

Notes to the **Financial Statements**

As at 31 March 2019

29. RETIREMENT BENEFIT OBLIGATIONS

	Group	
	2019	2018
	RM'000	RM'000
At 1 April 2018/2017	1,813	1,837
Recognised in profit or loss (Note 6)	240	289
Contributions paid	(141)	(43)
Remeasurement of defined benefit liability	(110)	(49)
Exchange differences	29	(221)
At 31 March	1,831	1,813

The foreign subsidiary in Indonesia operates an unfunded defined benefit plan for its eligible employees. The obligations under the retirement benefit scheme are calculated using the projected unit credit method, is determined by a qualified independent actuary, considering the estimated future cash outflows using market yields at the reporting date of high quality corporate bonds. The latest actuarial valuation was carried out using the employee data as at 31 March 2019.

- (a) The amounts recognised in the statement of financial position are determined as follows:

	Group	
	2019	2018
	RM'000	RM'000
Present value of unfunded defined benefits obligations	1,831	1,813
Analysed as:		
Non-current	1,831	1,813

- (b) The amounts recognised in the profit or loss are as follows:

	Group	
	2019	2018
	RM'000	RM'000
Current service cost	147	200
Interest cost	93	89
Total, included in employee benefits expense (Note 6)	240	289

- (c) The principle assumptions used by the foreign subsidiary in Indonesia in determining employee benefits liability as of 31 March 2019 and 2018 are as follows:

	2019	2018
Discount rate	8.00%	7.25%
Annual salary increase	7.00%	7.00%
Retirement age	55	55