

ADDED PRESSURE DUE TO GUARANTEED ₹3,000 MONTHLY PENSION FOR 100 MILLION UNORGANISED WORKERS

Finmin Seeks Labour Min Help to Fund Proposed Hike in Minimum EPS Pension

Committee proposal to double minimum pension to ₹2,000 to cost exchequer additional ₹3,000 crore a year

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New Delhi: Having announced guaranteed pension of ₹3,000 per month for 100 million unorganised workers, the finance ministry has asked the labour ministry to see if it could fund the proposed hike in minimum pension under the Employee Pension Scheme (EPS) for its subscribers from its own kitty rather than seeking funds from the Centre.

The move comes in the wake of tremendous pressure being built up on the government to raise minimum pension of EPS subscribers in line with guaranteed pension for the unorganised workers.

A high-powered committee on pension had recommended that the government increase the minimum pension to ₹2,000 from ₹1,000. The move would have benefited 4 million subscribers, but would cost the exchequer ₹3,000 crore over and above the annual outgo of ₹9,000 crore.

"The finance ministry has written to Employees' Provident Fund Organisation (EPFO) to know

PROPOSAL: DOUBLE MINIMUM PENSION UNDER EPS TO ₹2,000

This will require an additional outgo of **₹3,000 cr**

Pension kitty under labour ministry may not sustain additional burden

FINANCE AND LABOUR MINISTRIES AT loggerheads over who will finance the scheme

Pension Play

OTHER RECOMMENDATIONS

- Restrict pre-mature withdrawal benefits
- Fix a minimum monthly contribution
- Restore commuted value of pension after expiry of 15 years

ILLUSTRATION: ANIRBAN BORA

what it did to reduce the deficit and whether it could fund the proposed minimum pension hike," a senior government official told ET, requesting anonymity.

"The pension kitty cannot fund this increased pension amount and we will communicate the same to finance ministry soon," the official said, adding that this dillydallying on the part of the Centre has delayed the process. "However, we are optimistic it will come through before the elections," the official said.

ET reported earlier that the recommendations of the committee had been sent to finance ministry for consideration. Following this,

the finance ministry has now written back to labour ministry asking if it could fund the scheme.

The high-powered committee had recommended that the minimum monthly pension be raised to at least ₹2,000 per month, provided the central government budgetary support is provided for the same on yearly basis. "Further, it may be considered along with modification of the scheme prospectively to disallow pre-mature withdrawal benefit and fix a minimum monthly contribution," it had further proposed.

The recommendations of the committee will be placed before the sub-committee meeting on

Wednesday, following which it will be tabled before the central board of trustees of the EPFO on its next board meeting scheduled for February 21.

Under the Employees' Pension Scheme (EPS), 1995, a minimum pension of ₹1,000 per month is given to pensioners since 2014. However, beneficiaries entitled to the minimum pension do not have to contribute to this pension kitty. Employees are automatically enrolled into the EPS scheme if they are members of the Employees' Provident Fund scheme. Twelve percent of the employees' salary every month goes to the EPF account while 12% of the employer's

contribution is divided into 3.67% for EPF, 8.33% for EPS, 0.5% for EDLI and rest for administrative charges. Even the central government contributes 1.16% of the employee's basic salary plus daily allowance.

Trade unions and the All-India EPS 95 Pensioners Sangharsh Samiti have been demanding for long that the minimum monthly pension be raised from anywhere between ₹3,000 and ₹7,500. The recent announcement of a guaranteed pension of ₹3,000 to 100 million unorganised workers has further built up pressure before the EPFO to increase the minimum pension to ensure the scheme stays relevant.

A parliamentary panel had last year asked the government to assess EPS 1995 and consider revision of the minimum monthly pension of ₹1,000 saying the social security benefit was too meagre to fulfil even the basic needs.

The committee proposed that the government undertake an assessment of the pension scheme with particular reference to the right of sustenance of the pensioners, and based on the result consider revision of the amount accordingly.

Fiscal Slippage for Past 2 Years Credit Negative: Moody's

Revised 3.4% fiscal deficit target, tax cuts & spending ahead of polls may impact rating

Our Bureau

New Delhi: Fiscal slippage from the budgeted targets for the past two years, coupled with tax cuts and spending ahead of the general elections, is credit negative for India, Moody's Investors Service said on Tuesday.

