IND AS 19
Employee Benefits

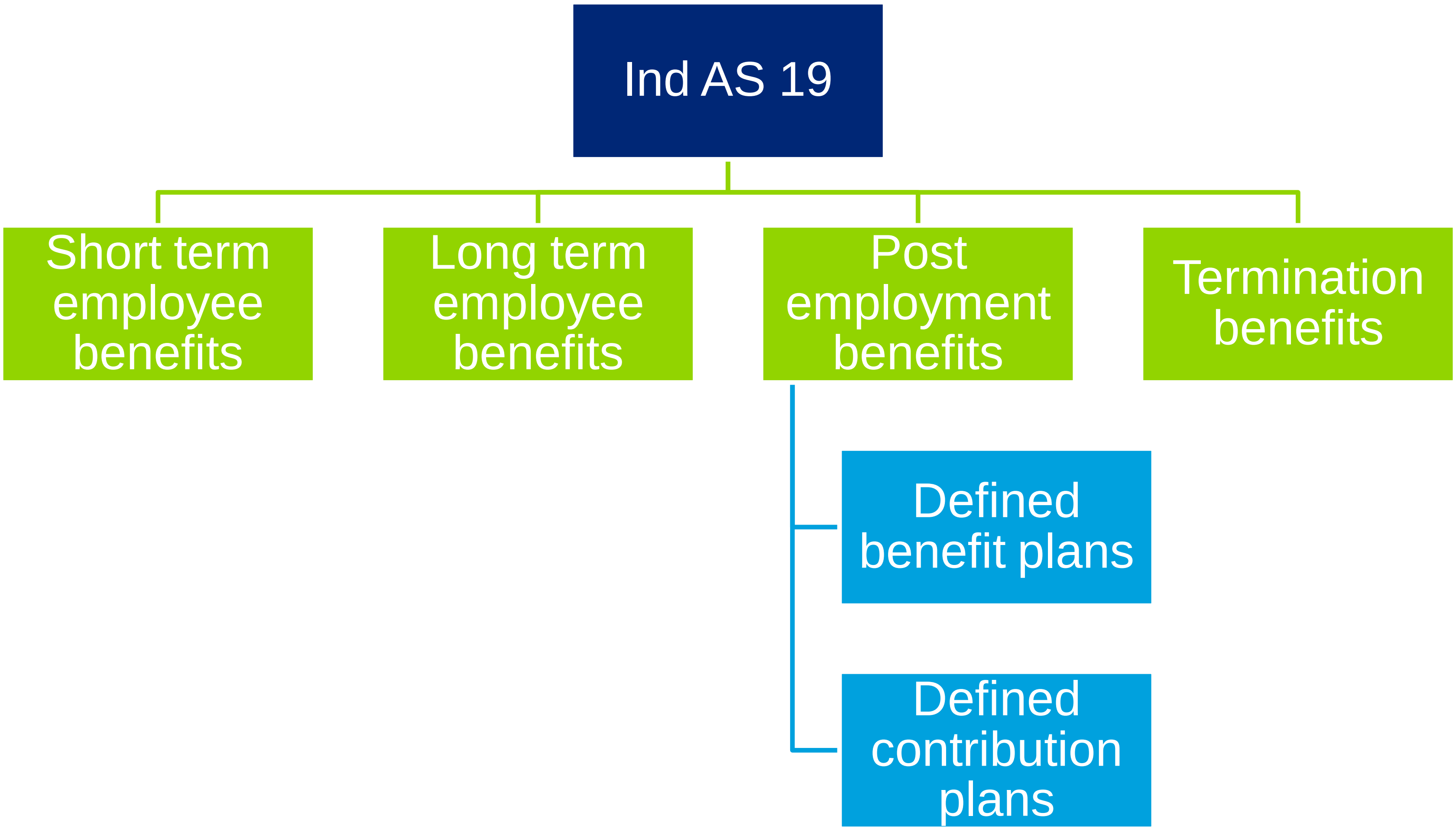
Course Objectives

You will be able to:

- Distinguish between short-term and other long-term employee benefits
- Classify post-employment benefit plans as defined benefit or defined contribution plans
- Define and explain how to account for multi-employer plans, state plans, and insured benefit plans
- Others issues

