



Tax Invoice

e-Invoice



IRN : e3e764d0fe93f3dcb54386e17b537dce391d7db2ce4a0729c-
bd09ba6fa21a7b3
Ack No. : 122423639541578
Ack Date : 21-Oct-24

 G.N. AGARWAL M.A.,B.Sc.,FIAI, Consulting Actuary, The Ruby, 4th Floor, North West, 29, Senapati Bapat Marg, Dadar (West), Mumbai Maharashtra - 400028, India GSTIN/UIN: 27ABPPA3930R1Z6 State Name : Maharashtra, Code : 27 Contact : 022-6781 7811 E-Mail : actuary@actuary.co.in	Invoice No.	Dated		
	GNA/1188/2024-25	21-Oct-24		
	Reference No. & Date.	Mode/Terms of Payment 30 Days		
	Buyer's Order No.	Other References		
Buyer (Bill to)		Terms of Delivery		
TFS (R&R Works) Private Limited Haridwar Food Plaza, Adj to Crystal World, Haridwar Roorkee NH-58, Village Batedi Rajputana, Post- Shantashah, Haridwar, Uttarakhand - 249405, India GSTIN/UIN : 05AADCT1597R1ZN State Name : Uttarakhand, Code : 05		Payment may be made by Cheque/DD payable at Mumbai OR by NEFT/RTGS to the credit of Bank Account.		
SI No.	Particulars	HSN/SAC	GST Rate	Amount
1	Professional Fees Being Charges for Undertaking Actuarial Valuation for Gratuity Liability As at 30.06.2024 (IND AS 19)	997163	18 %	7,500.00
		IGST		1,350.00
Total				₹ 8,850.00
Amount Chargeable (in words)		E. & O.E		
INR Eight Thousand Eight Hundred Fifty Only		Company's Bank Details		
Remarks:		A/c Holder's Name : G.N.Agarwal		
Category : Services Auxillary to Insurance & Pensions - Actuarial Services.		Bank Name : State Bank of India		
Company's PAN : ABPPA3930R		A/c No. : 0000035140796691		
Declaration		Branch & IFS Code : Churchgate & SBIN0001821		
We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.		SWIFT Code : SBININBB196		
		 for G.N. AGARWAL Authorised Signatory		

This is a Computer Generated Invoice

ACTUARIAL REPORT UNDER IND AS 19 FOR GRATUITY PLAN VALUATION AS ON 30 June 2024

NAME OF THE PLAN : TFS (R and R Works) Private Limited Employees' Gratuity Scheme

Name and address of the : TFS (R and R Works) Private Limited
Enterprise Block-A, South Wing, 1st Floor, Shiv Sagar Estate,
Dr. Annie Besant Road,
Worli Point, Mumbai - 400 018,

- 1 I have been requested by M/S TFS (R and R Works) Private Limited to calculate the accounting expenses associated with the above scheme for the period from 01 Apr 2024 to 30 Jun 2024 in terms of Accounting Standard IND AS 19
- 2 The results set out in this Report and its annexures are based on requirements of IND AS 19 and its application to the Plan. They have been prepared for the specific requirements of IND AS 19 and should not be used for any other purpose. In particular this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels.
- 3 **METHODOLOGY AND ASSUMPTIONS**

I have used the Projected unit Credit Method to determine the Plan Liability as on the valuation date.

The assumptions used in compiling this Report are consistent with the requirements of IND AS 19 .

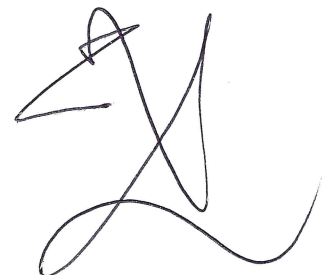
The key assumptions used in the calculations are in accordance with the best estimates of the Private Ltd as on the valuation date and discussed with the TFS (R and R Works) Private Limited, and are found to be appropriate. The assumptions are given in the Annexure 'A' attached hereto. The discount rate are based on the benchmark yields available on Government Bonds at the valuation date with terms matching that of the liabilities and the salary increase rates take into account inflation, seniority, promotion and other relevant factors.

