

Nomination provisions require an overhaul



TRUTH BE TOLD

HARSH ROONGTA

There is a need to make succession smoother and simpler by reimagining the entire nomination process. Today I shall write about nomination provisions across retirement schemes: Government Provident Fund (or GPF, applicable to government employees who started their jobs prior to 2005), National Pension System (or NPS, applicable to government employees who started their jobs 2005 onwards, private-sector employees, and the self-employed, including low-income persons under the Pension Lite programme), and Employee Provident Fund (EPF) with Employee Pension Scheme (EPS) and Employee Deposit Linked Insurance Scheme (or EDLIS, applicable to all non-government sector employees).

Despite the vintage of the regulations (GPF regulations date back to 1925), some provisions are surprisingly modern. Some schemes allow pre-designating alternative nominee(s) if the preferred nominee predeceases the contributor. Some schemes allow relatives to withdraw money if the contributor is incapacitated. Most allow nomination to be seen, changed or made online. These provisions are quite modern and worthy of emulation by the relatively more modern mutual fund industry.

However, the rest of the nomination provisions are soaked in paternalism and are sexist. They treat the contributor not as an investor but as a recipient of government benefits.

First, there is the insistence across the board that only “family members” can be nominee(s), and that too as defined under each scheme. Each scheme even has a different definition of what constitutes family. Even the three schemes governed by the Employees’ Provident Fund Organisation

(EPFO) — EPF, EPS and EDLIS — define “family” differently. If a person is estranged from his family, there is no possibility of him leaving his money to anybody other than his family.

The provisions also differentiate between male and female contributors. A female contributor can appoint her dependent parents-in-law as nominees, but the husband can't have his wife's parents as nominees even if they are dependent on him. In EPF, the definition of family and the rules for who can or can't be nominated are extremely complicated. The detailing goes to the extent that there is even a rule saying a nominee accused of murdering the contributor can't be paid the dues while the trial is on.

Some schemes invalidate earlier nominations after events like the subscriber's marriage. One rather draconian provision is that if an unmarried contributor had nominated her parents, and then gets married but forgets to update the nomination, the account is treated as one without a nominee.

These rules can perhaps be justified as being products of the times in which they were created. But there is no excuse for not revising them to reflect new realities and social mores. They need to reflect the basic fact that the

EPFO, GPF authorities and Pension Fund Regulatory and Development Authority are fund managers for individuals' long-term retirement savings. While reasonable safeguards should be built in, there can't be restrictions on the individual's right to leave her money to whoever she wants.

Truth be told, the focus of retirement saving has been on accumulation, with little attention to what happens if the contributor dies. It is time for a comprehensive review of the provisions to modernise and harmonise them across retirement products. A recent white paper has made several valuable suggestions in this regard.

Note: This article is based on the White Paper: “Reimagining Nominations — Making Succession Smoother and Simpler” written by Pramod Rao (Chief General Counsel of ICICI) in his personal capacity. My colleagues and I at ARIA, a Section 8 not-for-profit company, provided inputs for the white paper.

The writer heads Fee Only Investment Advisers LLP, a Sebi-registered investment adviser

Nomination rules can be justified as being products of their times, but there is no excuse for not revising them to reflect new realities

Child's foreign education: Be wary of currency depreciation

Allocate a portion of the equity portfolio into international funds to counter the impact

SANJAY KUMAR SINGH

Competition for the limited number of seats in high-quality educational institutes within India is fierce. At the same time, with disposable incomes rising, Indians are becoming global in their spending patterns, whether it is on travel or education. Financial planners say sending children abroad for higher education is a major goal for eight out of the 10 parents that come to them for advice.

Education consultants, too, attest to the growing desire among parents to send children abroad. “The number of students heading abroad for education fell in 2020 due to Covid, but it rose again in 2021. And going by the number of enrolments, it is likely to be even higher in 2021. Interest from tier II and III cities is also growing,” says Neeraj Khanna, co-founder and director of Bengaluru-based Spark Career Mentors.

The number of student visas issued by the United States to Indian students had crossed 55,000 (it was the highest ever figure) by August end.

Begin early

Since the outlay is significant, begin saving and investing for it early. When your child is young, you won't know which course or country he will go to. So, begin by making assumptions. “Begin by targeting an expensive country and course you would like your child to go to. If she chooses another country or a course that costs less, you will have a surplus, which is fine. Alternatively, begin by allocating what you can afford towards this goal,” says Vishal Dhawan, chief



COSTS ACROSS COUNTRIES AND COURSES

Countries	Undergraduate courses	Annual tuition fee (₹lakh)
US	Computer Science, Engineering, Economics, Business, Pure Science	26-45
Canada	Computer Science, Engineering, Economics, Business, Psychology	21-33
UK	Computer Science, Engineering, Economics, Law, Medicine	18-30
France	IT, Business, Finance, Fashion, Hospitality	17-27
Australia	Business, Engineering, Economics, Hospitality, Architecture	15-26

Source: Spark Career Mentors

financial planner, Plan Ahead Wealth Advisors.