Scope

Scope


Ind AS 19
Short term employee benefits
Long term employee benefits
Post employment benefits
Termination benefits
Defined benefit plans
Defined contribution plans

Short-term, Other Long-term & Termination Benefits

Short-term and other long-term employee benefits

Definition

Short-term employee benefits:

Employee benefits … that are **expected to be settled wholly** before 12 months after the end of the annual reporting period in which the employees render the related service

Other long-term employee benefits:

Employee benefits other than short-term employee benefits, post-employment benefits and termination benefits

Short-term and other long-term employee benefits
Examples

Short-term employee benefits

(if expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services). Examples

- Wages, salaries, and social security contributions
- Profit-sharing and bonuses
- Non-monetary benefits (medical, housing, car) for current employees

Short-term and other long-term employee benefits

Examples (cont'd)

Other long-term employee benefits

(if not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service)

- Long-term paid absences such as long service or sabbatical leave
- Jubilee or other long–service benefits
- Long- term disability benefits

Short-term and other long-term employee benefits
Reclassification

An entity need not reclassify a short-term employee benefit

- If the entity's expectations of the timing of settlement change temporarily

An entity considers whether the benefit still meets the definition of short-term employee benefits

- If the characteristics of the benefit change (such as a change from a non-accumulating benefit to an accumulating benefit) or
- If a change in expectations of the timing of settlement is not temporary

Short-term employee benefits
Recognition and measurement

All short-term benefits

- Recognize the **undiscounted** amount of short-term employee benefits, when an employee has rendered service
  - As a liability after deducting any amount already paid
  - As an expense unless another Standard requires/permits the inclusion of benefits in the cost of an asset (e.g., Ind AS 2, Ind AS 16)

Short-term employee benefits

Recognition and measurement (cont'd)

Short-term paid absences

Category	Description	Recognize the obligation when…
Accumulating paid absences (vesting and non-vesting)	Can be carried forward to a future period if not used in full in the current period	…employees render service that increases their entitlement to future paid absence
Non-accumulating paid absences	Cannot be carried forward: lapse if not used in the period earned	…the absence occurs

Short-term benefit plans

Recognition and measurement (cont'd)

Profit-sharing and bonus payments

- Expected cost is recognized when:
  - Entity has a present legal or constructive obligation
  - Reliable estimate of the obligation can be made
- Profit-sharing and bonus obligation result from employees' service, hence, they are expense and not a distribution of profits.

Other long-term employee benefits

Recognition and measurement

Same measurement principles as post-employment benefits

The surplus or deficit is the difference between

– PV of the obligation

– Minus the fair value of plan assets, if any

- BUT, difference from post-employment benefit accounting: total of service cost, net interest and remeasurements, shall be recognized in profit or loss (except when another IFRS requires/permits capitalization)

Other long-term employee benefits

Recognition and measurement (cont’d)

Long-term disability

Timing for the recognition of a liability depends on how the level of benefit is determined:

- Level of benefit depends on length of service–obligation arises when the service is rendered
- Level of benefit does not depend on the length of service–obligation arises when an event occurs that causes a long-term disability

Other long-term employee benefits

Example

Indigo Manufacturing Company produces heavy machinery products. The employees of Indigo are covered for any long-term disability due to an accident in their normal course of work. The level of benefit due to an employee of the company does not depend on the length of the service. So, it is the same for any disabled employee regardless of the years of service.

On December 22, 2015, an employee of Indigo suffered a serious injury resulting in a long-term disability.

When should Indigo recognize the cost of the benefit?

Since the level of benefit does not depend on the length of the service, Indigo has to recognize the cost of the benefit on December 22, 2015, being the date of the accident.

Other long-term employee benefits
Example (cont'd)

Will the answer be different if Indigo Co Ltd had a scheme where the level of benefit depends on the length of service?

Indigo has to recognize, for each year, the cost of benefit considering:

- The probability that payment will be required
- The length of time for which payment is expected to be made.

Exercise–Scenario 1: Accumulated annual leave

Facts:

Employees accumulate annual leave over each calendar year.

They can take their accumulated annual leave at any time or carry it forward indefinitely.

The accumulated annual leave must be paid up in cash in case of departure of the employee.

Experience demonstrates that employees use their accumulated annual leave over a period longer than two years.

