

ENL INVESTMENT LIMITED
ANNUAL REPORT 2011





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Dear Shareholder,

The Board of Directors is pleased to present the Annual Report of ENL Investment Limited for the year ended June 30, 2011. This report was approved by the Board of Directors on September 30, 2011.

On behalf of the Board of Directors, we invite you to join us at the Annual Meeting of the Company to be held:

Date: December 7, 2011

Time: 14.30 hours

Place: 7th Floor, Swan Group Centre
Intendance Street
Port Louis

Sincerely,



Guy RIVALLAND
Chairman



Hector ESPITALIER-NOËL
Director

Statement of Financial Position

June 30, 2011

	Notes	2011 Rs'000	2010 Rs'000
Assets			
Non-current assets			
Available-for-sale securities:			
- Investments in associates	5(a)	3,999,748	3,709,574
- Investments in financial assets	5(b)	1,000,600	1,863,687
		5,000,348	5,573,261
Current assets			
Trade and other receivables	6	2,348	299
Amounts receivable from group companies	7	145,357	4,635
Held-for-trading securities	8	148,832	43,437
Cash and cash equivalents		101,064	10
		397,601	48,381
Non-current assets classified as held for sale	9	680,403	-
Total assets		6,078,352	5,621,642
Equity and Liabilities			
Capital and reserves			
Share capital	10	1,612,984	1,612,984
Fair value and other reserves		2,403,033	2,578,089
Retained earnings		1,403,740	1,228,795
Shareholders' interests		5,419,757	5,419,868
Liabilities			
Non-current liabilities			
Borrowings	11	273,959	98,929
Current liabilities			
Trade and other payables	12	1,375	2,500
Amounts payable to group companies	13	1,418	26,360
Current tax liabilities	14	-	173
Borrowings	11	325,755	39,296
Proposed dividends	15	56,088	34,516
		384,636	102,845
Total liabilities		658,595	201,774
Total equity and liabilities		6,078,352	5,621,642

These financial statements have been approved for issue by the Board of Directors on September 30, 2011.



Guy RIVALLAND
Chairman



Hector ESPITALIER-NOËL
Director

The notes on pages 29 to 45 form an integral part of these financial statements.
Auditors' report on pages 23 and 24.

Statement of Comprehensive Income

Year ended June 30, 2011

	Notes	2011 Rs'000	2010 Rs'000
Dividends receivable		40,709	46,939
Interest receivable		132	-
		40,841	46,939
Administrative expenses		7,354	7,517
Management fees		23,418	22,222
		30,772	29,739
		10,069	17,200
Fair value gain on held-for-trading securities	8	13,341	9,560
Share of profit of associates		275,817	292,758
Finance costs	16	(23,903)	(15,187)
Gain/(loss) on disposal of securities		69	(245)
Profit for the year	17	275,393	304,086
Other comprehensive income:			
Movement in net assets of associated companies		100,327	500,756
Fair value adjustments on available for sale securities		(289,542)	(37,416)
Other comprehensive income for the year	18	(189,215)	463,340
Total comprehensive income for the year		86,178	767,426
Earnings per share	19	Rs. 3.19	3.52

The notes on pages 29 to 45 form an integral part of these financial statements.
Auditors' report on pages 23 and 24.

Statement of Changes in Equity

Year ended June 30, 2011

	Note	Share capital Rs'000	Fair value reserves Rs'000	Reserves of associated companies Rs'000	Retained earnings		Total Rs'000
					Holding company Rs'000	Associated companies Rs'000	
Balance at July 1, 2010		1,612,984	1,357,928	1,220,161	371,310	857,485	5,419,868
Total comprehensive income for the year		-	(289,542)	114,486	85,546	175,688	86,178
Dividends	15	-	-	-	(86,289)	-	(86,289)
Balance at June 30, 2011		1,612,984	1,068,386	1,334,647	370,567	1,033,173	5,419,757
Balance at July 1, 2009		1,612,984	1,395,344	648,475	371,490	727,696	4,755,989
Total comprehensive income for the year		-	(37,416)	571,686	103,367	129,789	767,426
Dividends	15	-	-	-	(103,547)	-	(103,547)
Balance at June 30, 2010		1,612,984	1,357,928	1,220,161	371,310	857,485	5,419,868

The notes on pages 29 to 45 form an integral part of these financial statements.

Auditors' report on pages 23 and 24.

Statement of Cash Flows

Year ended June 30, 2011

	Notes	2011 Rs'000	2010 Rs'000
Cash flows from operating activities			
Cash absorbed in operations	20 (a)	(31,063)	(33,505)
Dividends received		118,939	137,557
Income tax paid		(72)	(287)
Net cash generated from operating activities		87,804	103,765
Cash flows from investing activities			
Proceeds from sale of investments		528	1,238
Proceeds from liquidation of investment		-	4,414
Purchase of investments		(200,009)	(4,006)
Loans granted to group companies		(135,000)	-
Net cash (used in)/generated from investing activities		(334,481)	1,646
Cash flows from financing activities			
Proceeds from long term borrowings		575,700	-
Interest paid		(24,041)	(15,075)
Payments on long-term borrowings		(99,675)	(23,449)
Loans repaid to group companies		(25,000)	(12,000)
Loans received from group companies		-	32,000
Dividends paid		(64,717)	(103,547)
Net cash generated from/(used in) financing activities		362,267	(122,071)
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at July 1,		(14,526)	2,134
Cash and cash equivalents at June 30,	20 (b)	101,064	(14,526)

The notes on pages 29 to 45 form an integral part of these financial statements.
Auditors' report on pages 23 and 24.

Notes to the Financial Statements

Year ended June 30, 2011

1 GENERAL INFORMATION

ENL Investment Limited is a limited liability company incorporated and domiciled in Mauritius. The holding company is ENL Limited. The registered office of both companies is at 7th Floor, Swan Group Centre, Intendance Street, Port Louis. The ultimate holding entity is Société Caredas, a 'Société Civile' registered in Mauritius.

These financial statements will be submitted for consideration and approval at the forthcoming annual general meeting of shareholders.

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

The financial statements of ENL Investment Limited comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). Where necessary, comparative figures have been amended to conform with changes in presentation in the current year.

The financial statements have been prepared under the historical cost convention, except that held for trading and available-for-sale securities are stated at their fair values as disclosed in the accounting policies hereafter.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Standards, Amendments to published Standards and Interpretations effective in the reporting period

Amendments to IFRS 1, 'Additional Exemptions for First-time Adopters' exempt entities that use the full cost method for oil and gas properties from retrospective application of IFRSs. It also exempts entities with existing leasing contracts from reassessing the classification of those contracts in accordance with IFRIC 4, 'Determining whether an arrangement contains a lease'. The amendment is not expected to have any impact on the company's financial statements.

Amendments to IFRS 2, 'Group Cash-settled Share-based Payment Transactions'. In addition to incorporating IFRIC 8, 'Scope of IFRS 2', and IFRIC 11, 'IFRS 2 – Group and treasury share transactions', the amendments expand on the guidance in IFRIC 11 to address the classification of group arrangements that were not covered by that interpretation. This amendment is not expected to have any impact on the company's financial statements.

Amendment to IAS 32, 'Classification of rights issues', addresses the accounting for right issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. This amendment is not expected to have any impact on the company's financial statements.

Amendment to IFRS 1 Limited Exemption from Comparatives IFRS 7 Disclosures for First-time Adopters provides first-time adopters relief from presenting comparative information for the new disclosures required by the March 2009 amendments to IFRS 7 'Financial Instruments: Disclosures'. This amendment is not expected to have any impact on the company's financial statements.

IFRIC 19, 'Extinguishing financial liabilities with equity instruments', clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished. This IFRIC will not have any impact on the company's financial statements.

Notes to the Financial Statements

Year ended June 30, 2011

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of Preparation (continued)

Improvements to IFRSs (issued 16 April 2009)

IAS 1 (Amendment), 'Presentation of Financial Statements'. The amendment clarifies that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counterparty to settle in shares at any time. This amendment is not expected to have any impact on the company's financial statements.

IAS 7 (Amendment), 'Statement of Cash Flows', clarifies that only expenditure that results in a recognised asset on the statement of financial position can be classified as a cash flow from investing activities.

IAS 17 (Amendment) 'Leases', clarifies that when a lease includes both land and buildings, classification as a finance or operating lease is performed separately in accordance with IAS 17's general principles. Prior to the amendment, IAS 17 generally required a lease of land with an indefinite useful life to be classified as an operating lease, unless title passed at the end of the lease term. A lease newly classified as a finance lease should be recognised retrospectively. The amendment will not have any impact on the company's operations.

IAS 18 (Amendment), 'Revenue'. An additional paragraph has been added to the appendix to IAS 18, providing guidance on whether an entity is acting as principal or agent.

IAS 36 (Amendment), 'Impairment of Assets', clarifies that for the purpose of impairment testing, the cash-generating unit or groups of cash-generating units to which goodwill is allocated should not be larger than an operating segment (as defined by IFRS 8, 'Operating segments') before aggregation.

IAS 38 (Amendment), 'Intangible Assets', clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. The amendment removes the exceptions from recognising intangible assets on the basis that their fair values cannot be reliably measured. Intangible assets acquired in a business combination that are separable or arise from contractual or other legal rights should be recognised. The amendment specifies different valuation techniques that may be used to value intangible assets where there is no active market.

IAS 39 (Amendment), 'Financial Instruments: Recognition and Measurement' clarifies that the scope exemption within IAS 39 only applies to forward contracts that will result in a business combination at a future date, as long as the term of the forward contract does 'not exceed a reasonable period normally necessary to obtain any required approvals and to complete the transaction'. The amendment removes reference to transactions between segments as being hedgeable transactions in individual or separate financial statements and clarifies that amounts deferred in equity are only reclassified to profit or loss when the underlying hedged cash flows affect profit or loss. The amendment is not expected to have an impact on the company's statement of comprehensive income.

IFRS 5 (Amendment), 'Non-current Assets Held for Sale and Discontinued Operations'. The amendment clarifies that IFRS 5 specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still apply, in particular paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1.

IFRS 8 (Amendment), 'Operating Segments', clarifies that the requirement for disclosing a measure of segment assets is only required when the Chief Operating Decision Maker reviews that information. This amendment is unlikely to have an impact on the company's financial statements.

