

SHRI PIYUSH GOYAL CALLS FOR A SINGLE WINDOW PORTAL FOR DOING ROBUST COMMON KYC SYSTEM FOR STOCK BROKERS, MUTUAL FUND AND DEPOSITORIES ETC

Relevant for: Indian Economy | Topic: Issues relating to Growth & Development - Capital Market & SEBI

Union Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles, Shri Piyush Goyal today called for transparency and the highest level of integrity in the stock markets. Addressing the National Stock Exchange (NSE) function today to mark the Silver Jubilee Celebration of 25 Years of Nifty Index and 20 Years of Launching of Derivatives Markets in India, he said this will empower households to look at greater incomes through investment besides encourage foreign investors.

“I think perception matters in the financial world, & therefore it is imperative we must put in place a strong system to maintain the highest level of integrity & transparency, which will encourage every Indian to invest in the stock market & empower households to look at greater incomes through investment besides encourage foreign investors,”

Shri Goyal said the NSE has been able to eliminate a lot of bad practices and brought in more transparency in the working of the exchange.

“On a lighter note, many people are missing the charm and the excitement of trading in the ring as it used to happen earlier, but I think given the current market dynamics & the size of the markets, I’m sure the ring could not handle this level of trade volumes” he said.

Shri Goyal said India has earned respect globally, with its robust technical solutions for handling large trade volumes. “It is equally pertinent that all financial products pass through the prism of ‘Trust, Transparency & Accountability’ so that they can turn into a rainbow of colours for the investors,” he said.

Shri Goyal said Stock Exchanges play a pivotal role in providing capital both to industry and service sector and you channelize household savings & institutional flows for capital formation.

Shri Goyal quoted the Prime Minister Shri Narendra Modi, “Wealth creation is good, but for me the real value of our securities market lies in their contribution to the development of the nation, to the improvement of all sectors and to the welfare of the vast majority of citizens.”

“In this spirit, capital markets can become a source of finance for productive purposes like Infrastructure & Agriculture, which can benefit a very large majority of our population. Also, commodity derivative markets can be used to eliminate risks of farmers,” he said.

Shri Goyal said India is on the path of unprecedented economic growth. The rising economic indicators have showcased India and its true potential and capacity. “We have had the highest ever exports in the history of India. During Dec’21, goods exports stood at \$37 bn, up by about 37% over last year. Exports have exceeded \$ 30 bn for 9 months in a row consecutively setting a record every month since April 2021,” he said, adding, “Moody’s recently upgraded India’s rating, we recorded the highest ever FDI, we see a robust GST collection, Vibrant Startup ecosystem, Record Mfg & Services PMI - just to name a few indicators!”

Shri Goyal said the Government under the leadership of PM Modi has worked in a mission mode to reduce compliance burden. He called upon the NSE to create a single KYC system for all trading and financial transactions like the NSWS.

“Recently we have launched the National Single Window System, one stop portal, has been launched on a pilot basis created which is a one-stop portal for approvals & clearances needed by businesses,” said Shri Goyal, adding, “Is it possible to implement a Single window portal for doing robust common KYC system for Stock Brokers, Mutual Fund and depositories etc.?”

Lauding NSE for being recognised as the largest derivatives exchange globally for 2019 & 2020, Shri Goyal hoped it will contribute strongly to India’s growth story.

“As we celebrate Azadi ka Amrit Mahotsav, PM said the next 25 yrs will be ‘Amrit Kaal’ for both India & the NSE also, in a way defining the future of India and the future of investing in India. NSE is adding to this momentum with its Nifty 50 index, which in a way has become the ‘Stock of the Nation.’ The Index has grown by 15 times in the last 25 yrs symbolizing the growth potential of the Indian economy. It has made the common man a part of India’s growth story. I’m sure the Nifty 50 will continue to play a very important role in making GIFT City an international financial hub. NSE symbolizes New India’s commitment for strong economic growth.”

Shri Goyal gave a Seven Sutra mantra for the growth of stock exchange market:

- i. Safeguarding interests of Small Retail Investors & the MSMEs by improving their financial literacy, launching financial products suitable to their risk appetite & meeting their investment needs
- ii. Strong need for participants to be well informed about products that they are investing into; amplify campaigns which would keep the eyes of investors open.
- iii. Encourage sentiment shift from Speculation to Diversification, from Momentary gains to building long-term portfolios
- iv. Bringing Ease & Simplicity to products which includes launching products in Regional languages
- v. Collaborating with schools and colleges to imbibe investment & trading skills at a young age
- vi. Reduce volatility & the sudden spikes to enlarge investor base & induce robust capital formation, &
- vii. It’s important that we follow the International Best Practices (Wall Street, NASDAQ, etc.) and aim to be among the top 3 exchanges in the world.

Shri Goyal said let us all make a New Year Resolution to help in making Stock Exchanges a frontier to achieve target of \$5 tn economy. “India cannot become a developed country without world class securities & commodities market,” he said quoting PM Modi.