Question:

How should the unused accumulated annual leave be classified under Ind AS 19?

Exercise–Scenario 1: Accumulated annual leave

Suggested solution

Classification

The accumulated annual leave should be classified as an other long-term benefit, because it is not *expected* to be settled wholly within 12 months after the end of the annual period in which the employee renders service.

However, the accumulated annual leave should still to be classified as a current liability under Ind AS 1.

Exercise–Scenario 2: Long service leave

Facts:

An entity grants employee B a long service leave if B provides seven years of continuous service.

After seven years of service, B becomes entitled to payment of the long service leave if employment is terminated. It is not expected that B will terminate his service or take his long service leave entitlement in year 7 or year 8.

Questions:

1. **At the end of the 7th year of continuous service, should the long service leave be classified as short-term or long-term employee benefit under Ind AS 19?**
2. **How should the liability be measured?**

Exercise–Scenario 2: Long service leave

Suggested solution

Classification

The long service leave should be classified as a long-term employee benefit under Ind AS 19

- Classification of the benefit is done on day 1 (when employer and employee enter into the contract) => classified as a long-term benefit
- No reclassification after vesting has occurred
- However, starting in the 7th year, the liability is presented as current under Ind AS 1.

Post employment benefits

Post-employment benefit plans

Classification

PLAN 1:

- Contributions fixed in advance, based on, e.g., salary, are paid to pension funds.
- Beneficiaries are entitled to the pension funds.
- The employer has no obligation beyond contribution payments.

Answer: Defined contribution plan (“DCP”)

PLAN 2:

- Beneficiaries are promised a set level of retirement benefits by the employer.
- Premiums payable by employer are not fixed in advance.

Answer: Defined benefit plan (“DBP”)

Post-employment benefit plans
Multi-employer plans

Features

- Pool assets contributed by various entities (not under common control)
- Assets provide benefits to employees of more than one entity
- Contributions/benefits are not linked to a specific employer

Accounting treatment

- As DCPs or DBPs based on the characteristics of the plan
- If insufficient information is available to apply DBP accounting to a multi-employer DBP:
  - Apply DCP accounting
  - Provide additional disclosures
  - If there is a contractual agreement to cover the surplus or deficit in the plan ➔ recognize asset or liability and the resulting income or expense in profit or loss

Disclosure

- For all multi-employer DBPs ➔ specific additional disclosures are required

Post-employment benefit plans
State plans

Features

- Established by legislation to cover all entities (or those in a category)
- Operated by government or a body free from control/influence by reporting entity

Accounting treatment

- Account for in the same way as multi-employer plans
  - Either DCP or DBP based on the characteristics of the state plan
  - Many state plans are funded on a pay-as-you go with no legal obligation beyond contributions due ➔ DCPs

Post-employment benefit plans
Insured benefit plans

Features

- An entity pays insurance premiums to fund a post-employment benefit plan.

Accounting treatment

- DCP unless the entity has a legal or constructive obligation to either:
  - Pay the employee benefits directly when they fall due; or
  - Pay further amounts if insurer does not pay all future benefits
- If the entity retains such a legal or constructive obligation ➔ DBP

State Plans & Insured Benefits

State Plans & Insured Benefits

Established by legislation to cover all entities
or those in a category e.g. particular industry

Operated by government or a body free from control / influence by the reporting entities

What is the accounting treatment?

Defined benefit or defined contribution depending on entity's obligations

State Plans- Example

An employer pays a contribution equal to 5% of wages to a state plan for pensions

Past employees will receive benefits directly from the state plan

Would this be classified as defined benefit or defined contribution?

State Plans- Example

Defined contribution

The entity's only obligation is to pay the contributions as they fall due

If the entity ceases to employ members of the state plan, it will have no obligation to pay the benefits earned by its own employees in previous years

Insured benefits

An entity pays insurance premiums to fund a post-employment benefit plan

What is the accounting treatment?

Defined contribution plan unless entity has a legal or constructive obligation to either

pay the employee benefits directly when they fall due

or

pay further amounts if insurer doesn’t pay all future benefits

Insured benefits - Example

An entity pays insurance premiums to fund a plan. The insurance policies are allocated to the provision of benefits for employees and cover all benefits payable under plan

Having paid the premium due, the employer doesn’t retain any legal or constructive obligation to pay further contributions if the policies do not have sufficient assets to pay benefits

Would this be classified as defined benefit or defined contribution?