Improvements to IFRSs (issued 6 May 2010)

IFRS 3 (Amendment), 'Business Combinations', clarifies that the choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of the net assets in the event of liquidation. All other components of non-controlling interests are measured at fair value unless another measurement basis is required by IFRS. The application guidance in IFRS 3 applies to all share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

Notes to the Financial Statements

Year ended June 30, 2011

(a) Basis of Preparation (continued)

Improvements to IFRSs (issued 6 May 2010) (continued)

IAS 27 (Amendment), 'Consolidated and Separate Financial Statements', clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2011 or later periods, but which the company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Amendments to IFRIC 14 Prepayments of a Minimum Funding Requirement

IAS 24 Related Party Disclosures (Revised 2009)

Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (Amendments to IFRS1)

Deferred Tax: Recovery of Underlying Assets (Amendments to IAS 12)

Disclosures – Transfers of Financial Assets (Amendments to IFRS 7)

Amendments to IAS 1 Presentation of Items of Other Comprehensive Income

IFRS 9 Financial Instruments

IAS 27 Separate Financial Statements

IAS 28 Investments in Associates and Joint Ventures

IFRS 10 Consolidated Financial Statements

IFRS 11 Joint Arrangements

IFRS 12 Disclosure of Interests in Other Entities

IFRS 13 Fair Value Measurement

IAS 19 Employee Benefits (Revised 2011)

Improvements to IFRSs (issued 6 May 2010)

IFRS 1 First-time Adoption of International Financial Reporting Standards

IFRS 7 Financial Instruments: Disclosures

IAS 1 Presentation of Financial Statements

IAS 34 Interim Financial Reporting

IFRIC 13 Customer Loyalty Programmes

Where relevant, the company is still evaluating the effect of these standards, amendments to published standards and interpretations, issued but not yet effective, on the presentation of its financial statements.

(b) Revenue Recognition

Dividend income is accounted for when the shareholder's right to receive payment is established.

Interest income is accounted for on a time proportion basis using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount.

(c) Investments in Associates

An associate is an entity over which the company has significant influence but not control, or joint control. Investments in associated companies are accounted for under the equity method.

The company's investments in associates include goodwill (net of any accumulated impairment loss) identified on acquisition. Investments in associates are initially recognised at cost as adjusted by post acquisition changes in the company's share of the net assets of the associates less any impairment in the value of individual investments.

Notes to the Financial Statements

Year ended June 30, 2011

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Investments in Associates (continued)

The results of associated companies acquired or disposed of during the year are included on the statement of comprehensive income from the date of their acquisition or up to the date of their disposal.

When the company's share of losses exceeds its interest in an associate, the company discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

Unrealised profits and losses are eliminated to the extent of the company's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associates to bring the accounting policies used in line with those adopted by the company.

(d) Goodwill

Goodwill represents the excess of acquisition cost over the company's interests in the fair value of the net identifiable assets of the associate at the date of acquisition. Goodwill on acquisition of an associate is included in investments in associates. Any net excess of the company's interests in the net fair value of associates' net identifiable assets over cost is recognised on the statement of comprehensive income.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses, if any. On disposal of the associate, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

(e) Financial Instruments

(i) Financial assets

Categories of financial assets

The company classifies its financial assets in the following categories : Held for trading and available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(a) Available-for-sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the end of the reporting period.

(b) Held-for-trading securities

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within twelve months of the end of the reporting period.

Initial measurement

Purchases and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sell the asset. Investments are initially measured at cost plus transaction costs.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Notes to the Financial Statements

Year ended June 30, 2011

(e) Financial Instruments (continued)

(i) Financial assets (continued)

(b) Held-for-trading securities (continued)

Subsequent measurement

Available-for-sale and held-for-trading financial assets are subsequently carried at their fair values.

Realised and unrealised gains and losses arising from changes in the fair value of the held-for-trading financial assets are included on the statement of comprehensive income in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of financial assets classified as available-for-sale securities are recognised in other comprehensive income. When financial assets classified as available-for-sale securities are sold or impaired, the accumulated fair value adjustments are included on the statement of comprehensive income as gains and losses on financial assets.

The company establishes the fair value of financial assets by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, net asset value and market prices refined to reflect the issuer's specific circumstances. Some held for trading and available for sale securities, which are listed, are valued at market prices.

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of financial assets classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss-measured as the difference between acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised on the statement of comprehensive income.

(ii) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised costs less provision for impairment. A provision for impairment of receivable is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivable. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of provision is recognised on the statement of comprehensive income.

(iii) Bank borrowings

Interest-bearing bank loans and overdrafts are recorded net of direct issue costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after end of reporting period.

(iv) Trade payables

Trade payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

(v) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction from proceeds.

(vi) Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(f) Non-current assets held for sale

Non-current assets held for sale relate to investments which will be sold in the next financial year and are measured at the lower of carrying amount and fair value less costs to sell.

Notes to the Financial Statements

Year ended June 30, 2011

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(h) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events which will probably result in an outflow of resources that can be reliably estimated.

(i) Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are declared.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The company's objective is to provide long term capital growth and regular appreciation in dividend income distribution for investors. This objective is being fulfilled through investing in a diversified portfolio of equity and equity related investments.

The company's activities expose it to a variety of financial risks including the effects of changes in equity market prices, interest rate risk, liquidity risk and credit risk.

(a) market prices risk

The company is exposed to equity securities price risk because of investments held and classified on the statement of financial position as available-for-sale and held-for-trading and which are valued at market prices. To manage its price risk arising from investments in equity securities, the company diversifies its portfolio.

(i) Sensitivity analysis

The table below summarises the impact of increases/decreases in the fair value of the investments in financial assets and held-for-trading securities on the company's post-tax profit for the year and on other comprehensive income.

The analysis is based on the assumption that the fair value had increased/decreased by 5%.

Categories of investments	Impact on post-tax profit		Impact on other comprehensive income	
	2011 Rs'000	2010 Rs'000	2011 Rs'000	2010 Rs'000
Available-for-sale investments in financial assets	-	-	76,595	42,405
Held for trading securities	7,434	1,953	-	-

(b) Cash flow and fair value interest rate risk

The company lends and borrows at variable rates. In respect of the latter, it is exposed to risk associated with the effect of fluctuations in the prevailing level of market interest rates on its financial position and cash flows.

The risk is managed by maintaining an appropriate mix between fixed and floating interest charges on loans receivable and payable.

Notes to the Financial Statements

Year ended June 30, 2011

3.1 Financial risk factors (continued)

(b) Cash flow and fair value interest rate risk (continued)

At June 30, 2011, if interest rates on lending and borrowings had been 50 basis points higher/lower with all other variables held constant, post tax profits for the year would have been Rs.299,857 (2010: Rs.60,683) lower/higher.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The company aims at maintaining flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the company's liquidity reserve on the basis of expected cash flows and does not foresee any major liquidity risk over the next two years.

The company's financial liabilities analysed into relevant maturity groupings based on the remaining period to the contractual maturity date has been disclosed in note 11. All trade and other payables are due within one year.

(d) Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the company. The company's credit risk concentration is spread between interest rate and equity securities. All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal since delivery of securities sold is only made once the broker has received payment. On a purchase, payment is made once the securities have been received by the broker. If either party fails to meet their obligations, the trade will fail.

(e) Currency risk

The company is not exposed to foreign exchange risk. It has no financial assets and liabilities denominated in foreign currency.

3.2 Fair value estimation

The fair value of investments in financial assets traded on active markets is based on quoted market prices at the end of the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1. Instruments included in level 1 comprise primarily of quoted equity instruments classified as trading securities or available for sale and valued at market prices. The fair value of financial instruments that are not traded on an active market is determined using valuation techniques. The company uses a variety of methods namely capitalised earnings, adjusted net asset basis and dividend yield where applicable and makes assumptions that are based on market conditions existing at the end of each reporting period. These instruments are included in level 3. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The carrying amount of available-for-sale and held for trading financial assets would be an estimated Rs.7.5 million (2010: Rs.50.8 million) lower/higher in the event the fair values were increased/decreased by 5%.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of those financial assets and liabilities not presented on the company's statement of financial position at their fair values are not materially different from their carrying amounts.

Notes to the Financial Statements

Year ended June 30, 2011

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Capital risk management

The company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits for other stakeholders.

The company sets the amount of capital in proportion to risk. The company manages the capital structure and makes adjustments in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The company monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt (as shown on the statement of financial position) less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, retained earnings and fair value and other reserves).

The debt-to-adjusted capital ratios at June 30, 2011 and at June 30, 2010 were as follows:

	2011 Rs'000	2010 Rs'000
Total debt	599,714	138,225
Less: cash and cash equivalents	(101,064)	(10)
Net debt	498,650	138,235
Total equity	5,419,757	5,419,868
Debt-to-adjusted capital ratio	0.09	0.03

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of available-for-sale financial assets

The company follows the guidance of IAS 39 in determining when an investment is other-than-temporarily impaired and this determination requires significant judgement. In making this judgement, the company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

(b) Fair value of securities not quoted in an active market

The fair value of securities not quoted in an active market is determined by the company using valuation techniques. These valuation methods involve the use of judgement and estimates. Changes in assumptions about these factors could affect the reported fair value of investments.

(c) Estimated impairment of goodwill

The company tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 2(d). These calculations require the use of estimates.

