's largest network of last-mile retail touch points to deliver real-time banking, insurance, e-governance, ecommerce and logistics services to the unserved rural, semi-urban and urban markets.

2. Rajasthan and Bihar have called special sessions of their respective Assemblies to pass the State Goods and Services Tax (SGST) Bills on April 24. Assam, too, is likely to have a special session of its Assembly to pass the Bill by the second week of May, said a senior official of the state government. Telangana was the first state to pass the SGST Bill. Its Assembly approved it unanimously last Sunday.

CIRCULAR ON REVIEW OF THE FRAMEWORK OF POSITION LIMITS FOR INTEREST RATE FUTURES CONTRACTS⁴

With a view to ease trading requirements in the Interest Rate Futures contracts, SEBI issued a clarification via Circular No. SEBI/HO/MRD/DRMNP/CIR/P/2017/32 dated 18th April, 2017 that the position limit linked to open interest shall be applicable at the time of opening a position. Such positions shall not be required to be unwound immediately by the market participants in the event of a drop of total open interest in Interest Rate Futures contracts within the respective maturity bucket. However, in the aforementioned scenario, such market participants shall not be allowed to increase their existing positions or create new positions in the Interest Rate Futures contracts of the respective maturity bucket till they comply with the applicable position limits.

Notwithstanding the above, in view of risk management or surveillance concerns with regard to the positions of such market participants, stock exchanges may direct them to bring down their positions to comply with the applicable position limits within the time period prescribed by the stock exchanges.

³ Available at:

1. http://www.business-standard.com/article/news-cm/vakrangee-jumps-after-board-oks-providing-gst-services-117041800226_1.html
2. Available at: http://www.business-standard.com/article/economy-policy/most-states-to-pass-gst-bill-by-may-end-117041900056_1.html

⁴ Available at: http://www.sebi.gov.in/legal/circulars/apr-2017/review-of-the-framework-of-position-limits-for-interest-rate-futures-contracts_34681.html

Stock exchanges and clearing corporations are directed to:

- (a) take necessary steps to put in place systems for implementation of the circular, including necessary amendments to the relevant bye - laws, rules and regulations;
- (b) bring the provisions of this circular to the notice of their members and also disseminate the same on their websites; and
- (c) communicate to SEBI, the status of implementation of the provisions of this circular in the Monthly Report.

Team ICSI

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