- 4 The calculations have been based on the membership information for the Plan as at 31 Mar 2024 and 30 Jun 2024 as supplied by the Private Ltd. A summary of the data is given below.

Summary of Membership Data

As at	31-Mar-24	30-Jun-24
Number of employees	192	247
Total Monthly salary (Rs.)	28,23,213	35,83,349
Average Past Service	1.57	1.25
Average age	28.95	28.73

The GRATUITY Scheme is not funded but as per information given to me the appropriate liability as required under IND AS 19 is being provided in the balance sheet. I have been informed that no benefit is paid during the period from 01 Apr 2024 to 30 Jun 2024



In preparing this Report I have relied on the completeness and accuracy of the information provided to me orally and in writing by or on behalf of the Private Ltd and its advisers. I have not completed any detailed validation checks on the information provided. I have, however, carried out broad consistency checks.

5 Accounting Policy For Recognising Actuarial Gains and Losses

I understand that the Company recognizes Actuarial Gain & Loss in the Other Comprehensive Income Account in the year in which they occur.

6 Principal Plan Provisions as at 30 Jun 2024

I give below a summary of my understanding of the principal rules of the Plan as at 30 Jun 2024.

Normal Retirement	:	60 Years
Salary for calculation of Gratuity	:	Last drawn eligible monthly salary as per data
Vesting Period	:	5 years of service
	:	
Benefit on normal retirement	:	As per the provisions of The Payment of Gratuity Act, 1972 With Limit of 20 Lacs
Benefit on early retirement /resignation	:	Same as normal retirement benefit.
Benefit on death in service	:	Same as normal retirement benefit except that no vesting conditions apply

7 Special Events

I have not observed any special events worth mentioning during the Accounting Standard.

8 Valuation Results

The full results of my calculations are set out in Disclosure Table in the Annexure 'A' to this Report.

9 The glossary given in Annexure 'B' gives definitions of various terms used in this report

I would be pleased to discuss this Report with you.

Mumbai
Date 27-Aug-24



(G. N. Agarwal)
M.A., B.Sc., FIAI
CONSULTING ACTUARY

		Annexure 'A'	
TFS (R and R Works) Private Limited Accounting Disclosures Statement		GRATUITY	
Period of accounting		1-Apr-24	to 30-Jun-24
Valuation Result as at		31-Mar-24	30-Jun-24
<i>all figures in Indian Rupees (INR)</i>			
I <u>Changes in present value of obligations</u>			
PVO at beginning of period	17,98,078		22,86,626
Interest cost	1,18,790		35,738
Current Service Cost	4,98,302		1,66,151
Past Service Cost- (non vested benefits)	-		-
Past Service Cost -(vested benefits)	-		-
Transfer in Liability	34,795		-
Transfer out Liability	(12,549)		-
Benefits Paid	(33,813)		-
Benefits Paid By The Company	-		-
Contributions by plan participants	-		-
Business Combinations	-		-
Curtailments	-		-
Settlements	-		-
Actuarial (Gain)/Loss on obligation	(1,16,977)		29,022
PVO at end of period	22,86,626		25,17,537
II <u>Interest Expenses</u>			
Interest cost	1,18,790		35,738
III <u>Fair Value of Plan Assets</u>			
Fair Value of Plan Assets at the beginning	-		-
Interest Income	-		-
IV <u>Net Liability</u>			
PVO at beginning of period	17,98,078		22,86,626
Fair Value of the Assets at beginning report	-		-
Net Liability	17,98,078		22,86,626
V <u>Net Interest</u>			
Interest Expenses	1,18,790		35,738
Interest Income	-		-
Net Interest	1,18,790		35,738
VI <u>Actual return on plan assets</u>			
Less Interest income included above	-		-
Return on plan assets excluding interest income	-		-
VII <u>Actuarial (Gain)/loss on obligation</u>			
Due to Demographic Assumption*	(89,133)		(91,796)
Due to Financial Assumption	41,592		6,713
Due to Experience	(69,436)		1,14,105
Total Actuarial (Gain)/Loss	(1,16,977)		29,022
*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience			
VIII <u>Fair Value of Plan Assets</u>			
Opening Fair Value of Plan Asset	-		-
Adjustment to Opening Fair Value of Plan Asset	-		-
Return on Plan Assets excl. interest income	-		-
Interest Income	-		-
Transfer in Fund	-		-
Transfer out Fund	-		-
Contributions by Employer	33,813		-
Contributions by Employee	-		-
Benefits Paid	(33,813)		-
Fair Value of Plan Assets at end	-		-