Notes to the Financial Statements

Year ended June 30, 2011

5 AVAILABLE FOR SALE SECURITIES

(a) Investments in associates

	2011 Rs'000	2010 Rs'000
At July 1,	3,709,574	3,008,098
Movement in reserves in associated companies	100,327	500,757
Share of retained earnings of associated companies	189,847	200,719
At June 30,	3,999,748	3,709,574
Made up as follows:		
Share of net assets	3,893,191	3,603,017
Goodwill	106,557	106,557
	3,999,748	3,709,574

The company's interests in its principal associates, all of which are unlisted, is as follows:

	Year end	Country of incorporation/ registration	Assets Rs'000	Liabilities Rs'000	Revenues Rs'000	Profit Rs'000	% held
2011							
Food and Allied Industries Limited	June	Mauritius	1,972,945	635,065	2,539,254	164,549	41.68
Management and Development Company Limited	June	Mauritius	4,150,803	1,774,581	5,304,096	239,816	49.00
Rogers Consolidated Shareholding Limited*	September	Mauritius	24,333,000	12,227,000	10,585,000	465,300	50.00
Société Amstramdram	June	Mauritius	8,711	-	1,568	1,567	48.98

	Year end	Country of incorporation/ registration	Assets Rs'000	Liabilities Rs'000	Revenues Rs'000	Profit Rs'000	% held
2010							
Food and Allied Industries Limited	June	Mauritius	1,780,912	538,887	1,655,735	201,256	41.68
Management and Development Company Limited	June	Mauritius	3,634,041	1,503,849	4,920,651	150,119	49.00
Rogers Consolidated Shareholding Limited*	September	Mauritius	23,103,000	11,127,300	8,301,300	253,500	50.00
Société Amstramdram	June	Mauritius	8,711	-	1,568	1,567	48.98

* For companies with September 30, non coterminous year end, accounts for the twelve month period ended March 31, 2011 have been taken. (2010: twelve months period ended March 31, 2010)

(b) Investments in financial assets

(i) Fair value

	2011 Rs'000	2010 Rs'000
At July 1,	1,863,687	1,901,103
Additions	106,858	-
Fair value adjustments	(289,542)	(37,416)
Transfer to non current assets classified as held for sale	(680,403)	-
At June 30,	1,000,600	1,863,687

Notes to the Financial Statements

Year ended June 30, 2011

5 AVAILABLE FOR SALE SECURITIES (continued)

(b) Investments in financial assets

(ii) At June 30, 2011

	Level 1 Rs'000	Level 2 Rs'000	Level 3 Rs'000	Total Rs'000
Available for sale financial assets	851,500	-	149,100	1,000,600

At June 30, 2010

	Level 1 Rs'000	Level 2 Rs'000	Level 3 Rs'000	Total Rs'000
Available for sale financial assets	848,110	-	1,015,577	1,863,687

The fair value of these securities at June 30, 2011 has been determined by Ernst & Young using various bases of valuation and assumptions based on adjusted earnings and on their adjusted net assets. Some of the quoted securities have been valued at their market price.

Investments included in level 1 comprise of some quoted equity investments valued at their market prices. If all significant inputs required to fair value an instrument are observable, the investment is included in level 2. If one or more of the significant inputs are not based on observable market data, the investment is included in level 3. Further information is presented in note 3.2.

(iii) Available-for-sale financial assets include the following:

	2011 Rs'000	2010 Rs'000
Securities at fair value		
- listed	786,991	1,733,890
- Dem quoted	64,509	53,478
- unquoted	149,100	76,319
	1,000,600	1,863,687

(iv) Investments in financial assets are denominated in Mauritian rupees.

(v) The tables below show the changes in level 3 instruments for the year ended June 30, 2011.

	2011 Rs'000	2010 Rs'000
Opening balance	1,015,577	1,000,508
Additions	31,513	15,069
Gains recognised in other comprehensive income	41,268	-
Transfers out of level 3	(939,258)	-
Closing balance	149,100	1,015,577

Following change in valuation method in respect of some investments, these have been reclassified from level 3 to level 1.

(vi) The carrying amount of available for sale financial assets would be an estimated Rs 14.9 m lower/higher were the valuation analysis to differ by 10% from management estimates.

(vii) None of the financial assets are impaired.

(c) Bank borrowings are secured by floating charges on the assets of the company.

Notes to the Financial Statements

Year ended June 30, 2011

6 TRADE AND OTHER RECEIVABLES

	2011 Rs'000	2010 Rs'000
Investment income receivable	2,348	198
Other receivables	-	101
	2,348	299

The carrying amount of trade and other receivables approximate their fair values. Trade and other receivables were neither past due nor impaired.

Trade and other receivables are denominated in Mauritian rupees.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The company does not hold any collateral as security.

7 AMOUNTS RECEIVABLE FROM GROUP COMPANIES

	2011			2010
	Loans Rs'000	Others Rs'000	Total Rs'000	Total Rs'000
Fellow subsidiaries	135,000	10,357	145,357	4,635

As of June 30, 2011, no amount receivable from group companies was impaired or past due.

Amounts receivable from group companies are denominated in Mauritian rupees and their carrying amounts approximate their fair values.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The company does not hold any collateral as security.

8 HELD-FOR-TRADING SECURITIES

	2011 Rs'000	2010 Rs'000		
(a) Fair value				
At July 1,	43,437	30,715		
Additions	92,513	4,645		
Disposals	(459)	(1,483)		
Fair value adjustments	13,341	9,560		
At June 30,	148,832	43,437		
(b) At June 30, 2011				
	Level 1 Rs'000	Level 2 Rs'000	Level 3 Rs'000	Total Rs'000
Held for trading securities	148,667	-	165	148,832
At June 30, 2010	Level 1 Rs'000	Level 2 Rs'000	Level 3 Rs'000	Total Rs'000
Held for trading securities	43,272	-	165	43,437

Instruments included in level 1 comprise of quoted equity investments valued at market prices. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. Further information is presented in note 3.2.

Notes to the Financial Statements

Year ended June 30, 2011

8 HELD-FOR-TRADING SECURITIES (continued)

(c) The tables below show the changes in level 3 instruments for the year ended June 30, 2011.

	2011 Rs'000	2010 Rs'000
Opening balance	165	1,649
Disposal	-	(1,484)
Closing balance	165	165

- (d) Held for trading securities, comprising of official market, DEM quoted and unquoted investments, were valued by Ernst & Young at end of the reporting period. The official market and DEM quoted investments were revalued based on the quotations on the 'Official Market' and the DEM as at June 30, 2011. Unquoted investments were revalued on a dividend yield basis.
- (e) Held for trading securities are denominated in Mauritian rupees.
- (f) Bank borrowings are secured by floating charges on the assets of the company.
- (g) Changes in fair values of held for trading securities are recorded on the statement of comprehensive income.
- (h) None of the securities are impaired.

9 NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	2011 Rs'000	2010 Rs'000
Investments		
At July 1	-	-
Transfer from investments in financial assets	680,403	-
At June 30,	680,403	-

At a board meeting held on 22 August, 2011, it was resolved that the company will dispose of its non-core investments in the next financial year. These investments have been reclassified as non current assets classified as held for sale accordingly.

10 SHARE CAPITAL

	Number of ordinary shares	Value of ordinary shares Rs'000	Share premium Rs'000	Total Rs'000
At June 30, 2011 & 2010	86,289,139	862,891	750,093	1,612,984

The total authorised number of ordinary shares is 150m with a par value of Rs.10 per share.

Notes to the Financial Statements

Year ended June 30, 2011

11 BORROWINGS

	2011 Rs'000	2010 Rs'000
Borrowings comprise of:		
Current		
Bank loans	325,755	24,760
Bank overdrafts	-	14,536
	325,755	39,296
Non-current		
Bank loans	273,959	98,929
Total borrowings	599,714	138,225

	2011 Rs'000	2010 Rs'000
Bank loans		
The maturity of non current borrowings is as follows:		
Repayable by instalments:		
- after one year and before two years	27,255	26,191
- after two years and before three years	45,503	27,753
- after three years and before five years	76,234	44,985
- after 5 years	124,967	-
	273,959	98,929

Non current borrowings can be analysed as follows:

	2011 Rs'000	2010 Rs'000
- After 1 year and before 5 years	148,992	98,929
- After 2 years and before 3 years	45,503	27,753
- After 3 years	201,201	44,985

- (a) The bank borrowings are secured by floating charges on the assets of the company.
- (b) The bank borrowings are denominated in Mauritian rupees and the effective interest rates at the end of the reporting period were between 5.75% to 8.75%. (2010: 8.625% to 8.875%).
- (c) The carrying amounts of short-term borrowings approximate their fair values.
- (d) The exposure of the company's borrowings to interest rate changes are less than six months.

12 TRADE AND OTHER PAYABLES

	2011 Rs'000	2010 Rs'000
Accrued expenses	125	100
Other payables	1,250	2,400
	1,375	2,500

Trade and other payables are denominated in Mauritian rupees and their carrying amounts approximate their fair values.

Notes to the Financial Statements

Year ended June 30, 2011

13 AMOUNTS PAYABLE TO GROUP COMPANIES

	2011			2010
	Loans Rs'000	Others Rs'000	Total Rs'000	Total Rs'000
Holding company	-	-	-	25,138
Fellow subsidiaries	-	1,418	1,418	1,222
	-	1,418	1,418	26,360

Amounts payable to group companies are denominated in Mauritian rupees and their carrying amounts approximate their fair values.

14 INCOME TAX

	2011 Rs'000	2010 Rs'000
(a) <u>LIABILITY</u>		
At July 1,	173	359
Paid during the year	(173)	(287)
APS overpaid	-	101
At June 30,	-	173

	2011 Rs'000	2010 Rs'000
(b) <u>CHARGE</u>		
Current tax on the adjusted profit at 15% (2010 - 15%)	-	-

(c) The tax on the company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the company as follows:

	2011 Rs'000	2010 Rs'000
Profit before taxation	275,393	304,086
Tax calculated at a tax rate of 15% (2010:15%)	41,309	45,613
Tax effect on:		
Income not subject to tax	(21,013)	(22,281)
Expenses not deductible for tax purposes	4,611	6,776
Share of retained profits from associated companies	(28,477)	(30,108)
Tax losses generated during the year	3,570	-
Tax charge	-	-

15 DIVIDENDS

	2011 Rs'000	2010 Rs'000
Interim dividend paid - Re 0.35 per share - (2010: Re 0.80)	30,201	69,031
Final dividend proposed - Re 0.65 per share - (2010: Re 0.40 per share)	56,088	34,516
	86,289	103,547

The final dividends proposed of Rs.0.65 per share were paid on July 25, 2011.