“Let us work together to deepen our markets & make an “Aatmanirbhar Financial Market” so that Indian corporates do not have to look at other markets for funding & risk management requirements,” he said.

DJN/PK

Union Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles, Shri Piyush Goyal today called for transparency and the highest level of integrity in the stock markets. Addressing the National Stock Exchange (NSE) function today to mark the Silver Jubilee Celebration of 25 Years of Nifty Index and 20 Years of Launching of Derivatives Markets in India, he said this will empower households to look at greater incomes through investment besides encourage foreign investors.

“I think perception matters in the financial world, & therefore it is imperative we must put in place a strong system to maintain the highest level of integrity & transparency, which will encourage every Indian to invest in the stock market & empower households to look at greater incomes through investment besides encourage foreign investors,”

Shri Goyal said the NSE has been able to eliminate a lot of bad practices and brought in more transparency in the working of the exchange.

“On a lighter note, many people are missing the charm and the excitement of trading in the ring as it used to happen earlier, but I think given the current market dynamics & the size of the markets, I’m sure the ring could not handle this level of trade volumes” he said.

Shri Goyal said India has earned respect globally, with its robust technical solutions for handling large trade volumes. “It is equally pertinent that all financial products pass through the prism of ‘Trust, Transparency & Accountability’ so that they can turn into a rainbow of colours for the investors,” he said.

Shri Goyal said Stock Exchanges play a pivotal role in providing capital both to industry and service sector and you channelize household savings & institutional flows for capital formation.

Shri Goyal quoted the Prime Minister Shri Narendra Modi, “Wealth creation is good, but for me the real value of our securities market lies in their contribution to the development of the nation, to the improvement of all sectors and to the welfare of the vast majority of citizens.”

“In this spirit, capital markets can become a source of finance for productive purposes like Infrastructure & Agriculture, which can benefit a very large majority of our population. Also, commodity derivative markets can be used to eliminate risks of farmers,” he said.

Shri Goyal said India is on the path of unprecedented economic growth. The rising economic indicators have showcased India and its true potential and capacity. “We have had the highest ever exports in the history of India. During Dec’21, goods exports stood at \$37 bn, up by about 37% over last year. Exports have exceeded \$ 30 bn for 9 months in a row consecutively setting a record every month since April 2021,” he said, adding, “Moody’s recently upgraded India’s rating, we recorded the highest ever FDI, we see a robust GST collection, Vibrant Startup ecosystem, Record Mfg & Services PMI - just to name a few indicators!”

Shri Goyal said the Government under the leadership of PM Modi has worked in a mission mode to reduce compliance burden. He called upon the NSE to create a single KYC system for all trading and financial transactions like the NSWS.

“Recently we have launched the National Single Window System, one stop portal, has been launched on a pilot basis created which is a one-stop portal for approvals & clearances needed by businesses,” said Shri Goyal, adding, “Is it possible to implement a Single window portal for doing robust common KYC system for Stock Brokers, Mutual Fund and depositories etc.?”

Lauding NSE for being recognised as the largest derivatives exchange globally for 2019 & 2020, Shri Goyal hoped it will contribute strongly to India's growth story.

“As we celebrate Azadi ka Amrit Mahotsav, PM said the next 25 yrs will be ‘Amrit Kaal’ for both India & the NSE also, in a way defining the future of India and the future of investing in India. NSE is adding to this momentum with its Nifty 50 index, which in a way has become the ‘Stock of the Nation.’ The Index has grown by 15 times in the last 25 yrs symbolizing the growth potential of the Indian economy. It has made the common man a part of India's growth story. I'm sure the Nifty 50 will continue to play a very important role in making GIFT City an international financial hub. NSE symbolizes New India's commitment for strong economic growth.”

Shri Goyal gave a Seven Sutra mantra for the growth of stock exchange market:

- i. Safeguarding interests of Small Retail Investors & the MSMEs by improving their financial literacy, launching financial products suitable to their risk appetite & meeting their investment needs
- ii. Strong need for participants to be well informed about products that they are investing into; amplify campaigns which would keep the eyes of investors open.
- iii. Encourage sentiment shift from Speculation to Diversification, from Momentary gains to building long-term portfolios
- iv. Bringing Ease & Simplicity to products which includes launching products in Regional languages
- v. Collaborating with schools and colleges to imbibe investment & trading skills at a young age
- vi. Reduce volatility & the sudden spikes to enlarge investor base & induce robust capital formation, &
- vii. It's important that we follow the International Best Practices (Wall Street, NASDAQ, etc.) and aim to be among the top 3 exchanges in the world.

Shri Goyal said let us all make a New Year Resolution to help in making Stock Exchanges a frontier to achieve target of \$5 tn economy. “India cannot become a developed country without world class securities & commodities market,” he said quoting PM Modi.

“Let us work together to deepen our markets & make an “Aatmanirbhar Financial Market” so that Indian corporates do not have to look at other markets for funding & risk management requirements,” he said.

DJN/PK

END

Downloaded from **crackIAS.com**

© **Zuccess App** by crackIAS.com