		Annexure 'A'	
TFS (R and R Works) Private Limited Accounting Disclosures Statement		<u>GRATUITY</u>	
Period of accounting		1-Apr-24	to 30-Jun-24
	Page 2		
IX	<u>Past Service Cost Recognised</u>		
	Past Service Cost- (non vested benefits)	-	-
	Past Service Cost -(vested benefits)	-	-
	Average remaining future service till vesting of the benefit	-	-
	Recognised Past service Cost- non vested benefits	-	-
	Recognised Past service Cost- vested benefits	-	-
	Unrecognised Past Service Cost- non vested benefits	-	-
X	<u>Amounts to be recognized in the balance sheet and statement of profit & loss account</u>		
	PVO at end of period	22,86,626	25,17,537
	Fair Value of Plan Assets at end of period	-	-
	Funded Status	(22,86,626)	(25,17,537)
	Net Asset/(Liability) recognized in the balance sheet	(22,86,626)	(25,17,537)
XI	<u>Expense recognized in the statement of P & L A/C</u>		
	Current Service Cost	4,98,302	1,66,151
	Net Interest	1,18,790	35,738
	Past Service Cost- (non vested benefits)	-	-
	Past Service Cost -(vested benefits)	-	-
	Curtailment Effect	-	-
	Settlement Effect	-	-
	Unrecognised Past Service Cost- non vested benefits	-	-
	Expense recognized in the statement of P & L A/C	6,17,092	2,01,889
XII	<u>Other Comprehensive Income (OCI)</u>		
	Actuarial (Gain)/Loss recognized for the period	(1,16,977)	29,022
	Asset limit effect	-	-
	Return on Plan Assets excluding net interest	-	-
	Unrecognized Actuarial (Gain)/Loss from previous period	-	-
	Total Actuarial (Gain)/Loss recognized in (OCI)	(1,16,977)	29,022
XIII	<u>Movements in the Liability recognized in Balance Sheet</u>		
	Opening Net Liability	17,98,078	22,86,626
	Adjustment to opening balance	-	-
	Transfer in Liability	34,795	-
	Transfer in Fund	-	-
	Transfer out Liability	(12,549)	-
	Transfer out Fund	-	-
	Expenses as above	6,17,092	2,01,889
	Benefits Paid By The Company	-	-
	Contribution paid	(33,813)	-
	Other Comprehensive Income(OCI)	(1,16,977)	29,022
	Closing Net Liability	22,86,626	25,17,537
XIV	<u>Schedule III of The Companies Act 2013</u>		
	Current Liability	4,29,743	8,47,788
	Non-Current Liability	18,56,883	16,69,749
XVI	<u>Projected Service Cost 31 Mar 2025</u>		4,42,243
XVII	<u>Asset Information</u>		
		Total Amount	Target Allocation %
	Cash and Cash Equivalents		
	Gratuity Fund ()	-	
	Debt Security - Government Bond		
	Equity Securities - Corporate debt securities		
	Other Insurance contracts		
	Property		
	Total Itemized Assets	-	0%

Annexure 'A'

XVIII Assumptions as at	31-Mar-24	30-Jun-24
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Interest / Discount Rate	6.90%	6.81%
Rate of increase in compensation	8.00%	8.00%
Annual increase in healthcare costs		
Future Changes in maximum state healthcare benefits		
Expected average remaining service	1.21	0.85
Employee Attrition Rate(Past Service (PS))		
RL 4 & below	PS: 0 to 42 : 0%	PS: 0 to 42 : 21%
RL 5 & above	PS: 0 to 42 : 56%	PS: 0 to 42 : 56%