Adds Arvind A Rao, certified financial planner and founder, Arvind Rao & Associates: “Consider both the course fee and the cost of living. It is prudent not to factor in any stipend the child may earn.”

Take inflation into account

Once you have chosen a country and a course, get an estimate of the current costs from the websites of a few colleges or universities. Take the current cost and apply an inflation factor to it for the number of years left. Take the average consumer inflation for that country, and multiply it by 1.5-2 times to get the education inflation. To that, add another three

per cent for currency depreciation. If the average consumer inflation in a country is 3 per cent, education inflation will be 4.5-6 per cent. Add 3 per cent for currency depreciation. So, be prepared for the cost to rise 7.5-9 per cent annually.

Build equity-heavy portfolio

Choose the asset mix for this portfolio based on your time horizon. If you have more than seven years left, build an equity-heavy portfolio with allocation as high as 80-100 per cent. “Risk-averse parents may opt for a higher allocation to debt,” says Ankur Kapur, managing partner, Plutus Capital, a Sebi-registered investment advisory firm.

In the equity portion, use passive funds (in the large cap space) and flexi-cap active funds. Include international funds. “Allocation to international funds can be 40-50 per cent of the equity portfolio for an effective hedge against currency depreciation,” says Dhawan. Invest via the systematic investment or transfer plan (SPI/STP) route.

Parents who may dip into the corpus for other goals should use Unit-Linked Insurance Plans (ULIPs). “The five-year lock-in is useful for them,” says Rao.

On the fixed-income side, use shorter-duration debt funds. If the time horizon is long, medium- to longer-duration funds may also be used.

Parents with a girl child may use the Sukanya Samriddhi Account on the fixed-income side. “The return is attractive at 7.6 per cent and is tax-free,” says Rao. However, the timelines for

withdrawal are rigid. Public Provident Fund (PPF) may be used if the goal is more than 15 years away. Long-term company fixed deposits from blue-chip companies may also be included. Buy adequate term insurance so that the child's plans are not compromised in case of an eventuality.

Monitor your portfolio

As your child grows up and you have clarity on the country and the course, revise your target. “Also keep an eye on the costs of your target colleges and courses to ensure you are on track,” says Kapur.

Look up your portfolio once

every year. When the markets underperform you may lag behind your target. Bump up your investments in such years. When the market outperforms, you may get ahead of target. Don't stop or reduce your investments in such years. “Ensure that your active funds are performing consistently and beating their benchmarks,” says Arnab Pandya, founder, Moneyeduschool.

Reduce equity allocation as you get closer to your goal. “When you are three years away, bring the equity allocation down to 60 per cent, and then to zero over the next two years,” says Pandya. Shift money from medium- or long-duration debt funds to lower-duration funds.

Mistakes to avoid

Money for this goal is not required at one go. Pay-outs happen over a few years. Also, your child's departure to the foreign college may get delayed

beyond 18 because she may decide to take a year off, or she may try a second time if she doesn't get the right college or course in her first attempt. Since you can't control the timing, keep the corpus in open-end products that provide flexibility of withdrawal. Children's insurance plans, with their rigid timelines for withdrawal, should be avoided.

Investing in real estate to meet this goal is not advisable. “Real estate cycles tend to be long. And in the midst of a downturn, this asset class turns illiquid. Therefore, stick to financial assets, which offer better liquidity and have shorter cycles,” says Dhawan.

CORRIGENDUM — E-AUCTION SALE NOTICE
(under regulation 32 & 33 of IBBI (Liquidation Process) Regulations, 2016)
SABER PAPER BOARDS PRIVATE LIMITED (in Liquidation)
(CPDBPL) CIN: U21015PB1996PTC019227
With reference to E-Auction Sale notice published in this newspaper dated 25-10-2021, the E-auction schedule stands revised as under:-
E-Auction Schedule — Last Date/Time for submission of Bid Documents & EMD:
24th Nov 2021 (Wednesday) by 5:00 p.m. **E-Auction Date:** 26th Nov 2021 (Friday) from 3:00 p.m. to 5:00 p.m. (with unlimited extension of 5mins)
Revised E-auction Sale notice and Bid Document which can be downloaded from <https://www.bankeauctions.com> and <https://saberboardscirp.wordpress.com>
Vikram Bajaj
Regn. No: IBBI/PA-002/IP-N00003/2016-2017/10003
Liquidator, Saber Paper Boards Pvt. Ltd. (in Liquidation)
Place: Delhi Email: bajaj.vikram@gmail.com Ph: 011-45789408(O)/9599898408(M)
Office: 308, Pearls Business Park, Netaji Subhash Place, Pitampura, Delhi -110034

CORRIGENDUM
In reference to the extract of un-audited financial results for the quarter and half year ended 30th September, 2021 of Manaksia Aluminium Company Limited published on 13.11.21, the heading of first column of figures is to be read as 'Quarter ended 30th September, 2021' and the heading of second column of figures is to be read as 'Half Year ended 30th September, 2021'.