Insured benefits - Example

Defined contribution

The entity doesn't have (either directly, or indirectly through the plan) a legal or constructive obligation to either

pay the employee benefits directly when they fall due, or

pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior periods

Accounting for Post Employment Benefits

Defined contribution accounting

Recognise contributions when employee has rendered service in exchange for those contributions

Where contributions do not fall due wholly within 12 months after the end of the period of related service, they should be discounted

Defined benefit accounting

Step 1
Present value of obligation

Step 2
Fair value plan assets

Step 3
Actuarial gains and losses

Step 4
Past service cost, curtailment or settlement

Step 5
Present in F/S

Accounting of defined benefit plans

Particulars	Recognition requirement under Ind AS
Current service cost	Recognised in statement of profit and loss
Past service cost	Recognised in statement of profit and loss
Interest cost	Recognised in statement of profit and loss
Actuarial gain/loss	Recognised in other comprehensive income
Return on plan assets (excluding interest cost)	Recognised in other comprehensive income
Change in the effect of asset ceiling (negative amount of defined benefit liability)	Recognised in other comprehensive income

1) Present value of defined benefit obligation

The Projected Unit Credit Method is used to determine the present value of the entity's defined benefit obligation and current service cost

This valuation method sees each period of service as giving rise to an additional unit of benefit entitlement

Measures each unit separately to build up final obligation

2) Fair Value of Plan Assets

Where no market price is available estimate the fair value

One method

Discount expected future cash flows using a discount rate reflecting
Risk associated with plan assets
Maturity or expected disposal of the assets

3) Actuarial assumptions

An entity's best estimates of the variables that will determine ultimate cost of providing post-employment benefits

Demographic assumptions, e.g. mortality, rates of employee turnover, disability etc

Financial assumptions, e.g. discount rate, future salary levels, expected rate of return on plan assets

4) Past service cost

Increase in present value of defined benefit obligation for employee service in prior periods from

