STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Notes	THE GROUP 2024 Rs'000	THE GROUP Restated 2023 Rs'000	THE GROUP Restated 2022 Rs'000	THE COMPANY 2024 Rs'000	THE COMPANY 2023 Rs'000
ASSETS						
Non-current assets						
Property, plant and equipment	5	**37,851,972**	36,397,391	32,774,763	**692,824**	689,235
Investment properties	6	**27,688,205**	25,634,419	22,032,643	**13,944,828**	13,714,086
Intangible assets	7	**1,922,429**	1,813,813	1,577,127	**430,599**	430,062
Investments in subsidiary companies	8	**-**	-	-	**26,607,310**	23,966,910
Investments in associated companies	9	**13,311,096**	11,197,762	10,319,819	**1,388,200**	1,205,400
Investments in jointly controlled entities	10	**34,383**	37,583	40,783	**-**	-
Financial assets at fair value through other comprehensive income	11(b)	**811,036**	615,721	578,211	**81,758**	90,613
Other financial assets at amortised cost	12	**106,219**	74,749	82,148	**1,837,819**	1,837,818
Loans and advances	13	**430,800**	333,100	1,451,500	**-**	-
Deferred tax assets	22(b)	**179,222**	217,300	239,838	**64,834**	69,002
Deferred rent assets	23	**8,631**	6,382	4,183	**8,631**	6,382
Employee benefits assets	25	**37,200**	25,000	36,200	**-**	-
		82,381,193	76,353,220	69,137,215	**45,056,803**	42,009,508
Current assets						
Inventories	14	**4,868,527**	4,305,488	3,530,573	**-**	-
Consumable biological assets	15	**423,431**	429,729	362,625	**-**	-
Loans and advances	13	**422,700**	300,300	752,800	**-**	-
Trade and other receivables	16	**3,112,119**	2,228,035	2,294,353	**11,128**	4,363
Assets related to contracts with customers	17	**145,629**	137,719	124,119	**-**	-
Amounts receivable from group companies	18	**-**	-	-	**445,389**	313,770
Other financial assets at amortised cost	12	**2,353,648**	1,791,209	1,457,903	**86,909**	56,266
Financial assets at fair value through profit or loss	11(c)	**41,315**	41,032	61,770	**41,315**	41,032
Cash at bank and in hand	39(c)	**4,878,639**	5,725,091	5,245,016	**700,801**	637,353
		16,246,008	14,958,603	13,829,159	**1,285,542**	1,052,784
Non-current assets classified as held for sale	19(b)	**154,730**	154,730	-	**-**	-
Total assets		**98,781,931**	91,466,553	82,966,374	**46,342,345**	43,062,292

	Notes	THE GROUP 2024 Rs'000	THE GROUP Restated 2023 Rs'000	THE GROUP Restated 2022 Rs'000	THE COMPANY 2024 Rs'000	THE COMPANY 2023 Rs'000
EQUITY AND LIABILITIES						
EQUITY						
Stated capital	20(b)	**3,607,987**	3,607,987	3,607,987	**3,607,987**	3,607,987
Treasury shares	20(e)	**(250,000)**	(250,000)	(250,000)	**(250,000)**	(250,000)
Fair value, revaluation and other reserves	36	**20,036,745**	19,114,975	16,771,936	**17,068,966**	14,096,797
Retained earnings		**11,216,084**	9,658,083	8,556,988	**16,618,497**	16,757,142
Equity holders' interests		**34,610,816**	32,131,045	28,686,911	**37,045,450**	34,211,926
Non-controlling interests	8(i)	**18,721,697**	17,618,997	15,040,200	**-**	-
Total equity		**53,332,513**	49,750,042	43,727,111	**37,045,450**	34,211,926
LIABILITIES						
Non-current liabilities						
Borrowings	21	**30,159,555**	26,746,350	24,293,704	**8,319,289**	6,296,967
Liabilities related to contracts with customers	28	**289,800**	272,900	226,700	**-**	-
Deferred tax liabilities	22	**1,772,743**	1,512,524	1,026,075	**-**	-
Employee benefits liabilities	25	**1,106,089**	1,109,907	1,061,646	**321,113**	348,216
Deferred income	24	**16,424**	10,903	11,569	**-**	-
Other long term payables	26	**-**	76,780	-	**-**	17,046
		33,344,611	29,729,364	26,619,694	**8,640,402**	6,662,229
Current liabilities						
Trade and other payables	27(b)	**6,157,198**	5,574,396	4,655,769	**89,655**	94,190
Provisions	27(c)	**364,000**	333,600	248,200	**-**	-
Liabilities related to contracts with customers	28	**712,735**	766,617	773,714	**-**	10,921
Amounts payable to group companies	29	**-**	-	-	**18,062**	143,757
Current tax liabilities	35(b)	**112,151**	95,404	129,044	**-**	-
Borrowings	21	**4,552,475**	5,029,632	6,644,094	**342,528**	1,751,771
Dividends payable	37	**206,248**	187,498	168,748	**206,248**	187,498
		12,104,807	11,987,147	12,619,569	**656,493**	2,188,137
Total liabilities		**45,449,418**	41,716,511	39,239,263	**9,296,895**	8,850,366
Total equity and liabilities		**98,781,931**	91,466,553	82,966,374	**46,342,345**	43,062,292