Notes to the Financial Statements

Year ended June 30, 2011

16 FINANCE COSTS

	2011 Rs'000	2010 Rs'000
Interest expense:		
- Secured bank loans repayable by instalments the last of which falls due for repayment after three years and before five years	9,835	11,851
- Secured bank loans repayable by instalments the last of which falls due for repayment after five years	7,702	-
- Bank overdrafts	3,060	2,427
- Loan at call	3,306	909
	23,903	15,187

17 PROFIT FOR THE YEAR

	2011 Rs'000	2010 Rs'000
Profit for the year is arrived at after:		
Crediting:		
Investment income:		
- Listed	17,402	42,570
- DEM quoted	2,789	1,169
- Unquoted	20,518	3,200
Interest receivable	132	-
Fair value gains on held for trading securities	13,341	9,560

18 OTHER COMPREHENSIVE INCOME

2011	Fair value and other reserves Rs'000	Reserves of associated companies Rs'000	Revenue reserves Rs'000	Total Rs'000
Movement in net assets of associated companies	-	114,486	(14,159)	100,327
Fair value adjustments on available for sale securities	(289,542)	-	-	(289,542)
	(289,542)	114,486	(14,159)	(189,215)

2010	Fair value and other reserves Rs'000	Reserves of associated companies Rs'000	Revenue reserves Rs'000	Total Rs'000
Movement in net assets of associated companies	-	571,686	(70,930)	500,756
Fair value adjustments on available for sale securities	(37,416)	-	-	(37,416)
	(37,416)	571,686	(70,930)	463,340

Notes to the Financial Statements

Year ended June 30, 2011

19 EARNINGS PER SHARE

		2011	2010
Net profit attributable to shareholders	Rs'000	275,393	304,086
Number of ordinary shares in issue	'000	86,289	86,289
Earnings per share	Rs.	3.19	3.52

20 NOTES TO STATEMENT OF CASH FLOWS

	2011 Rs'000	2010 Rs'000
(a) Cash absorbed in operations		
Reconciliation of profit for the year to cash absorbed in operations		
Profit for the year	275,393	304,086
Adjustment for:		
Fair value gain on held-for-trading securities	(13,341)	(9,560)
Dividend income	(40,709)	(46,939)
Interest income	(132)	-
Share of profit of associates	(275,817)	(292,758)
Interest expense	23,903	15,187
(Gain)/loss on disposal of securities	(69)	245
	(30,772)	(29,739)
Changes in working capital:		
- Trade and other payables	(487)	(989)
- Amounts payable to group companies	196	(2,777)
Cash absorbed in operations	(31,063)	(33,505)
(b) Cash and cash equivalents		
Cash at bank and in hand	101,064	10
Bank overdraft	-	(14,536)
	101,064	(14,526)

21 RELATED PARTY TRANSACTIONS

(a)	Management fees Rs'000	Interest expense Rs'000	Interest income Rs'000	Amount owed to related party Rs'000	Amount owed by related party Rs'000	Loan receivable Rs'000
2011						
Holding company	-	1,030	-	-	-	-
Fellow subsidiaries	23,418	-	132	1,418	10,357	135,000
2010						
Holding company	-	909	-	25,138	-	-
Fellow subsidiaries	22,222	-	-	1,222	4,635	-

The transactions with related parties are made at normal market prices.

For the year ended June 30, 2011, the company did not record any impairment of receivables relating to amounts owed by related parties (2010: nil). This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Outstanding balances at year end are unsecured, interest free, except for loans receivable, and settlement in cash.

There have been no guarantees provided or received for any related party receivables and payables.

Notes to the Financial Statements

Year ended June 30, 2011

21 RELATED PARTY TRANSACTIONS (continued)

	2011 Rs'000	2010 Rs'000
(b) Key management personnel compensation		
Salaries and short-term employee benefits	-	-
Post-employment benefits	-	-

22 EVENTS AFTER THE REPORTING PERIOD

At a board meeting held on 22 August 2011, it was resolved that the company will dispose of its non-core investments to related companies and purchase investments from a fellow subsidiary to consolidate its position in the hospitality sector. The transaction, which will result in a net cash inflow of Rs.574m, is subject to and is conditional upon the necessary approval being obtained from all parties involved in the related party transactions.

At the same board meeting, it was resolved that the company purchase 5.2% of Rogers & Co Ltd for a consideration of Rs.367m.

Notice of Meeting

Notice is hereby given that the Annual Meeting of Shareholders of ENL Investment Limited will be held at the Company's registered office, 7th Floor, Swan Group Centre, Intendance Street, Port Louis on **December 7, 2011 at 1430 hours** to transact the following business:

- 1 To consider the Annual Report for the year ended June 30, 2011.
- 2 To receive the report of the auditors of the Company.
- 3 To consider and approve the audited financial statements of the Company for the year ended June 30, 2011.

Ordinary Resolution

"Resolved that the audited financial statements of the Company for the year ended June 30, 2011 be hereby approved."

- 4 To take note of the automatic reappointment of BDO & Co as auditors under Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration.

Ordinary Resolution

"Resolved that the automatic reappointment of the auditors under Section 200 of the Companies Act 2001 be noted and that the Board be authorised to fix their remuneration."

By order of the Board



ENL Limited
Company Secretary

September 30, 2011

Notes

A member of the Company entitled to attend and vote at this meeting may appoint a proxy, whether a member or not, to attend and vote on his/her behalf. Any such appointment must be made in writing on the attached form, and the document deposited at the Share Registry and Transfer office of the Company, MCB Registry and Securities Ltd, Raymond Lamusse Building, 9-11 Sir William Newton Street, Port Louis, Mauritius not less than twenty-four hours before the meeting is due to take place.

For the purpose of this annual meeting the directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the shareholders entitled to receive notice of the meeting and attend such meeting shall be those shareholders whose names are registered in the share register of the Company as at November 9, 2011.

Proxy Form

ENL Investment Limited

I/We

[Redacted]

of

[Redacted]

being a member/s of ENL Investment Limited, do hereby appoint

[Redacted]

of

[Redacted]

as my/our proxy or failing him/her

[Redacted]

of

[Redacted]

to vote for me/us on my/our behalf at the Annual Meeting of the Company to be held at **14.30 hours on December 7, 2011** and at any adjournment thereof. The proxy will vote on the under-mentioned resolution, as indicated:

RESOLUTIONS

(Please indicate with an X in the spaces below how you wish your votes to be cast)

	For	Against	Abstain
3 Resolved that the audited financial statements of the Company for the year ended June 30, 2011 be hereby approved.			
4 Resolved that the automatic reappointment of the auditors under Section 200 of the Companies Act 2001 be noted and that the Board be authorised to fix their remuneration.			

Signed this [Redacted] day of [Redacted] 2011

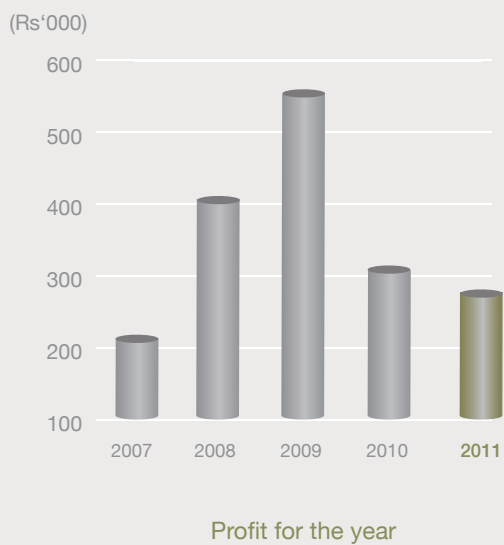
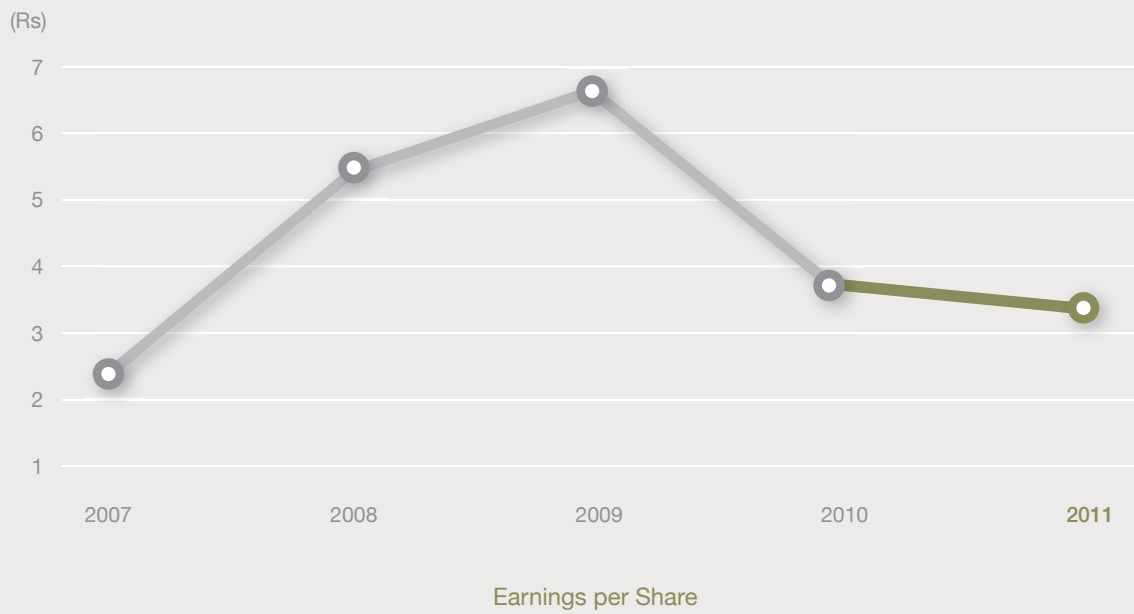
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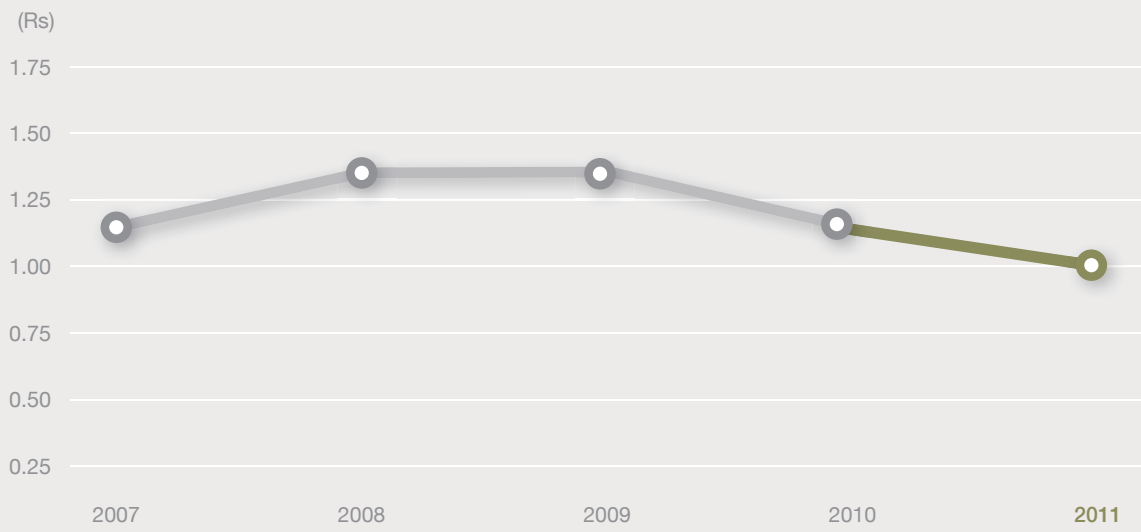
Signature