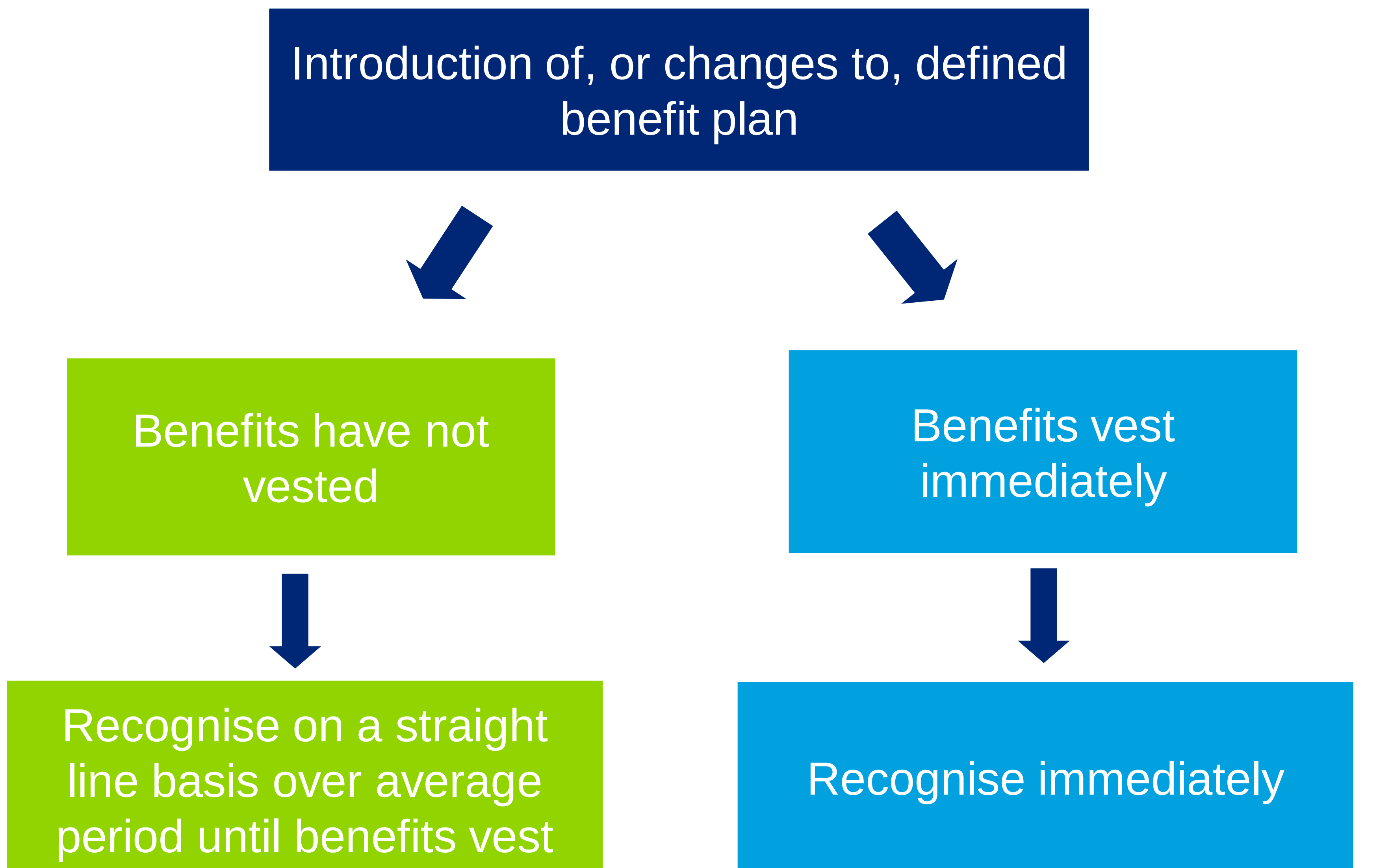
Introduction of

Or

Changes to

Post-employment or other long-term employee benefits

Defined benefit plan – Past service cost



Past service cost

An entity operates a pension plan that pays a pension of 2.5% of final salary for each year of service. The benefits vest after 4 years of service

On 1 January 2005 the entity improves the pension to 3% of final salary for each year of service starting from 1 January 2002
At 1 January 2005, present value of additional benefits for service from 1 January 2002 to 1 January 2005 is

Employees with more than 4 years service at 1 January 2005	USD200,000
Employees with less than 4 years' service At 1 January 2005 (average period until vesting: 2 years)	USD160,000

How are the additional benefits accounted for?

Past service cost

The entity recognises USD200,000 immediately because those benefits are already vested

The entity recognises USD160,000 on a straight-line basis over two years from 1 January 2005
USD80,000 in 2005 and 2006

5) Presentation in Balance Sheet

Defined benefit liability in balance sheet=

+ present value of the defined benefit obligation
– fair value of plan assets
+/– any actuarial gains or losses not recognised
– any past service cost not yet recognised

Limit on Asset

Limit carrying amount of an asset so that it does not exceed the net total of

Any unrecognised past service cost, plus
actuarial losses, plus

present value of any economic benefits from refunds from the plan or reductions in future contributions to plan

Disclosures

Disclosures

51.1 Defined contribution plans

The Group operates defined contribution retirement benefit plans for all qualifying employees of its subsidiary in Country C. The assets of the plans are held separately from those of the Group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The employees of the Group's subsidiary in Country B are members of a state-managed retirement benefit plan operated by the government of Country B. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total expense recognised in profit or loss of Rs.160 (for the year ended March 31, 20X6: Rs.148) represents contributions payable to these plans by the Group at rates specified in the rules of the plans. As at March 31, 20X7, contributions of Rs.8 (as at March 31, 20X6: Rs.8) due in respect of 20X6-20X7 (20X5-20X6) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

Disclosures

51.2 Defined benefit plans

The Group sponsors funded defined benefit plans for qualifying employees of its subsidiaries in India. The defined benefit plans are administered by a separate Fund that is legally separated from the entity. The board of the Fund is composed of an equal number of representatives from both employers and (former) employees. The board of the Fund is required by law and by its articles of association to act in the interest of the Fund and of all relevant stakeholders in the scheme, i.e. active employees, inactive employees, retirees, employers. The board of the Fund is responsible for the investment policy with regard to the assets of the Fund.