These financial statements were approved and authorised for issue by the Board of Directors on September 30, 2024.

Hector Espitalier-Noël
DIRECTOR

Gilbert Espitalier-Noël
DIRECTOR

The notes on pages 110 to 219 form an integral part of these financial statements.

Independent auditor's report on pages 100 to 103.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED JUNE 30, 2024

	Notes	THE GROUP		THE COMPANY	
			Restated		
Continuing operations		2024	2023	2024	2023
Revenue:		Rs'000	Rs'000	Rs'000	Rs'000
Revenue from contracts with customers	30(b)	22,883,172	19,170,651	76,554	72,269
Rental income	30(b)	1,058,755	1,056,972	75,999	73,382
Commission	30(b)	606,994	469,735	-	-
Interest income calculated using the effective interest rate (EIR) method	30(b)	166,900	136,900	-	-
Interest and dividend income	30(b)	16,962	17,548	891,591	307,246
		24,732,783	20,851,806	1,044,144	452,897
Expenses:					
Cost of sales	32(a)	(13,791,276)	(11,429,207)	-	-
Other operating expenses	31(a)	(2,067,376)	(1,712,278)	(155,623)	(94,848)
Interest expense - consumer finance business	33	(31,100)	(26,000)	-	-
Administrative expenses	31(b)	(5,611,492)	(5,166,911)	(411,080)	(330,822)
Increase of loss allowance on financial assets	13(d), 16(b), 17(b), 18(d)	(144,076)	(64,700)	(4,814)	(768)
Fair value gain on investment properties	6	599,983	949,471	248,738	1,119,186
Fair value movement in consumable biological assets	15	(11,582)	68,046	-	-
Operating profit		3,675,864	3,470,227	721,365	1,145,645
Fair value gain/(loss) on financial assets at fair value through profit or loss	11(c)	283	(20,970)	283	(20,970)
Profit on disposal of land, investment properties and investments	32(b)	358,564	19,222	12,301	168,454
Bargain purchase	32(c)	-	53,000	-	-
Share of profit recognised of associated companies and jointly controlled entities, net of tax	9(b)	2,341,959	1,624,137	-	-
Finance costs	33	(2,025,678)	(1,641,156)	(556,402)	(439,555)
Profit before taxation	34	4,350,992	3,504,460	177,547	853,574
Taxation	35(a)	(573,272)	(453,759)	(7,351)	(5,060)
Profit for the year from continuing operations		3,777,720	3,050,701	170,196	848,514
Discontinued operations					
Profit for the year from discontinued operations	49	-	11,300	-	-
Profit for the year		3,777,720	3,062,001	170,196	848,514

	Notes		THE GROUP 2024	THE GROUP 2023	THE COMPANY 2024	THE COMPANY 2023
Other comprehensive income for the year:						
Items that will not be reclassified to profit or loss:						
Gain on revaluation of property, plant and equipment, net of tax			694,325	3,909,663	-	26,547
Remeasurement of employee benefits liabilities, net of tax			(101,185)	(18,019)	(15,540)	(7,184)
Change in fair value of equity instruments at fair value through other comprehensive income	11(b)		135,728	(22,125)	3,117,030	3,976,354
Loss on capital reduction			-	-	(33,755)	-
Share of other comprehensive loss of associated companies	9(b)		14,008	-	-	-
			742,876	3,869,519	3,067,735	3,995,717
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences			118,967	(55,642)	-	-
Share of other comprehensive income of associated companies and jointly controlled entities	9(b), 10(b)		257,227	(219,528)	-	-
			376,194	(275,170)	-	-
Other comprehensive income for the year, net of tax			1,119,070	3,594,349	3,067,735	3,995,717
Total comprehensive income for the year			4,896,790	6,656,350	3,237,931	4,844,231
Profit attributable to:						
Owners of the company						
-continuing operations			2,100,656	1,740,709	170,196	848,514
-discontinued operations			-	3,942	-	-
Non-controlling interests			1,677,064	1,317,350	-	-
			3,777,720	3,062,001	170,196	848,514
Total comprehensive income attributable to:						
Owners of the company			2,986,390	4,099,541	3,237,931	4,844,231
Non-controlling interests			1,910,400	2,556,809	-	-
			4,896,790	6,656,350	3,237,931	4,844,231
Earnings per share from continuing operations	38	Rs	5.60	4.64	0.45	2.26
Earnings per share from discontinued operations	38	Rs	-	0.01	-	-