In the interim budget for 2018-19, the government had revised the fiscal deficit target for 2018-19 to 3.4% of the gross domestic product (GDP) from its original target of 3.3%. The deficit for FY20, too, is pegged at 3.4% due to the proposed increase in spending to provide income support for small farmers and introduce tax cut for the middle-class ahead of general election.

"Ongoing fiscal slippage from spending and tax cut proposals ahead of election is credit negative for the sovereign," Moody's said in a report. That means it's a factor that can impact the country's credit rating, but there is no change in the outlook as of now.

The ongoing fiscal slippage from the budgeted targets over the past two years, and expectation that the government will face challenges meeting its target again in fiscal 2019, does not bode well for medium-term fiscal consolidation, Moody's said.

The ratings agency expects the direct cash transfer programme for farmers and the middle-class tax relief measures to contribute a fiscal stimulus of about 0.45% of GDP, which will support growth through consumption over the near term, albeit at a fiscal cost.

Highlighting India's high debt burden as its biggest credit challenge that is unlikely to diminish rapidly, Moody's said it is a product of persistent fiscal deficits.

"Over the near term, we do not expect material improvements in the country's public finances, which will remain sensitive to changes in nominal GDP growth," it said.

Moreover, it will become "increasingly more challenging" for the government to reduce India's central government debt-to-GDP ratio to 40% by fiscal 2024 from 48.9% in fi-

Credit Score
IN INTERIM BUDGET, GOVT REVISED fiscal deficit target for FY19 to 3.4%

Deficit for FY20, too, is pegged at 3.4%

This is due to income support announced for small farmers & tax cuts for middle-class

Says "increasingly more challenging" for govt to reduce debt-to-GDP ratio to 40% by fiscal 2024

Highlights India's high debt burden as its biggest credit challenge

GST collections will continue to pose risks if they fall short of BE, says Moody's

scal 2018, consistent with the Fiscal Responsibility and Budget Management (FRBM) targets, it said. The FRBM roadmap targets fiscal deficit of 3% of GDP by fiscal 2020.

TAX IMPLICATION

The government decision to offer tax rebate to individuals who earn up to ₹5 lakh a year will weigh somewhat on direct tax revenues, Moody's said. Similarly, Goods and Services Tax (GST) collections will continue to pose risks to indirect tax collections if they fall short of budgeted expectations.

Last year, the government had budgeted an increase in GST revenues to 4% of GDP in fiscal 2018 from 2.6% in fiscal 2017. However, the revised estimate is 3.4% of GDP in fiscal 2018 and 3.6% of GDP in fiscal 2019.

"Given ongoing implementation challenges and last year's changes to GST tax rates and exemption limits, we consider this a material risk... Recent adjustments to the GST framework will make collections more challenging," it said.

BANKS, INFRASTRUCTURE

The ratings agency also assigned 'credit negative' to the lack of formal capital support plan in the interim budget for public sector banks. Also, a lack of discourse for last year's announced merger of three public sector non-life insurers—National Insurance Company, Oriental Insurance Company and United India Insurance Company—creates ambiguity around their merger plan, Moody's said.

Services Sector Activity Slows in Jan

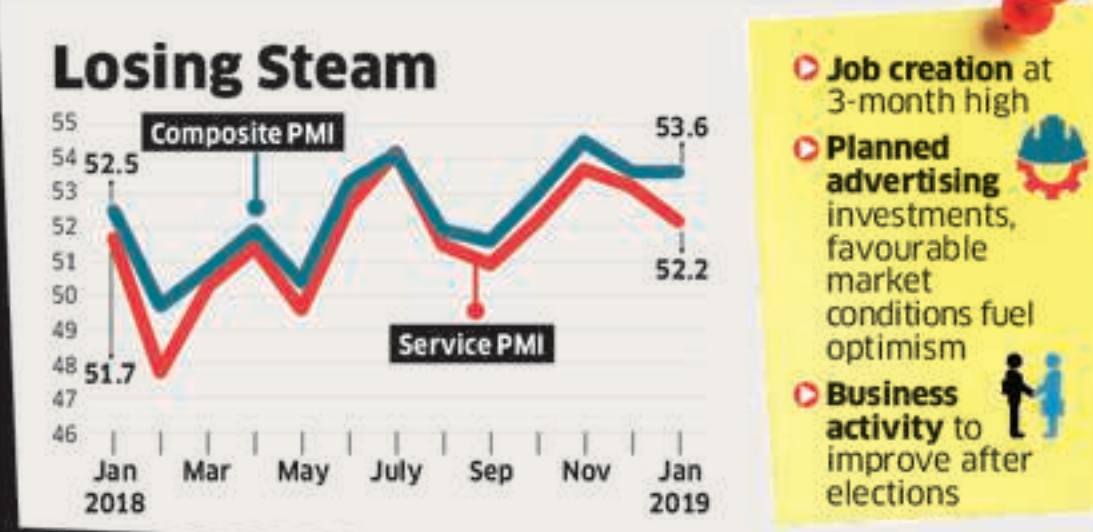
PMI dipped to 3-mth low of 52.2 but job creation strengthened