XIX Sensitivity Analysis

	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
PVO	24,45,349	25,95,322	25,78,481	24,58,698

XX Expected Payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
Payouts	8,47,788	5,18,084	3,75,257	2,88,887	2,30,205	5,74,699

XXI Asset Liability Comparisons

Year	31-03-2021	31-03-2022	31-03-2023	31-03-2024	30-06-2024
PVO at end of period	-	2,21,495	17,98,078	22,86,626	25,17,537
Plan Assets	-	-	-	-	-
Surplus/(Deficit)	-	(2,21,495)	(17,98,078)	(22,86,626)	(25,17,537)
Experience adjustments on plan assets	-	-	-	-	-

Weighted average remaining duration of Defined Benefit Obligation 4.01

XXII Narrations

1 Analysis of Defined Benefit Obligation

The number of members under the scheme have increased by 28.65%.

The total salary has increased by 26.92% during the accounting period.

The resultant liability at the end of the period over the beginning of the period has increased by 10.10%.

2 Expected rate of return basis

Scheme is not funded EORA is not applicable

3 Description of Plan Assets and Reimbursement Conditions

Not Applicable

4 Investment / Interest Risk

Since the scheme is unfunded the Company is not exposed to Investment / Interest risk.

5 Longevity Risk

The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

6 Salary Escalation Rate

The salary escalation rate has remain unchanged and hence there is no change in liability resulting in no actuarial gain or loss due to change in salary escalation rate.

7 Discount Rate

The discount rate has decreased from 6.90% to 6.81% and hence there is an increase in liability leading to actuarial loss due to change in discount rate.

Mumbai
27-Aug-24

(G. N. Agarwal)
CONSULTING ACTUARY



GLOSSARY

All definitions of terms are as per IND AS 19. The following terms are used with explanations given below:

Actuarial Gain or Loss	From one plan year to the next, if the experience of the plan differs from that anticipated using the actuarial assumptions, an actuarial gain or loss occurs. For example, an actuarial gain would occur if the plan assets earned 12% for the year while the assumed rate of return used in the valuation was 8%. Other causes of actuarial gains or losses would include changes in actuarial assumptions and / or demographic changes in the population profile.
Funded Status	This is the excess/(shortfall) of the fair value of plan assets over the Plan Liability.
Plan Liability (PVO)	This quantity is the discounted present value of all benefits attributed by the plan's benefit formula to service rendered prior to the measurement date. It is measured using an assumption as to future pay levels.
Service Cost	This is the discounted present value of benefits attributed by the plan's benefit formula to services rendered by employees during the accounting period. It is measured using an assumption as to future pay levels.
Interest Costs	The increase in the Plan liability over the accounting period due to interest (the time value of money)
Expected Return on Assets	The expected return on plan assets over the accounting period, based on an assumed rate of return.
Expenses Recognised in P&L A/C.	This is the profit and loss charge for the accounting period, and comprises the sum of the service and interest costs less the expected return on assets, adjusted for Actuarial Gain / loss recognised for the period
Projected Unit Credit Method (PUC)	Under the PUC method a "projected accrued benefit" is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan. The "projected accrued benefit" is based on the Plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the "projected accrued benefits" as of the beginning of the year for active members.

ADDENDUM NOT FORMING PART OF THE REPORT

I have tried to explain following frequently raised queries:

Current and Non- Current Liability

Current and non-current liability in terms of "Schedule III of The Companies Act 2013": I have been frequently receiving request for matching total of current plus non current liability with closing net liability. In my opinion by creation of an asset the accounting entity is neither discharging the liability nor is absolved from the same and hence the total of current and non current liability has to be equal with the total PVO (Present value obligation) at the end of the period plus short term compensated liability if any.

Expected average remaining service Versus Average Remaining Future Service

I have been quized by most of the accounting entities regarding the above. The average remaining service can be arithmetically arrived by deducting current age from normal retirement age whereas the expected average remaining service is arrived actuarially by applying multiple decrements to the average remaining future service namely mortality and withdrawals. Thus the expected average remaining service is always less than the average remaining future service.