The notes on pages 110 to 219 form an integral part of these financial statements.

Independent auditor's report on pages 100 to 103.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2024

		Attributable to owners of the parent									
				Holding company and subsidiaries		Associated companies	Holding company and subsidiaries	Associated companies			
THE GROUP	Notes	Stated capital	Treasury shares	Revaluation reserves	Fair value, capital and translation reserves	Revaluation, fair value, capital and translation reserves	Retained earnings		Total	Non-controlling interests	Total equity
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at July 1, 2023											
- as previously reported		3,607,987	(250,000)	17,785,216	7,746	1,322,013	7,528,987	2,020,570	32,022,519	17,545,828	**49,568,347**
- effect of prior year adjustments	48	-	-	-	-	-	-	108,526	108,526	73,169	**181,695**
- as restated		3,607,987	(250,000)	17,785,216	7,746	1,322,013	7,528,987	2,129,096	32,131,045	17,618,997	**49,750,042**
Issue of shares to non-controlling shareholders		-	-	-	-	-	-	-	-	9,655	**9,655**
Effect of change in ownership interest not resulting in loss of control	8(f)	-	-	-	(2,118)	-	(103,921)	-	(106,039)	(308,707)	**(414,746)**
Other transfers		-	-	-	(24,967)	-	24,967	-	-	-	**-**
Transfer on disposal of land and investments		-	-	-	(16,800)	10,933	9,694	-	3,827	(3,827)	**-**
Movement in reserves		-	-	-	-	-	8,089	-	8,089	-	**8,089**
Profit for the year		-	-	-	-	-	743,281	1,357,375	2,100,656	1,677,064	**3,777,720**
Other comprehensive income for the year		-	-	551,657	200,099	202,966	(68,988)	-	885,734	233,336	**1,119,070**
Dividends	37	-	-	-	-	-	(412,496)	-	(412,496)	-	**(412,496)**
Dividends paid by subsidiaries and associated companies to non- controlling shareholders		-	-	-	-	-	-	-	-	(504,821)	**(504,821)**
Balance at June 30, 2024		**3,607,987**	**(250,000)**	**18,336,873**	**163,960**	**1,535,912**	**7,729,613**	**3,486,471**	**34,610,816**	**18,721,697**	**53,332,513**

The notes on pages 110 to 219 form an integral part of these financial statements.

Independent auditor's report on pages 100 to 103.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2024

		Attributable to owners of the parent									
				Holding company and subsidiaries		Associated companies	Holding company and subsidiaries	Associated companies			
THE GROUP	Notes	Stated capital	Treasury shares	Revaluation reserves	Fair value, capital and translation reserves	Revaluation, fair value, capital and translation reserves	Retained earnings		Total	Non-controlling interests	Total equity
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at July 1, 2022											
- as previously reported		3,607,987	(250,000)	15,237,390	85,994	1,448,552	7,142,352	1,341,479	28,613,754	14,990,877	43,604,631
- effect of prior year adjustments	48	-	-	-	-	-	-	73,157	73,157	49,323	122,480
- as restated		3,607,987	(250,000)	15,237,390	85,994	1,448,552	7,142,352	1,414,636	28,686,911	15,040,200	43,727,111
Issue of shares to non-controlling shareholders		-	-	-	-	-	-	-	-	64,787	64,787
Capital reduction by subsidiary company to non-controlling interests		-	-	-	-	-	-	-	-	(90,838)	(90,838)
Convertible bond issued to non-controlling shareholders		-	-	-	-	-	-	-	-	646,000	646,000
Effect of change in ownership interest not resulting in loss of control	8(f)	-	-	-	-	291	36,296	-	36,587	12,149	48,736
Transfer on disposal of land and investments		-	-	(549)	(25,800)	-	26,349	-	-	-	-
Movement in reserves		-	-	-	-	(177,054)	7,412	(147,356)	(316,998)	(103,954)	(420,952)
Profit for the year		-	-	-	-	-	721,515	1,023,136	1,744,651	1,317,350	3,062,001
Other comprehensive income for the year		-	-	2,548,375	(52,448)	50,224	(29,941)	(161,320)	2,354,890	1,239,459	3,594,349
Dividends	37	-	-	-	-	-	(374,996)	-	(374,996)	-	(374,996)
Dividends paid by subsidiaries and associated companies to non- controlling shareholders		-	-	-	-	-	-	-	-	(506,156)	(506,156)
Balance at June 30, 2023		3,607,987	(250,000)	17,785,216	7,746	1,322,013	7,528,987	2,129,096	32,131,045	17,618,997	49,750,042