Our Bureau

New Delhi: Activity in the country's services sector slowed for the second straight month in January, as new orders increased at the weakest rate in four months, a private survey showed on Tuesday. Still, services companies increased hiring in the past month.

The Nikkei IHS Markit Services Purchasing Managers' Index declined to a three-month low of 52.2 in January from 53.2 a month before, but remained above the 50 mark that separates growth from contraction for the eighth month.

"There is some sign that growth may run out of steam in the short term at least, as seen by the weakest improvement in demand for



four months and relatively subdued optimism," said Pollyanna De Lima, the principal economist at IHS Markit and author of the report.

The PMI services activity index is based on a survey of purchasing executives of more than 400 service providers in five categories: consumer services, transport and storage, information and communication, financial and insurance and real estate and

business services.

A key factor restricting rise in services activity was a softer expansion in new work. Companies noted a moderate increase in sales that was the weakest in four months.

JOB BOOST

However, services employment continued to expand, with job creation at a three-month high. According to panel members, growth

was underpinned by ongoing increase in new businesses and favourable market conditions.

"The good news came from the Indian labour market. Job creation at service providers was among the strongest seen for the past seven-and-a-half years at the start of 2019," said De Lima. "The increasing willingness of companies to hire workers should help reduce still-high levels of unemployment in the country."

A sister survey last week had shown an upturn in manufacturing. A composite index, taking into account both manufacturing and services activity, remained unchanged at December's 53.6, helped by an unexpected acceleration in factory activity.

India's statistics office has pegged services growth for 2018-19 at 7.4%, compared with 7.9% in 2017-18, in the first advance estimates of gross domestic product (GDP) for FY19. It expects the economy to expand 7.2% in the current fiscal year.

Export Growth may Slow to 7.3% in FY19

Our Bureau

New Delhi: The government expects merchandise exports to expand 7.3% to \$325 billion in 2018-19, a slower pace than the 9.8% clocked in 2017-18, on muted growth of traditional shipments such as gems and jewellery and engineering goods, apart from a liquidity crunch and global factors.

"Many sectors including marine, agriculture and gems & jewellery are doing poorly. Engineering exports have been impacted due to expensive domestic steel and rubber," said an official who attended a meeting that the commerce department held with exporters and export promotion councils Tuesday in the wake of slowing growth of shipments from various sectors.

Exports were \$303 billion in FY18. As per an official statement, the meeting was held to "discuss various issues being faced by exporters".

READY FOR EVEN FASTER GROWTH. THANKS TO BUSINESS CONSOLIDATION AND THEORY OF CONSTRAINTS.

(₹ in Lac)

EXTRACT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018				
Sr.No.	Particulars	STANDALONE		
		Quarter Ended 31.12.2018 (Unaudited)	Nine Months Ended 31.12.2018 (Unaudited)	Quarter Ended 31.12.2017 (Unaudited)
1	Total Income from Operations	58,046.33	1,68,374.46	51,415.70
2	Net Profit from Ordinary Activities before tax	5,765.75	16,896.74	5,942.04
3	Net Profit from Ordinary Activities after tax *	4,141.23	12,460.22	4,665.94
4	Total Comprehensive Income for the Period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax))	4,136.75	12,446.76	4,639.62
5	Equity Share Capital (Face value of ₹1/- per share)	2,225.27	2,225.27	2,225.27
6	Earnings Per Share for the period (Face value of ₹1/- per share) - Basic & diluted	1.86	5.61	2.10

* The Company does not have any Exceptional and Extraordinary item to report for the above periods.