Under the plans, the employees are entitled to post-retirement yearly instalments amounting to x% of final salary for each year of service until the retirement age of 65. The eligible salary is the difference between the current salary of the employee and the state retirement benefit. In addition, the service period is limited to 40 years resulting in a maximum yearly entitlement (life-long annuity) of x% of final salary.

Disclosures

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments. Further, the overseas plan has a relatively balanced investment in equity securities, debt instruments and real estates. Due to the long-term nature of the plan liabilities, the board of the overseas Fund considers it appropriate that a reasonable portion of the plan assets should be invested in equity securities and in real estate to leverage the return generated by the Fund.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Disclosures

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company.

No other post-retirement benefits are provided to these employees.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 20X7 by Mr. F.G, Fellow of the Institute of Actuaries of India. Further, in respect of the overseas plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 20X7 by Mr. P.Q, Fellow of the Institute of Actuaries of Country B. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Disclosures

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	Valuation as at		
	31/03/X7	31/03/X6	1/04/X5
Discount rate(s)	xx%	xx%	xx%
Expected rate(s) of salary increase	xx%	xx%	xx%
Average longevity at retirement age for current beneficiaries of the plan (years)*			
Males	27.5	27.3	27.3
Females	29.8	29.6	29.6
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)*			
Males	29.5	29.3	29.3
Females	31.0	30.9	30.9
Others [describe]	-	-	-

* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others (please describe).

Disclosures

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows.

	Year ended 31/03/X7	Year ended 31/03/X6
Service cost:		
Current service cost	1,259	738
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	77	114
Components of defined benefit costs recognised in profit or loss	**1,336**	**852**
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(518)	(140)
Actuarial (gains) / losses arising from changes in demographic assumptions	(25)	(5)
Actuarial (gains) / losses arising from changes in financial assumptions	(220)	(23)
Actuarial (gains) / losses arising from experience adjustments	(43)	(23)
Others [describe]	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Components of defined benefit costs recognised in other comprehensive income	**(806)**	**(191)**
Total	**530**	**661**

Disclosures

The current service cost and the net interest expense for the year are included in the ‘Employee benefits expense’ line item in the consolidated statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

	As at 31/03/X7	As at 31/03/X6	As at 1/04/X5
Present value of funded defined benefit obligation	6,156	5,808	6,204
Fair value of plan assets	(4,202)	(4,326)	(4,010)
Funded status	**1,954**	**1,482**	**2,194**
Restrictions on asset recognised	-	-	-
Others [describe]	-	-	-
Net liability arising from defined benefit obligation	**1,954**	**1,482**	**2,194**

Disclosures

Movements in the present value of the defined benefit obligation are as follows.

	Year ended 31/03/X7	Year ended 31/03/X6
Opening defined benefit obligation	5,808	6,204
Current service cost	1,259	738
Interest cost	302	323
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions	(25)	(5)
Actuarial gains and losses arising from changes in financial assumptions	(220)	(23)
Actuarial gains and losses arising from experience adjustments	(43)	(23)
Others [describe]	-	-
Past service cost, including losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Exchange differences on foreign plans	31	75
Benefits paid	(956)	(1,481)
Others [describe]	-	-
Closing defined benefit obligation	**6,156**	**5,808**

Disclosures

Movements in the fair value of the plan assets are as follows.

	Year ended 31/03/X7	Year ended 31/03/X6
Opening fair value of plan assets	4,326	4,010
Interest income	225	209
Remeasurement gain (loss):		
Return on plan assets (excluding amounts included in net interest expense)	518	140
Others [describe]	-	-
Contributions from the employer	910	870
Contributions from plan participants	440	412
Assets distributed on settlements	-	-
Assets acquired in a business combination	-	-
Exchange differences on foreign plans	(1,261)	166
Benefits paid	(956)	(1,481)
Other [describe]	-	-
Closing fair value of plan assets	**4,202**	**4,326**

Disclosures

The fair value of the plan assets for the India and overseas plan at the end of the reporting period for each category, are as follows.