Notes

- 1 A member may appoint a proxy of his own choice. Insert the name of the person appointed proxy in the space provided.
- 2 If the appointor is a corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
- 3 In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.
- 4 If this form is returned without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes or whether he abstains from voting.
- 5 To be valid, this form must be completed and deposited at the Share Registry and Transfer Office of the Company, MCB Registry and Securities Ltd, Raymond Lamusse Building, 9-11 Sir William Newton Street, Port Louis, Mauritius not less not less than 24 hours before the time fixed for holding the meeting or adjourned meeting.

Financial Highlights





Dividend per Share



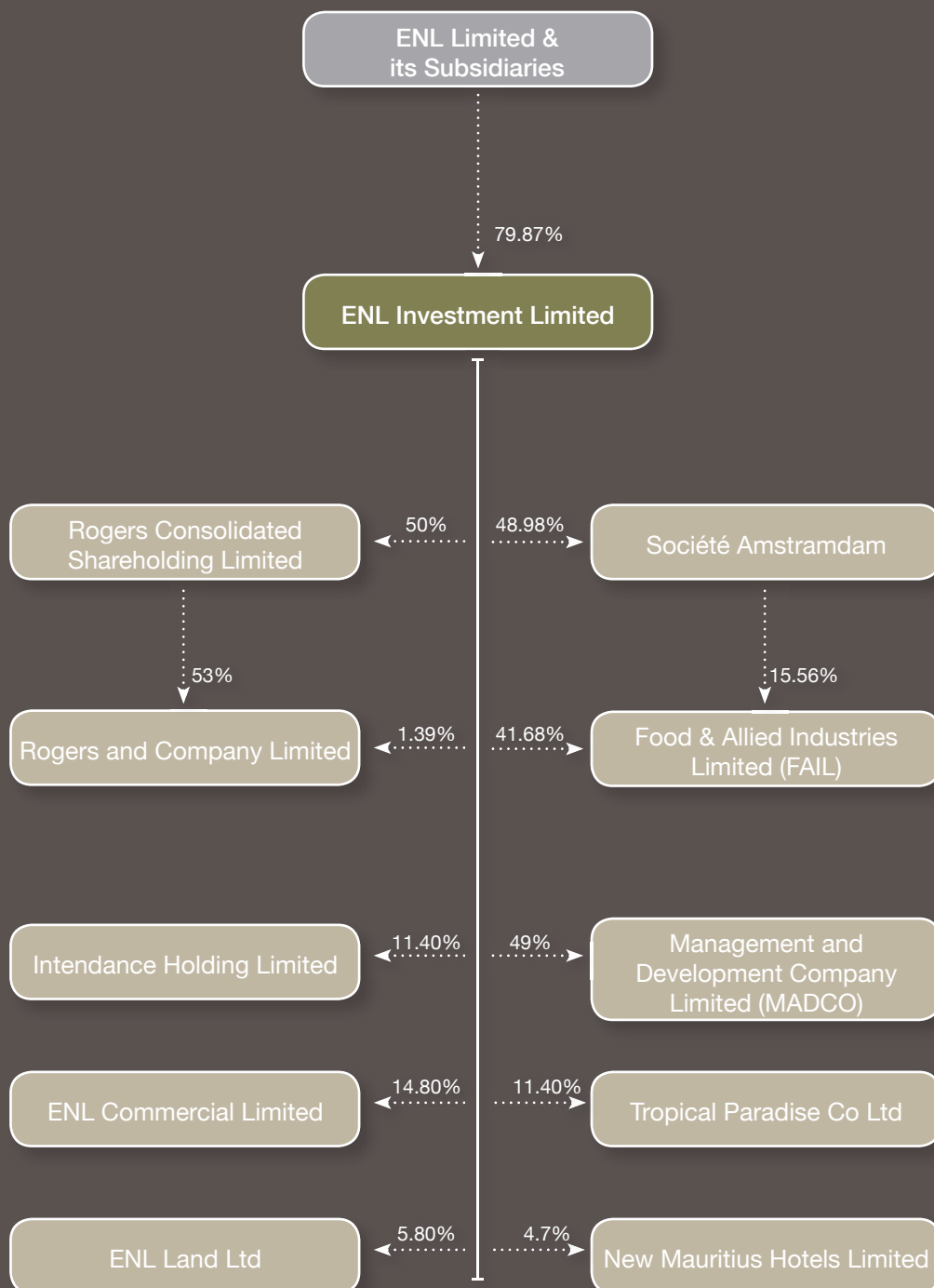
Market Price per Share



Net Asset Value per Share

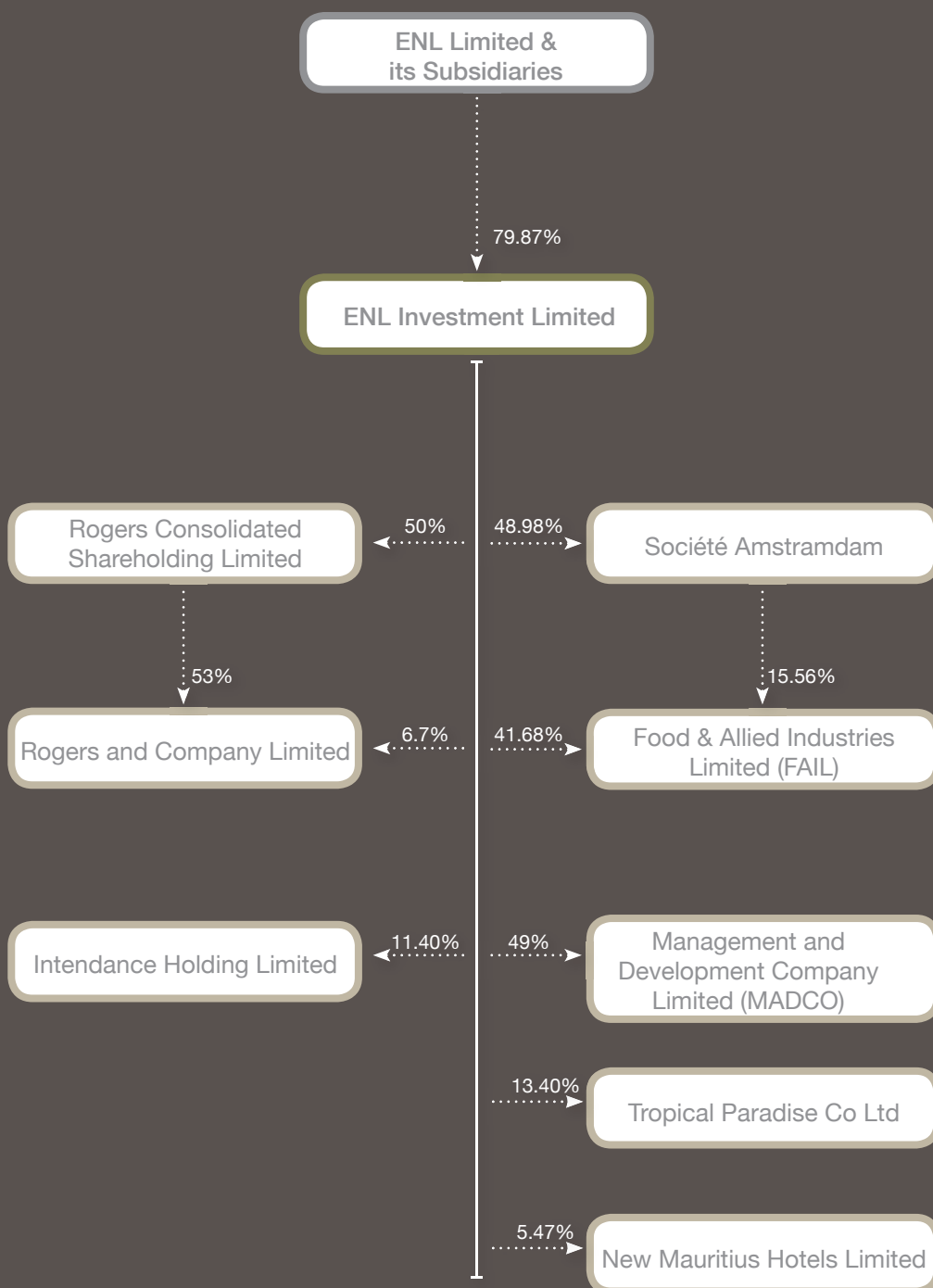
Group Structure

as at June 30, 2011



Group Structure

as at June 30, 2011 (Post Reorganisation)



Share Analysis

Distribution of Shareholders at June 30, 2011

Range of shareholding	Shareholder Count	No of shares owned	% Shares owned
1-500	677	134,621	0.16
501-1000	224	170,279	0.20
1001-5000	516	1,283,915	1.49
5001-10000	136	1,005,435	1.16
10001-50000	180	4,049,638	4.69
50001-100000	30	2,032,454	2.35
100001-250000	22	3,120,495	3.62
250001-500000	8	2,448,340	2.84
Over 500,000	7	72,043,962	83.49
Total	1,800	86,289,139	100.00