INVITING EXPRESSION OF INTEREST FOR
MITASHI EDUTAINMENT PRIVATE LIMITED
IP Kailash Shah has issued FORM-G calling for submission of EOI for the CD. Anyone interested in submission of EOI for Mitashi Edutainment Private Limited may contact team member CA Shreyans Shah at 9727247030.
The last date for Submission of EOI is 20th November 2021.
Mitashi Edutainment Private Limited is in the field of Marketing & Distribution of consumer electronics products i.e. T.V., Refrigerator, A.C., Washing Machine, etc.,
Mitashi is also a key player in toys industry.
To view a teaser & FORM-G kindly scan the QR code mentioned below or
Contact at +91 9727247030 or mitashi.cirp@gmail.com

TPSODL Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha, India -760 004
NOTICE INVITING TENDER Date : 14.11.2021
TP Southern Odisha Distribution Limited (TPSODL) invites tender from eligible vendors for following :

Sl. No.	Tender Description	Tender Enquiry No.	EMD (Rs. Lakhs)	Tender Fee Inclusive of GST (Rs.)	Last date & time of Payment of Tender Fee
1.	Display of Hoardings at PAN TPSODL	TPSODL/OT/ 2021-22/072	1.00	5,000	17.11.2021, 17:00Hrs.
2.	Rate Contract for Supply of 33KV 800A Double break Isolator-Earth Switch at TPSODL.	TPSODL/OT/ 2021-22/073	1.30	5,000	25.11.2021, 18:00Hrs.
3.	Rate Contract for Supply of AI Wound Transformers and Cu Wound Distribution Transformer of Various Rating at TPSODL	TPSODL/OT/ 2021-22/074	7.00	5,000	25.11.2021, 18:00Hrs.

For detailed tender, please visit Tender Section on TPSODL website <https://www.tpsouthernodisha.com>

PEARL GLOBAL INDUSTRIES LIMITED
CIN: L74899DL1989PLC036849
Registered Office: C-17/11, Paschimi Marg, Vasant Vihar, New Delhi-110 057
Corporate Office: Plot No. 51, Sector-32, Gurugram -122001 (Haryana)
Tel: 0124 - 4651000; E-mail: investor.pgil@pearlglobal.com; Website: www.pearlglobal.com

EXTRACT OF CONSOLIDATED UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2021
(₹ in Lakhs except earning per share data)

S. No.	Particulars	Quarter Ended 30.09.2021 (Unaudited)	Half Year Ended 30.09.2021 (Unaudited)	Quarter Ended 30.09.2020 (Unaudited)	Year Ended 31.03.2021 (Audited)
1	Total income from operations	68,622.84	1,13,019.53	45,533.05	1,51,443.14
2	Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items*)	2,338.19	2,588.92	1,442.68	(129.75)
3	Net Profit / (Loss) for the period before tax (after Exceptional and / or Extraordinary items*)	2,992.67	3,238.74	1,433.81	1,135.56
4	Net Profit/(Loss) for the period after tax (after Exceptional and/or Extraordinary items*)	2,552.97	2,477.14	1,510.50	1,748.32
5	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)	3,173.85	3,068.24	1,164.54	1,661.41
6	Equity Share Capital	2,166.39	2,166.39	2,166.39	2,166.39
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year.	-	-	-	49,555.07
8	Earning Per Share (of ₹ 10 each) (for continuing and discounted operations) -				
	Basic:	11.31	11.39	6.63	7.97
	Diluted:	11.31	11.39	6.63	7.97

(*) Exceptional and/or Extraordinary items adjusted in the statement of Profit & Loss in accordance with Ind AS Rules.