NOTE:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 5th February, 2019. The results for the quarter ended December 31, 2018 has been subjected to Limited Review by the Statutory Auditors.
- Effective 1st April, 2018 the Company has changed the method of providing depreciation on Property Plant & Equipment from written down value method to straight line method which is change in accounting estimates. A change in accounting estimate affected by a change in accounting principle is to be applied prospectively in accordance with Ind AS-8. The change is considered preferable because the straight-line method will reflect the realistic pattern of usage and the expected benefits of such assets. This has resulted in lower depreciation of ₹1,502.54 Lacs for quarter ended 30th September, 2018, ₹2,076.10 Lacs for current quarter ended 31st December, 2018 and ₹5,049.17 Lacs for nine months ended 31st December, 2018.
- The Company has incorporated a wholly owned Subsidiary by the name, Century Gabon SUARL, in Gabon, Africa on January 10, 2019 for manufacturing and trading in timber, veneer, plywood and other wood based products.
- The above is an extract of the detailed format of Financial Results filed with the Stock Exchanges under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Financial Results are available on the Stock Exchange websites (www.bseindia.com and www.nseindia.com) and on the Company's website (www.centuryply.com).

for Century Plyboards (India) Limited
Sanjay Agarwal
Managing Director

Date : 5th February, 2019
Place: Kolkata

CENTURY PLYBOARDS (INDIA) LIMITED
CIN : L20101WB1982PLC034435
Regd. Office : P-15/1, Taratala Road, Kolkata - 700088
Tel : (033) 3940 3950 | Fax : (033) 2248 3539 | e-mail : kolkata@centuryply.com

www.centuryply.com | For any queries, call us on 1800-2000-440

Tech Mahindra Limited
Extract of Audited Consolidated Financial Results of Tech Mahindra Limited and its subsidiaries for the quarter and nine months period ended December 31, 2018.

Registered Office : Gateway Building, Apollo Bunder, Mumbai 400 001.
Website : www.techmahindra.com • Email : investor.relations@techmahindra.com
CIN : L64200MH1986PLC041370

Profit after tax for the quarter at Rs.12029 Mn, up 27.5% over previous year

Rs. In Million				
Sr.No	Particulars	Quarter ended December 31, 2018	Nine months period ended December 31, 2018	Quarter ended December 31, 2017
1	Total Revenue from Operations (Net)	89437	258498	77760
2	Net Profit before tax	14706	40631	11814
3	Net Profit for the period after tax (Share of the Owners of the Company)	12029	31651	9431
4	Total Comprehensive Income for the period (comprising Profit for the period after tax and Other Comprehensive Income after tax)	14571	33224	9434
5	Equity Share Capital	4425	4425	4415
6	Total Reserves	203470	203470	172373
7	Earnings Per Equity Share (Rs)			
	- Basic	13.55	35.65	10.73
	- Diluted	13.45	35.39	10.61

Additional information on standalone financial results is as follows:

Rs. In Million			
Particulars	Quarter ended December 31, 2018	Nine months period ended December 31, 2018	Quarter ended December 31, 2017
Revenue from Operations	69897	201550	59732
Profit before tax	13848	41358	9943
Profit after tax	11529	33993	8438

Notes:

- The above is an extract of the detailed format of the Standalone and Consolidated Financial Results for the quarter and nine months period ended December 31, 2018, filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Standalone and Consolidated Financial Results for the quarter and nine months period ended December 31, 2018 are available on the Stock Exchange websites. (www.nseindia.com/www.bseindia.com) and the Company's website (www.techmahindra.com).
- The quarterly and nine months period ended financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors in its meeting held on February 05, 2019.
- Effective April 1, 2018, the Company has adopted Ind AS 115 using the cumulative effect method. The standard is applied retrospectively to contracts that are not completed as at the date of initial application and the comparative information is not restated. The effect of adoption of the standard does not have any significant impact on the financial statements of the Company.
- The Auditors have issued an unqualified opinion on the Standalone and Consolidated results and have invited attention to certain matters (Emphasis of Matters). The Emphasis of Matters are on account of the financial irregularities committed by the promoters of erstwhile Satyam Computer Services Limited (SCSL) before it was acquired by the Company and certain other related matters. SCSL was amalgamated with the Company in June 2013. The Emphasis of Matters and the Management Response on the same are available as part of the detailed Regulation 33 formats posted on the Stock Exchange websites (www.nseindia.com/www.bseindia.com) and the Company's website (www.techmahindra.com).

Date : February 05, 2019
Place : Mumbai

C. P. Gurnani
Managing Director & CEO

Connected World.
Connected Solutions.