

# Info Capsule

## **MATERNITY BENEFIT (AMENDMENT) ACT, 2017 RECEIVED THE ASSENT OF THE PRESIDENT<sup>1</sup>**

The Maternity Benefit (Amendment) Act, 2017 received the assent of the President on the 27th March, 2017. Salient features of the Maternity Benefit (Amendment) Act, 2017 are as under:

- Maternity leave available to the working women increased from 12 weeks to 26 weeks for the first two children.
- Maternity leave for children beyond the first two will continue to be 12 weeks.
- Maternity leave of 12 weeks to be available to mothers adopting a child below the age of three months as well as to the “commissioning mothers”. The commissioning mother has been defined as biological mother who uses her egg to create an embryo planted in any other woman.
- Every establishment with more than 50 employees to provide for crèche facilities for working mothers and such mothers will be permitted to make four visits during working hours to look after and feed the child in the crèche.
- The employer may permit a woman to work from home if it is possible to do so.
- Every establishment will be required to make these benefits available to the women from the time of her appointment.

## **GOVERNMENT TAKES A NUMBER OF MEASURES TO PROMOTE COUNTRY'S PERFORMANCE IN 'EASE OF DOING BUSINESS'<sup>2</sup>**

The Ministry of Labour and Employment has taken steps for drafting four Labour Codes on Wages; Industrial Relations; Social Security & Welfare; and Safety and Working Conditions respectively, as per recommendation of the Second National Commission on Labour, by simplifying, amalgamating and rationalizing the relevant provisions of the existing Central Labour Laws.

It has been decided that an informal Group of Ministers headed by Minister of Finance & Corporate Affairs, and with Minister of Road, Transport & Highways and Shipping; Minister of Law and Justice and Electronics & Information Technology; Minister of Steel; Minister of State (Independent charge) for Labour & Employment; Minister of State (Independent charge) for Petroleum & Natural Gas; Minister of State (Independent charge) for Power, Coal and New & Renewable Energy as members, will examine the draft Codes on Wages' Bill and Industrial

<sup>1</sup> Available at: <http://egazette.nic.in/WriteReadData/2017/175036.pdf>

<sup>2</sup> Available at: <http://pib.nic.in/newsite/erelease.aspx?relid=0>

Relations' Code Bill before it is formally considered for approval by the Government. The informal Group of Ministers has met twice on 30.12.2015 and 08.03.2017 to discuss the draft Codes.

The process of Legislative reforms includes consultation with stakeholders including Central Trade Unions, Employers' Association and State Governments in the form of tripartite consultation. The draft Codes on Wages and Industrial Relations were accordingly considered in tripartite consultation meetings where representative of the Central Trade Unions participated and gave their suggestions which were appropriately considered. Such tripartite Consultation for Code on Wages was held on 10.03.2015 and 13.04.2015 and for Industrial Relations Code was held on 06.05.2015 and 06.10.2015.

Ministry of Labour & Employment has taken a number of measures to promote Country's performance in 'Ease of Doing Business' which include:-

- Registration process for EPFO and ESIC are fully online on real time basis.
- Common Registration Service, for registration under 5 Central Labour Laws, has been provided on e-biz Portal.
- Shram Suvidha Portal, launched by the Ministry on 16.10.2014, has facilitated Single Online Annual Return under 9 Central Labour Acts.
- The Shram Suvidha Portal also provides facility for Common Monthly Return for EPFO and ESIC.
- Ministry has also notified "Ease of Compliance to maintain Registers under various Labour Laws Rules, 2017" on 21st February 2017 which has in effect replaced the 56 Registers/Forms prescribed under 9 Central Laws and Rules made thereunder into 5 common Registers/Forms. This will save efforts, costs and lessen the compliance burden by various establishments.

This information was given by Shri Bandaru Dattatreya, the Minister of State (IC) for Labour and Employment, in written reply to a question in Lok Sabha today.

### **SEBI PLANS NEW RULES FOR SHARE TRANSFER AGENTS, REGISTRARS<sup>3</sup>**

The Securities and Exchange Board of India (Sebi) is drafting rules to monitor share transfer agents and registrars and improve their functioning.

This comes a year after Sharepro Services (India) Pvt. Ltd, a share transfer agent, was found to have defrauded at least 10 companies including Britannia Industries Ltd, Asian Paints Ltd, Aptech Ltd, Tata Communications Ltd and Kansai Nerolac Ltd of Rs21.7 crore.

Investigations highlighted falsification of records, forgery, repeated printing of new certificates without any request or authorization from shareholders and irregular transfer transactions.

**SEBI had formed a committee** which submitted its report to the regulator in December last year.

"A committee comprising of companies, depositories, share transfer agents and banks was set up to suggest suitable changes for these market intermediaries. The committee has submitted its report and is currently under consideration,"

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<sup>3</sup>Available at : <http://www.livemint.com/Money/wXYVUsbN70vIThiQuXaxGP/Sharepro-scam-Sebi-plans-new-rules-for-share-transfer-agent.html>

***The changes suggested by this committee are regular audit of their functions, to be done by companies who are utilizing their services. It was also suggested the management of the registrar and share transfer agent should be governed by a strict code of conduct, including operational controls such as how the bank details of investors and companies would be captured.***

#### **SEBI IMPOSES RS 1 CRORE FINE ON FALCON TYRES & ITS 4 OFFICIALS<sup>4</sup>**

SEBI imposed a penalty of Rs 1 crore on Falcon Tyres and its four senior officials for not complying with insider trading regulations. SEBI found that Falcon Tyres has been continuing with an ambiguous code since 2008, which undermined the very spirit that the model code intended to serve.

Sebi said that code of conduct approved by the board of Falcon Tyres in December, 2008 "left ample scope for misuse of price sensitive information", was detrimental to the interest of the shareholders of the company and general public and "ambiguous."

#### **GOODS & SERVICES TAX<sup>5</sup>**

Few intricacies of GST Bill :

- Hotels selling liquor cannot avail the composition scheme even if the turnover does not cross Rs. 50 lakhs.
- Schedule 1 provides that `gifts' not exceeding Rs 50,000 in value in a financial year by an employer to an employee shall not be treated as supply of goods and services. However, use of assets and many other amenities like car drops, scholarship to employees' children etc. may be covered under GST ambit.
- Leasing of land, renting of buildings as well as EMIs paid for purchase of under-construction houses will start attracting the Goods and Services Tax. Sale of land and buildings will be, however, out of the purview of GST.
- Jammu and Kashmir will have to pass special laws to enable GST as the current Constitutional status does not mandate it. Once CGST and IGST are passed in Parliament, J&K will have to pass a separate legislation saying that these laws will also be applicable to them along with passing SGST in State Assembly.

#### **Team ICSI**

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<sup>4</sup> Available at : [http://www.sebi.gov.in/cms/sebi\\_data/attachdocs/1490614095081.pdf](http://www.sebi.gov.in/cms/sebi_data/attachdocs/1490614095081.pdf)

<sup>5</sup> Available at: <http://economictimes.indiatimes.com/news/politics-and-nation/jk-will-have-to-pass-special-laws-to-make-gst-applicable/articleshow/57875063.cms>