Spread of Shareholders

To the best knowledge of the directors, the spread of shareholders at June 30, 2011 was as follows:

	No of Shareholders	Shares held	%
Individuals	1,559	9,989,237	11.58
Insurance & Assurance Cos	4	890,865	1.03
Pension & Provident Funds	24	972,636	1.13
Investment & Trust Cos	15	1,089,794	1.26
Other Corporate Bodies	198	73,346,607	85.00
Total	1,800	86,289,139	100.00

Corporate Information

June 30, 2011

Directors

Eric Espitalier-Noël
Gilbert Espitalier-Noël
Hector Espitalier-Noël
Roger Espitalier-Noël
Guy Rivalland

Registered Office

7th Floor, Swan Group Centre
Intendance Street
Port Louis

Secretary

ENL Limited
7th Floor, Swan Group Centre
Intendance Street
Port Louis

Share Registry

MCB Registry and Securities Ltd
Raymond Lamusse Building
9-11 Sir William Newton Street
Port Louis
Mauritius

Auditors

BDO & Co

Bankers

The Mauritius Commercial Bank Ltd
Barclays Bank Plc
State Bank of Mauritius Ltd

Solicitors

Etude De Comarmond Koenig

Notaries

Me Jean Pierre Montocchio
Me Bernard d'Hotman de Villiers



Directors' Report

ENL Investment's strategy is to take significant interests in sizable companies. Such strategy enables the company to be represented on the Board of Directors and thus have an influence on the activities of such companies. We are invested in companies spanning the whole spectrum of the Mauritian economy, either directly or via their affiliates.

The Company has sold its non-core assets, namely investments in ENL Land Ltd and ENL Commercial Limited, while purchasing shares in New Mauritius Hotels Limited (NMH) and Tropical Paradise Co. Ltd (TPCL) to consolidate its portfolio in the hospitality sector, for a net cash consideration amounting to Rs 574m. The cash thus freed will be used to increase or reinforce our position in such companies and also consider new investments which complement such strategy.

The share prices of the investments sold and acquired were based on market prices and the investments sold were marked to market at year end, resulting in a negative fair value movement in the statement of comprehensive income.

The Company's results for the year were affected by the decrease in the dividends received from NMH and a lower share of profits from associated companies. Profit before taxation thus decreased by 9%. A dividend of Re 1 per share (2010: Rs 1.20 per share) was declared for the year ended June 30, 2011.

INVESTMENTS

Hospitality

Our interests in this sector are invested in NMH, TPCL and Veranda via our investment in our associated company, Rogers Consolidated Shareholding (RCSL).

This industry has been hampered lately by the economic slowdown of the European countries, traditionally the main tourist market for Mauritius, and the uncertainty about the future, bringing the spectre of a double dip recession closer. Moreover, a substantial additional room capacity has been made available to the market over the recent past resulting in a general lowering of room rates. The airline capacity has, on the other hand, not followed this expansionary trend and the shortage of seats availability during certain periods is further affecting the performance of the hospitality industry. It is to be hoped that the industry's representations for a more liberal air access policy and a more competitive exchange rate for the local currency will serve to improve the industry's general operational framework.

Agro-industry

ENL Investment's presence in this industry is structured through the associated companies Food and Allied Industries Ltd and Management and Development Company Ltd, two closely held companies whose shares are not readily available on the market. Food and Allied Industries is widely acknowledged as the pioneer of the poultry industry and is now the leading agro-industrial group in Mauritius. MADCO is a diversified group with a wide-ranging portfolio of investments in agro-industry (Livestock Feed, Les Moulins de la Concorde, Pick 'N' Eat and Panagora), business services (New Edge Solutions and Circus Advertising) and hospitality (Labourdonnais Hotel, Le Suffren, The Link). The two holdings realised a combined group profit after tax of Rs 400m for the year under review.

Insurance and Financial Services

Invested in Intendance Holding, the holding company of the Swan Group and indirectly in Cim via its holding in Rogers Consolidated Shareholding, ENL Investment's portfolio is also geared towards financial services. This industry has shown resilience in the face of the international economic crisis, and we expect that the essence of the double taxation agreement with India, will be secured for many years to come. As regards insurance, the proposed merger of Swan with Cim Insurance and Cim Life is expected to bring enhanced value to this line of investment.

Conglomerate

Our largest investment remains in Rogers, via our stake in RCSL, which is engaged in several of the above mentioned economic sectors and also in property via Foresite and Ascensia. In this context and in keeping with our investment strategy, we have purchased 5% of Rogers after the year end at a price which we deemed reasonable. We believe that this company will continue to deliver on its various activities and generate increasing returns to its shareholders. The shares held directly in Rogers will henceforth be classified as available for sale securities instead of held for trading securities to reflect the strategic importance of this investment.

ACKNOWLEDGEMENTS

Guy Rivalland is retiring from his office as Chairman of the Board of Directors of ENL Investment Limited on the forthcoming annual meeting of shareholders. Since his appointment, in 1995, as Director and Chairman of the Company, Guy Rivalland has shown unflinching dedication to further the interests of ENL Group. His discrete wisdom backed by a solid reputation as one the country's finest solicitors has earned him the respect and esteem of fellow directors who have always found in him a source of reliable guidance. The Board of Directors of ENL Investment Limited thanks Guy Rivalland for his contribution and wishes him a fruitful and restful retirement.



Guy RIVALLAND
Chairman



Hector ESPITALIER-NOËL
Director

Corporate Governance

The Board takes great pleasure in submitting to shareholders its statement on corporate governance.

Holding Structure

The Company's holding structure as at June 30, 2011 was as follows:

(The % disclosed relates to voting rights)



Common Directors

Five Directors of the Company for the year ended June 30, 2011 were also Directors of other companies within the Company's holding structure, namely:

	L'Accord Limited	La Sablonnière Limited	ENL Limited
Eric Espitalier-Noël	•	•	•
Gilbert Espitalier-Noël			•
Hector Espitalier-Noël	•	•	•
Roger Espitalier-Noël	•	•	•
Guy Rivalland			•

Substantial Shareholders

As at June 30, 2011, the shareholders holding more than 5% of the ordinary shares of the Company were as follows:

	Ordinary %
ENL Limited	39.84
ENL Land Ltd	28.35
ENL Commercial Limited	11.68

Corporate Governance

(continued)

Directors' Profile

The names and profiles of the Company's Directors are as follows:

Eric Espitalier-Noël (52 years)

Executive Director

Eric Espitalier-Noël holds a Bachelor's degree in Social Science and an MBA. He was first appointed to the Board of the Company in 1995 and is currently the Chief Executive Officer of ENL Commercial Limited.

Directorships in other listed companies

- Automatic Systems Limited
- ENL Commercial Limited
- ENL Land Ltd
- ENL Limited
- Les Moulins de la Concorde Ltée
- Livestock Feed Limited
- Rogers & Co. Ltd
- Swan Insurance Co Ltd
- The Anglo-Mauritius Assurance Society Ltd
- Tropical Paradise Co Ltd (Alternate Director)

Gilbert Espitalier-Noël (47 years)

Executive Director

Gilbert Espitalier-Noël holds a BSc (Hons) degree in Food Science and Engineering, a BSc in Biochemistry, Microbiology and Biotechnology, and an MBA from INSEAD.

He was first appointed to the Board in 2004 and is currently the Chief Executive Officer of ENL Property Limited (previously known as ENL Property Services Limited).

Directorships in other listed companies

- ENL Commercial Limited
- ENL Land Ltd
- ENL Limited
- Livestock Feed Limited
- Rogers & Co Ltd
- Tropical Paradise Co Ltd

Hector Espitalier-Noël (53 years)

Executive Director

Hector Espitalier-Noël is a member of the Institute of Chartered Accountants in England and Wales. He is the Chief Executive Officer of ENL group and was first appointed to the Board of the Company in 1995.

Directorships in other listed companies

- ENL Commercial Limited
- ENL Land Ltd
- ENL Limited
- New Mauritius Hotels Limited
- Rogers & Co Ltd
- Tropical Paradise Co Ltd

Corporate Governance

(continued)

Directors' Profile (continued)

Roger Espitalier-Noël (56 years)

Independent Non-Executive Director

Roger Espitalier-Noël holds a Certificate in Textile and Knitwear Technology from the City of Leicester Polytechnic. He was nominated General Manager of Floreal Knitwear Ltd in 1998 and retired in June 2010 after 36 years of service. He is now acting as Consultant for Ciel Textile Ltd. He was first appointed to the Board of the Company in 2006.

Directorships in other listed companies

- Deep River Investment Limited (Alternate Director)
- ENL Land Ltd
- ENL Limited

Guy Rivalland (67 years)

Independent Non-Executive Director, Chairman

Guy Rivalland is a senior attorney and has been practicing since 1966. He was first appointed to the Board of the Company in 1995.

Directorships in other listed companies

- ENL Commercial Limited
- ENL Land Ltd
- ENL Limited

Directors' Interests in the Shares of the Company

The directors' interests in the shares of the Company as at June 30, 2011 were as follows:

	Ordinary Shares			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Eric Espitalier-Noël	170,790	0.198	4,985,786	5.778
Hector Espitalier-Noël	263,233	0.305	5,123,849	5.938
Gilbert Espitalier-Noël	-	-	5,007,359	5.803
Roger Espitalier-Noël	-	-	499,614	0.579
Guy Rivalland	-	-	-	-

Board of Directors

ENL Investment Limited is governed by a Board of Directors consisting of five directors. It is the supreme governing body of the Company and has full power over its affairs.

Corporate Governance

(continued)

Board Attendance

	16/09/10	11/11/10	24/11/10	11/02/11	12/05/11	23/06/11
Eric Espitalier-Noël		•	•	•	•	•
Gilbert Espitalier-Noël	•	•	•	•	•	•
Hector Espitalier-Noël	•	•	•	•	•	•
Roger Espitalier-Noël	•	•	•	•		•
Guy Rivalland		•	•	•	•	•

Board Charter

The Board is of the view that the responsibilities of the Directors should not be confined in a Board charter and has consequently resolved not to adopt a charter.

Related Party Transactions

Related party transactions are disclosed in aggregate in Note 21 of the audited financial statements.

Share Option Plans

ENL Investment Limited has no share option plans.