	Fair value of plan assets as at		
	31/03/X7	31/03/X6	1/04/X5
Cash and cash equivalents	-	-	-
Equity investments categorised by industry type:			
- Consumer industry	-	-	-
- Manufacturing industry	300	280	276
- Energy and utilities	-	-	-
- Financial institutions	310	300	286
- Health and care	-	-	-
- IT and telecom	-	-	-
- Equity instrument funds	416	406	404
Subtotal	**1,026**	**986**	**966**
Debt investments categorised by issuers' credit rating:			
- AAA	1,970	1,830	1,584
- AA	-	-	-
- A	10	20	18
- BBB and lower	-	-	-
- not rated	-	-	-
Subtotal	**1,980**	**1,850**	**1,602**
Properties categorised by nature and location:			
- Retail shops in Country B	300	200	190
- Commercial properties in Country B	717	912	910
- Residential properties in Country B	96	290	284
Subtotal	**1,113**	**1,402**	**1,384**
Derivatives:			
- Interest rate swaps	57	72	50
- Forward foreign exchange contracts	26	16	8
Subtotal	**83**	**88**	**58**
Others [describe]	-	-	-
Total	**4,202**	**4,326**	**4,010**

Disclosures

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets whereas the fair values of properties and derivatives are not based on quoted market prices in active markets. It is the policy of the fund to use interest rate swaps to hedge its exposure to interest rate risk. This policy has been implemented during the current and prior years. Foreign currency exposures are fully hedged by the use of the forward foreign exchange contracts.

The actual return on plan assets was Rs.743 (for the year ended March 31, 20X6: Rs.349).

The plan assets include equity shares of the Company with an aggregate fair value of Rs.380 (as at March 31, 20X6: Rs.252; as at April 1, 20X5: Rs.212) and a property occupied by a subsidiary of the Company with fair value of Rs.620 (as at March 31, 20X6: Rs.620; as at April 1, 20X5: Rs.620).

Disclosures

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs.744 (increase by Rs.740) (as at March 31, 20X6: decrease by Rs.734 (increase by Rs.730)) (as at April 1, 20X5: decrease by Rs.724 (increase by Rs.720)).
- If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by Rs.120 (decrease by Rs.122) (as at March 31, 20X6: increase by Rs.102 (decrease by Rs.105)) (as at April 1, 20X5: increase by Rs.92 (decrease by Rs.95)).
- If the life expectancy increases (decreases) by one year for both men and women, the defined benefit obligation would increase by Rs.150 (decrease by Rs.156) (as at March 31, 20X6: increase by Rs.143 (decrease by Rs.149)) (as at April 1, 20X5: increase by Rs.141 (decrease by Rs.139)).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Disclosures

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study. Main strategic choices that are formulated in the actuarial and technical policy document of the Fund are:

- Asset mix based on 25% equity instruments, 50% debt instruments and 25% investment properties;
- Interest rate sensitivity caused by the duration of the defined benefit obligation should be reduced by 30% by the use of debt instruments in combination with interest rate swaps;
- Maintaining an equity buffer that gives a 97.5% assurance that assets are sufficient within the next 12 months.

There has been no change in the process used by the Group to manage its risks from prior periods.

The Group's subsidiaries fund the cost of the entitlements expected to be earned on a yearly basis. Employees pay a fixed x% percentage of salary. The residual contribution (including back service payments) is paid by the entities of the Group. The funding requirements are based on the local actuarial measurement framework. In this framework the discount rate is set on a risk free rate. Furthermore, premiums are determined on a current salary base. Additional liabilities stemming from past service due to salary increases (back-service liabilities) are paid immediately to the Fund. Apart from paying the costs of the entitlements, the Group's subsidiaries are not liable to pay additional contributions in case the Fund does not hold sufficient assets. In that case, the Fund would take other measures to restore its solvency, such as a reduction of the entitlements of the plan members.

The average duration of the benefit obligation at March 31, 20X7 is 16.5 years (as at March 31, 20X6: 15.6 years; as at April 1, 20X5: 14.7 years). This number can be analysed as follows:

- active members: 19.4 years (as at March 31, 20X6: 18.4 years; as at April 1, 20X5: 17.4 years);
- deferred members: 22.6 years (as at March 31, 20X6: 21.5 years; as at April 1, 20X5: 20.8 years); and
- retired members: 9.3 years (as at March 31, 20X6: 8.5 years; as at April 1, 20X5: 8.2 years).

The Group expects to make a contribution of Rs.950 (as at March 31, 20X6: Rs.910; as at April 1, 20X5: Rs.880) to the defined benefit plans during the next financial year.

Thanks