Notes:
(1) The above is an extract of the detailed format of quarterly / half yearly Financial Results filed with the Stock Exchanges under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the quarterly / half yearly Financial Results (both Consolidated & Standalone) are available on the Company's website at www.pearlglobal.com, besides the websites of BSE Ltd. (www.bseindia.com) and National Stock Exchange of India Ltd. (www.nseindia.com).
(2) The above results were reviewed and recommended by the Audit Committee and approved by the Board of the Directors of company at their meetings held on November 13, 2021.
(3) Additional information on standalone financial results pursuant to Regulation 47 of SEBI (Listing obligations Disclosure Requirements) Regulations, 2015:

S. No.	Particulars	Quarter Ended 30.09.2021 (Unaudited)	Half Year Ended 30.09.2021 (Unaudited)	Quarter Ended 30.09.2020 (Unaudited)	Year Ended 31.03.2021 (Audited)
(a)	Turnover	21,631.07	38,621.40	24,614.68	77,140.04
(b)	Net Profit / (Loss) for the period before tax (after Exceptional and / or Extraordinary items	1,039.35	1,645.50	(520.72)	(919.52)
(c)	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)	841.09	1,336.56	3.82	784.10

By order of the Board
For Pearl Global Industries Limited
Sd/-
(Pulkit Sethi)
Managing Director
DIN 00003044

Place : Gurugram
Dated : November 13, 2021

STAR Health Insurance
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STAR HEALTH AND ALLIED INSURANCE CO LTD
Corp. Office: “Star Insurance Towers”, No.1, New Tank Street, Valluvar Kottam High Road, Nungambakkam, Chennai - 600 034.
Toll Free No. : 1 800 425 2255, Website: www.starhealth.in
CIN: U66010TN2005PLC056649, Email: info@starhealth.in

STATEMENT OF FINANCIAL RESULT FOR THE QUARTER AND YEAR TO DATE ENDED SEPTEMBER 30, 2021 (Rs. in '000s)

Sr. No.	Particulars	Three Months ended September 30, 2021 Audited	September 30, 2020 Audited	Six Months ended September 30, 2021 Audited	September 30, 2020 Audited	Year ended March 31, 2021 Audited
1	Total Income from Operations (Note 1)	28,846,791	24,172,816	50,697,818	39,559,462	93,885,387
2	Net Profit/(Loss) for the period (before Tax, Exceptional and / or Extraordinary Item)	(2,323,425)	(578,352)	(5,126,317)	1,491,710	(14,458,055)
3	Net Profit/(Loss) for the period before tax (after Exceptional and / or Extraordinary Item)	(2,323,425)	(578,352)	(5,126,317)	1,491,710	(14,458,055)
4	Net Profit/(Loss) for the period after tax (after Exceptional and / or Extraordinary Item)	(1,704,892)	(331,796)	(3,802,664)	1,131,083	(10,857,137)
5	Total Comprehensive Income for the period (Comprising Profit / (loss) for the period (after tax) and Other Comprehensive Income (after tax) (Note 2)	NA	NA	NA	NA	NA
6	Paid up Equity Capital	5,532,899	4,906,380	5,532,899	4,906,380	5,480,869
7	Reserves (excluding Revaluation Reserve)	-	4,742,858	-	4,742,858	-
8	Securities Premium Account	37,501,713	10,369,828	37,501,713	10,369,828	36,607,852
9	Net Worth	31,986,587	20,019,066	31,986,587	20,019,066	34,846,288
10	Paid Up Outstanding Debt	6,500,000	2,500,000	6,500,000	2,500,000	2,500,000
11	Outstanding Redeemable Preference shares	NA	NA	NA	NA	NA
12	Debt Equity Ratio (No. of times)	0.20	0.12	0.20	0.12	0.07
13	Earnings per share (of Rs.10/- each) (for Continuing and discontinued Operations)					
	1. Basic	(3.08)	(0.68)	(6.93)	2.31	(21.75)
	2. Diluted	(3.08)	(0.68)	(6.93)	2.23	(21.75)
14	Capital Redemption Reserves	-	-	-	-	-
15	Debtenture Redemption Reserves	150,000	150,000	150,000	150,000	150,000
16	Debt Service Coverage Ratio (No. of times)	(34.48)	(7.96)	(38.86)	12.62	(55.48)
17	Interest Service Coverage Ratio (No. of times)	(34.48)	(7.96)	(38.86)	12.62	(55.48)

Notes:
1. Total Income from Operations represents Gross Written Premium (GWP).
2. The Indian Accounting Standards (IND AS) are currently not applicable to Insurance Companies in India
3. The above is an extract of the detailed format of quarterly and year to date Financial results filed with the Stock Exchange under Regulation 52 of SEBI (Listing Obligations and Disclosure requirements) regulations, 2015. The full format of quarterly and year to date Financial results are available on the website of Stock Exchange (www.nseindia.com) and the Company (www.starhealth.in)
4. For other line items referred in Regulation 52 (4) of SEBI (Listing Obligations and Disclosure requirements) regulations, 2015, pertinent disclosures have been made to Stock Exchange (NSE) and can be accessed on www.nseindia.com

Registration No. and Date of Registration with the IRDAI : 129/16.03.2006

For and on behalf of Board of Directors
Sd/-
V. Jagannathan
Chairman and CEO
DIN: 01196055

Place : Chennai - 600 034
Date: November 11, 2021

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