Shareholders' Relations and Communication

The Company communicates to its shareholders through the Annual Report, publication of unaudited quarterly and audited abridged financial statements of the Company, press release, dividend declaration and the Annual Meeting of shareholders.

Also Board members attend the Annual Meeting, to which all shareholders are invited.

Shareholders' Calendar

End of financial year	June 30
Publication of quarterly financial statements/abridged audited financial statements	February/ May/ September/ November
Annual Report issued	November
Forthcoming Annual Meeting of Shareholders	December
Declaration of dividend	November/June
Payment of dividend	December/July

Share Dealings by Directors

The Board adheres to the principles of the rules for Development and Enterprise Market companies issued by the Stock Exchange of Mauritius Limited in respect of share dealings. In this regard, Directors are kept apprised of closed periods and of their responsibilities in respect to the above rules.

During the financial year under review, none of the Directors of ENL Investment, except for Hector Espitalier-Noël who bought 38,200 shares, has traded in the Company's shares.

Corporate Governance

(continued)

Material clauses of the Company's Constitution

The salient features of the Memorandum and Articles of Association of ENL Investment Limited are:

- The quorum for Shareholders meetings shall be two members present in person or by proxy and holding at least forty percent of the issued share capital of the Company.
- It shall not be necessary for any Director to hold any share or shares in the Company for the purpose of qualifying him for appointment as a Director of the Company.
- The quorum for meetings of Directors may be fixed by the Directors and unless so fixed shall be two when the Board shall consist of three Directors, three when the Board shall consist of four, five or six Directors, and four when the Board shall consist of more than six Directors.

Shareholders' Agreement affecting the Governance of the Company by the Board

The Directors confirm that, to the best of their knowledge, they are not aware of the existence of any such agreement during the year under review.

Dividend Policy

ENL Investment declares dividends in November (interim) and June (final) for every financial year.

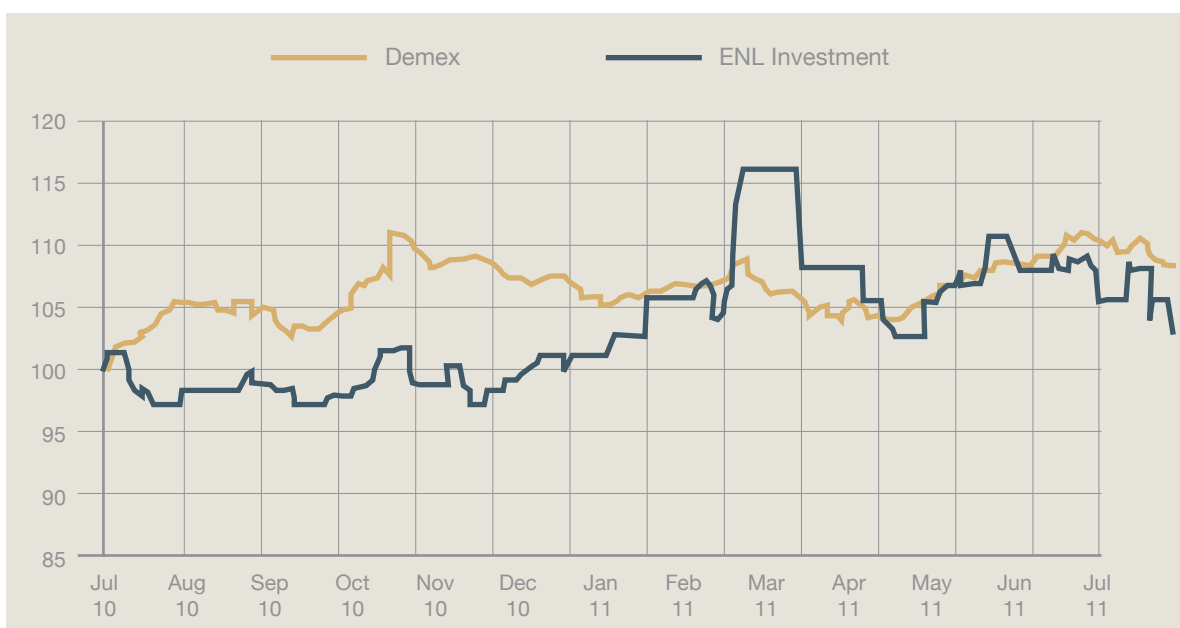
Payment of dividends is subject to the profitability and the free cash flow of the Company.

Stock Market Information

The Company's Ordinary shares are listed on the Development and Enterprise Market of the Stock Exchange of Mauritius Limited; accordingly, the Company is governed by the rules for Development and Enterprise Market companies issued by the Stock Exchange of Mauritius Limited.

Hereunder is the graphical representation of the price movement of the Company's Ordinary shares from July 1, 2010 to July 1, 2011.

ENL Investment Limited - Share Price Movement



Corporate Governance

(continued)

Code of Ethics

The Company is committed to high standards of integrity and ethical conduct in dealing with its stakeholders. The Company adheres to the Code of ethics issued by the Mauritius Employers' Federation and Model Code of Conduct for Directors and employees of private sector companies issued by the Joint Economic Council.

Auditor's Fees

The fees paid to the auditors for audit and other services are disclosed on page 18 of the Annual Report.

Donations

The aggregate amounts of political and other donations made during the year under review are disclosed on page 18 of the Annual Report.

Corporate Social Responsibility

ENL Foundation

Following a group policy decision in 2009 to set up a dedicated structure to manage, implement and finance all the social projects of the ENL Group, ENL Investment now channels all its CSR initiatives through ENL Foundation. Incorporated in January 2010 as a not for profit private company, ENL Foundation spearheads the Group's initiatives in this field and is entrusted with the responsibility to manage, implement and finance all CSR projects of the Group, in collaboration with existing Non-governmental Organisations (NGOs) and corporate partners. In March 2010, ENL Foundation received its accreditation to the National CSR Committee.

ENL Foundation focuses its CSR initiatives on the empowerment of the youth and preservation/ enhancement of the natural environment of Mauritius. Both initiatives contribute towards a qualitative evolution of the social and natural environment.

For the year ended June 30, 2011, ENL Foundation received a total contribution of Rs 9.5m out of which ENL Investment contributed an amount of Rs 1.9m to ENL Foundation. This sum represents the CSR levy to the tune of 2% of profit after tax imposed by Government on all companies as from June 2009.

Corporate Programme

ENL Foundation works in accordance with a comprehensive CSR Programme as approved by the National CSR Committee. The said programme encompasses various social and environmental projects.

A number of projects have been implemented in partnership with NGOs at regional and national levels in the field of social integration, education and training, promotion of youth health, youth development through sports and leisure, prevention of substance abuse targeting particularly youth in vulnerable localities, arts & culture and preservation of the environment. Non-governmental Organisations like Mauritius Wild Life Foundation, Caritas, Fondation Pour la Formation au Football, Junior Achievement Mascareignes have benefited funds to promote their respective initiatives.

Furthermore, ENL Foundation adheres to the Government sponsored national program for the eradication of absolute poverty in the island. As such, ENL Foundation is actively involved in the alleviation of poverty in the Moka/St Pierre and L'Escalier regions.

A full report on ENL Foundation is found on pages 19 to 22.



ENL Limited
Company Secretary

September 30, 2011

Statement of Directors' Responsibilities

In Respect of Financial Statements

Company law requires the Directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flow of the Company. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether International Financing Reporting Standards have been followed and complied with, subject to any material departures being disclosed and explained in the financial statements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the Company's Financial Statements.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the Company at any time and enable them to ensure that the Financial Statements comply with The Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.



Guy RIVALLAND
Chairman



Hector ESPITALIER-NOËL
Director

Company Secretary's Certificate

(Pursuant to Section 166 (d) of The Companies Act 2001) - June 30, 2011

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under The Companies Act 2001.



ENL Limited
Company Secretary

7th Floor, Swan Group Centre
Intendance Street
Port Louis

September 30, 2011

Statutory Disclosures

(Pursuant to Section 221 of the Companies Act 2001 and Section 88 of The Securities Act 2005)
June 30, 2011

Principal Activity

The main activity of the Company is that of investment holding.

Directors

The Directors of the Company are listed on pages 11 to 12.

Directors' Service Contracts

None of the Directors of the Company have service contracts that need to be disclosed under Section 221 of The Companies Act 2001.

Directors' Remuneration and Benefits

Remuneration and benefits received or due and receivable from the Company were as follows:

	From the Company		From the Subsidiaries		Remuneration from companies on which Director serves as representative of the Company
	2011	2010	2011	2010	2011
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Executive					
Full-time	-	-	-	-	-
Part-time	-	-	-	-	4,419
Non-executive	-	-	-	-	-
Post employment benefits- Executive directors	-	-	-	-	-
	-	-	-	-	4,419

Directors' and Senior Officers' Interests in Shares

The direct and indirect interest of the Directors and senior officers in the securities of the Company as at June 30, 2011 are found on page 12.

Indemnities and Insurance

A Directors' and Officers' Liability Insurance policy has been subscribed to by the holding company. The policy provides cover for the risks arising out of the acts or omissions of the Directors and Officers of the Company. The cover does not provide insurance against fraudulent, malicious or willful acts or omissions.

Donations

The company did not make any donation during the year (2010: nil).

Auditors

The fees payable to the auditors, BDO & Co, for audit and other services were:

	2011 Rs'000	2010 Rs'000
Audit services	150	110
Other services	14	22
Total	164	132

Other services relate to taxation services provided by BDO & Co to the Company.

ENL Foundation

The ENL Group has always considered corporate citizenship as an essential part of its existence. ENL Foundation, which spearheads the CSR initiatives of the ENL Group, had, during the financial year ended June 30, 2011, devoted its efforts into consolidating its CSR actions initiated since January 2010.

The budget of ENL Foundation has increased by 27%, from Rs 7.5m to Rs 9.5m, for the year ended June 30, 2010 and 2011 respectively. While the CSR contributions received from the subsidiaries of the ENL Group represented 82 % of the total CSR value, 18% had been received from associated and external companies. During the current financial year, ENL Foundation led and supported a number of new projects to drive a positive change in its areas of focus.

