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IN THE NEWS

WPI inflation eases to 24-month low in Jan

WHOLESALE PRICE INFLATION hit a 24-month low of 4.73% in January this year, aided by a favourable base effect and moderation in prices of manufactured products and fuel and power although a number of food items became more expensive, reports Surabhi. ■ PAGE 2

I-T surveys BBC offices in Delhi and Mumbai

ACTING AGAINST ALLEGED non-compliance with transfer pricing rules and diversion of profits, the I-T department on Tuesday carried out surveys at the premises of BBC at Delhi and Mumbai, reports Aanchal Magazine.

EXPLAINER

Licensing norms and Uber's travails ■ PAGE 24

TO AVERT SETBACK FROM SHIFT TO OPS

Govt may sweeten new pension plan

Guaranteed pension of 50% last-drawn salary

PRASANTA SAHU
New Delhi, February 14

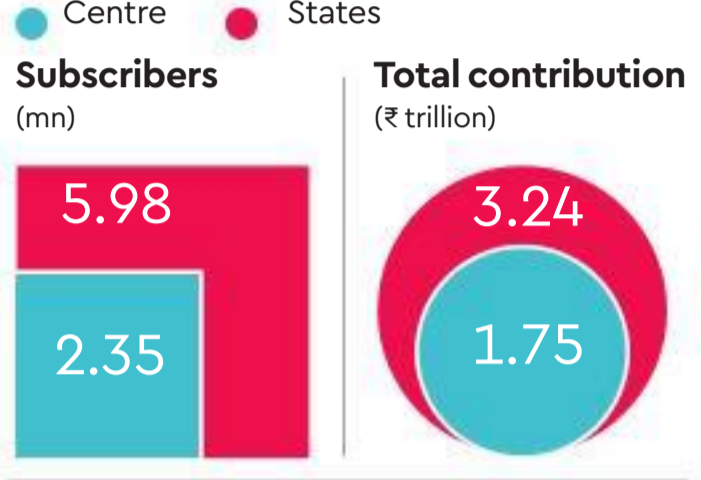
WITH DEMAND GROWING for the old pension system (OPS) with assured benefits, the Centre and some state governments are exploring ways to salvage pension reforms, by treading a middle path between the fiscally-expensive OPS and the reform-oriented National Pension System (NPS).

One option being considered is to offer guaranteed pension to government staff at around 50% of the last pay drawn under the NPS by tweaking the existing scheme without burdening the exchequer too much. While OPS is based on the concept of defined benefits, the principle that underlie NPS is defined contribution.

Currently, under the NPS, also called new pension scheme, 60% of the accumulated corpus from contributions during a person's working years is allowed to be withdrawn at the time of retirement. Such withdrawal is also tax-free. The balance 40% is invested in annuities, which according to an estimate, could provide a pension equivalent of about 35% of the last pay drawn. However, it is not a guaranteed pension as returns are linked to markets.

Officials reckon that the NPS could be revised in such a way that at the time of retirement, an employee gets back her contribution of roughly 41.7% (built from a contribution of 10% of pay) as a lump sum amount. "An analysis showed that if the balance

IN THE SCHEME OF THINGS



Assets under management (₹ trillion)



58.3% corpus built from the central/state government contribution (14%) is annuitised, the pension in NPS could be around 50% of last drawn salary," an official aware of the deliberations in the government said. If actual returns work out to be less than the guaranteed amount, the gap could be bridged by the government concerned by contributing a little more to NPS, the official added.

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AI lands 470-jet jumbo deal

Orders 250 planes from Airbus, 220 from Boeing

SWARAJ BAGGONKAR
Mumbai, February 14

IN A MOVE aimed at refurbishing the Air India fleet and turning around the ailing carrier, the Tata Group will buy 470 aircraft from Airbus and Boeing.

The deal is the largest in commercial aviation history with the Boeing order estimated at \$34 billion and the Airbus transaction at around \$35 billion. The agreement signed with Boeing includes options for additional purchases of 50 737 Max jets and 20 787s valued at additional \$12 billion.

FLIGHT PLAN ■ Single-largest deal tops American Airlines' order for 460 Airbus and Boeing jets more than a decade ago ■ Tata Group-run airline to buy Boeing planes with a list price of \$34 bn



\$35-bn Airbus order includes 210 A320neo narrow body and 40 A350 widebody planes ■ Boeing's third biggest in dollar value, second biggest in number

The Air India hangars will soon have 250 Airbus aircraft, including 210 narrow body A320 aircraft and 40 wide body A350 planes. It will also house 220 Boeing jets comprising 190 737 Max aircraft, 20 787s and 10 777Xs.

Continued on Page 2

No full-fledged probe into Adani for now

SURABHI
New Delhi, February 14

THE CENTRE IS keeping a close tab on the evolving situation surrounding the Adani Group of companies, but is not looking at initiating a full-fledged official probe anytime soon, according to official sources. It will wait until the Securities and Exchange Board of India (Sebi) shares its findings after its ongoing examination of the concerns that have emerged in this regard, they added.

The ministry of finance as well as the ministry of corporate affairs are keeping themselves apprised of all the issues surrounding the Adani Group companies, said one of the sources privy to the developments. "Like in the case of any large corporate entity, the issue is being monitored at the highest levels. The regulators are already looking into the questions

UNDER THE LENS

■ Issue being monitored by both the finance and corporate ministries

■ Govt to wait for Sebi report on route in Adani stocks

■ Centre abreast of the matter, whether it's revenue or forex flows or company law concerns

being raised but a full-fledged investigation by the government ministries is unlikely for now," the source said, requesting not to be quoted.

Continued on Page 2

Grant Thornton to audit Adani firms

EMBATTLED ADANI GROUP has appointed Grant Thornton for an independent audit of some of its firms in a bid to come clean of the allegations levelled by Hindenburg Research and to assure investors and regulators. ■ PAGE 4

INSIDE

Two Adani firms may repay short-term CP debt ■ PAGE 9

Adani group investors lose over \$125 billion ■ PAGE 9

Adani Enterprises Q3 net profit at ₹740 crore ■ PAGE 4

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