Furthermore, ENL Foundation kept a tight lid on its administrative costs, which represented 12% of its total expenditure, in compliance with guidelines set by the Government. The Foundation perused its traineeship programme with the double purpose of providing fresh graduates from tertiary institutions, with hands-on experience while at the same time, ensuring an additional supply of resources to the Foundation.

During the financial year for the year ended June 30, 2011, the funds of ENL Foundation had been put to use to support programmes in the following areas:

1. EDUCATION & LEARNING

ENL Foundation devoted 18% of its budget to Education and Learning initiatives, namely by:

- i. Providing continued support to La Baraque Learning Centre in partnership with Omnicane Foundation. As at 30 June 2011, some 150 adults and 160 children had followed literacy programmes and qualification-based training in IT at the centre.
- ii. Consolidating the 'Programme d'Accompagnement Scolaire' launched in Pailles West in the previous financial year, with the contribution of a psychologist to provide training and supervision. The number of children in attendance doubled to 50 and the programme was then also extended to Pailles East. Some 80 other children attending ZEP school in the region are now given guidance by trained educators from the Ruth School.
- iii. Providing Tertiary scholarship schemes to supporting three youngsters from poverty-stricken regions who would be completing their studies at the Charles Telfair Institute in the coming financial year. The Foundation also gave the opportunity to two teenagers from Cite Ste Catherine, through its recently set up 'Secondary School Support Programme', in collaboration with Caritas, to resume their secondary studies with the Open College Educational Programme (OCEP).

2. TRAINING

The Foundation dedicated the equivalent of 19% of its budget to Training & Development programmes.

- i. ENL Foundation remains a major partner of Junior Achievement Mascareignes (JAM). Between January and June 2011, some 5,500 students in 63 colleges received training through the JA Notre Quartier programme, in which employees of the ENL Group were also actively involved as volunteers. The number of ENL volunteers participating in the Junior Achievement Programme rose from 12 in the previous financial year to 18 in the current financial year;
- ii. In partnership with the Civic Action Team, the Foundation contributed to the setting up of various training programmes conducted at the 'Centre de Formation et d'Apprentissage Technique de Pailles'. Prior to launching the courses, a study was undertaken to identify the training needs of the inhabitants. As at 30 June 2011, a total of some 170 children and youngsters, young ladies and unemployed people, received training in hairdressing, masonry, fabric hand painting, first-aid, English Literacy using Information Technology (ELIT) and parents' schooling.

ENL Foundation

(Continued)

3. ERADICATION OF ABSOLUTE POVERTY PROGRAMME

ENL Foundation committed 9% of its budget to the national Eradication of Absolute Poverty (EAP) programme. These funds were mainly devoted to:

- i. Setting up a Day Care Centre at L'Escalier to provide a rehabilitation facility closer to people having drugs, alcohol and substance abuse problems living in the South of the island. In continuation to a counselling service launched in February 2010, 'L'Oasis nu l'espwar' was set up jointly with Omnicane Foundation and the National Empowerment Foundation in March 2011 and some 30 people followed the programme.
- ii. Providing toilet and sanitary ware facilities to deprived households in Moka/St Pierre and Ste Catherine. The project is due to be completed in the coming financial year;
- iii. Launching of a Breakfast Support Programme since April 2011. With the collaboration of benevolent ladies living in the local community, a balanced breakfast is provided on weekdays to some 53 school children of Camp Tagore and La Sourdine;
- iv. The financing of training in food processing at the Agricultural Research & Extension Unit Training Centre in Wootton for a dozen of unemployed women from Cite Ste Catherine and La Laura.

4. ACTIONS GEARED TOWARDS VULNERABLE CHILDREN

In the course of financial year 2010/2011, 5% of the Foundation's budget was spent on actions geared towards Vulnerable Children, namely:

- i. The launch of a programme dedicated to promote creativity and artistic awakening for some 40 young children in Alma and Cite Ste Catherine in collaboration with the 'Association Culturelle de Sensibilisation et d'Eveil artistique' (ACSEA);
- ii. The setting up of an Ecole de chant targeting some 50 children in Pailles and Ste Catherine with the collaboration of 'Fondation Spectacle & Culture'.
- iii. The launch of 'Zenfans Sourire Alma' with the aim of providing healthy leisure activities to some 25 underprivileged children in Alma in association with NGO ACSEA.
- iv. Books for Success 2011 operation aiming at distributing reading books and school materials to underprivileged children of Alma and Cite Ste Catherine as well as La Sourdine village. This operation has gained its momentum among the ENL staff who offered books and school materials to some 400 children.
- v. Promoting sports through the support of 'Ecole de foot de l'Agrement' for the second year in collaboration with the Fondation pour la Formation au Football.

5. ENVIRONMENTAL PROJECTS

ENL Foundation earmarked 5% of its budget to environmental projects including:

- i. A contribution to the Mauritian Wildlife Foundation's endeavour to protect the Pink Pigeon, an endemic bird species in Mauritius.
- ii. The embellishment and clean up campaign in its regions of intervention, namely Cité Dargahed in Pailles, La Sourdine and Moka;
- iii. The organisation of a mini-carnival on 04 June 2011 in the context of the World Environment Day. The event held in collaboration with the Agricultural Society of the University of Mauritius, attracted some 250 participants;
- iv. The projection on an ongoing basis of documentary films to sensitise the youth in the regions of intervention of the Foundation of the importance of preserving our environment.

ENL Foundation

(Continued)

6. YOUTH DEVELOPMENT

The Foundation showed its commitment to youth development by devoting 4% of its budget to this item, namely through:

- i. Funding a programme conducted by the LEAD NGO to sensitise the youth to social issues such as drugs, alcohol and HIV/AIDS;
- ii. Implementing leadership courses targeting some 60 youngsters in Ste Catherine, Alma and Pailles regions;
- iii. Sponsoring a campaign against youth violence run by the Chapter of the JCI of Quatre Bornes.

7. SPORTS, ARTS AND LEISURE & PROMOTION OF RECREATIONAL ACTIVITIES

ENL Foundation spent 5% of its budget in the promotion of sports, arts & leisure and recreational activities. Besides its contribution at national level, ENL Foundation supported ongoing educational and recreational activities in Pailles, L'Escalier/La Sourdine, Ste Catherine and Alma. The Foundation also offered support on this count through the donation of sports equipment. These activities targeted more than 350 youngsters within the mentioned regions.

8. SUPPORT TO NGOS & CORPORATE PARTNERS

ENL Foundation donated 18% of its budget to NGOs accredited to the National CSR Committee and to Corporate Partners to finance various programmes at national level, namely Caritas Ile Maurice, ICJM for its project Les Amis de Zippy, Baden Powell Scout Ass., Mahatma Gandhi Institute (Basic Guardina School at Moka), Open Mind, Action Familiale, Link to Life, Fondation Pour L'enfance Terre de Paix, etc. offering services in the field of Health, Handicap, Socio Economic Development, Youth development, etc.

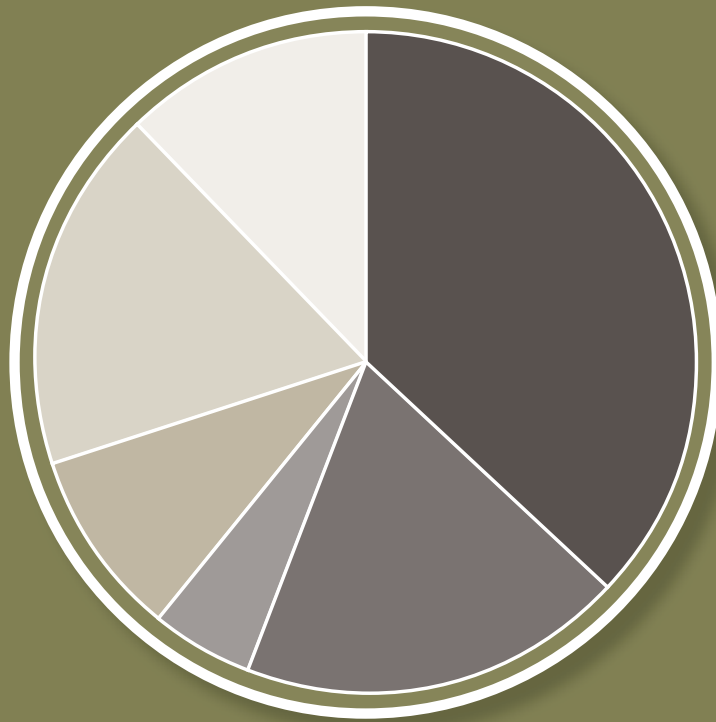
In the coming financial year, ENL Foundation intends to make necessary adjustments in its corporate program in order to align itself with the Government's appeal in the 2011 National Budget to use 50% of CSR resources to support three National Programmes namely social housing, vulnerable children and eradication of absolute poverty.

In addition to providing its support to ongoing initiatives, a number of new projects have also reached an advanced stage of completion. These include a multi-purpose centre to promote youth empowerment in Ste Catherine and a 'Maison de l'Entrepreneuriat et de l'Artisanat' in St Pierre in collaboration with the ACSEA to act as a business incubator for women entrepreneurs and craftspeople in the region.

ENL Foundation

(continued)

Breakdown of Funds by Area of Focus (%)



37

Education-Learning-Training

19

EAP & Vulnerable
Children Projects

5

Environmental Projects

9

Sports-Arts-Leisure &
Youth Development

18

Support to NGOs and
Corporate Partners

12

Administrative costs

Independent Auditors' Report to the Members

This report is made solely to the members of ENL Investment Limited (the "company"), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of ENL Investment Limited on pages 25 to 45 which comprise the statement of financial position at June 30, 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements on pages 25 to 45 give a true and fair view of the financial position of the company at June 30, 2011, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Independent Auditors' Report to the Members

(continued)

Report on Other Legal and Regulatory Requirements

Companies Act 2001

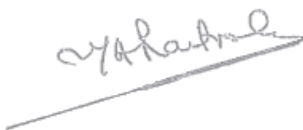
We have no relationship with, or interests in, the company, other than in our capacity as auditors, tax and business advisers and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the company as far as it appears from our examination of those records.



BDO & Co
Chartered Accountants



Yacoob RAMTOOLA (FCA)
Licensed by FRC

September 30, 2011

Port Louis, Mauritius.

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