The notes on pages 110 to 219 form an integral part of these financial statements.

Independent auditor's report on pages 100 to 103.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2024

THE COMPANY	Notes	Stated capital	Treasury shares	Revaluation reserves	Fair value reserves	Retained earnings	Total equity
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at July 1, 2023		3,607,987	(250,000)	1,140,672	12,956,125	16,757,142	**34,211,926**
Profit for the year		-	-	-	-	170,196	**170,196**
Transfer on capital reduction on investment in subsidiary company		-	-	-	(144,861)	144,861	**-**
Other comprehensive income for the year		-	-	-	3,117,030	(49,295)	**3,067,735**
Dividends	37	-	-	-	-	(412,496)	**(412,496)**
Movement in reserves		-	-	-	-	8,089	**8,089**
Balance at June 30, 2024		**3,607,987**	**(250,000)**	**1,140,672**	**15,928,294**	**16,618,497**	**37,045,450**
Balance at July 1, 2022		3,607,987	(250,000)	1,114,125	9,006,436	16,282,772	29,761,320
Profit for the year		-	-	-	-	848,514	848,514
Transfer on capital reduction on investment in subsidiary company		-	-	-	(26,665)	26,665	-
Release on capital reduction on investment in subsidiary company		-	-	-	-	(26,040)	(26,040)
Other comprehensive income for the year		-	-	26,547	3,976,354	(7,184)	3,995,717
Dividends	37	-	-	-	-	(374,996)	(374,996)
Movement in reserves		-	-	-	-	7,411	7,411
Balance at June 30, 2023		3,607,987	(250,000)	1,140,672	12,956,125	16,757,142	34,211,926

The notes on pages 110 to 219 form an integral part of these financial statements.

Independent auditor's report on pages 100 to 103.

STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2024

		THE GROUP		THE COMPANY	
			Restated		
	Notes	**2024**	2023	**2024**	2023
		Rs'000	Rs'000	**Rs'000**	Rs'000
Operating activities					
Cash generated from/(used in) operations	39(a)	**3,236,310**	3,365,385	**147,013**	(94,613)
Interest paid - consumer finance business	33(b)	**(31,100)**	(26,000)	**-**	-
Interest received - consumer finance business		**120,000**	150,000	**-**	-
Tax paid	35(b)	**(226,406)**	(196,495)	**-**	-
Net cash generated from/(used in) operating activities		**3,098,804**	3,292,890	**147,013**	(94,613)
Investing activities					
Purchase of property, plant and equipment		**(1,438,773)**	(1,510,510)	**(30,131)**	(23,058)
Purchase of intangible assets		**(121,356)**	(241,241)	**(17,596)**	(71,704)
Purchase of investment properties		**(1,714,942)**	(1,334,952)	**(16,422)**	(41,019)
Purchase of shares in subsidiary companies		**-**	-	**(108,143)**	(479,448)
Purchase of financial assets at fair value through other comprehensive income		**(300,485)**	(59,392)	**-**	-
Purchase of investment in associated companies		**(10,540)**	(31,939)	**-**	-
Disposal of subsidiaries		**57,400**	17,800	**-**	-
Acquisition of subsidiaries		**(102,791)**	-	**-**	-
Proceeds from disposal of subsidiaries		**-**	126,600	**-**	-
Proceeds from disposal of financial assets at fair value through other comprehensive income		**13,638**	17,700	**232,874**	776
Proceeds from disposal of property, plant and equipment		**452,144**	131,545	**1,046**	2,014
Proceeds from disposal of investment properties		**1,900**	5,115	**43,044**	607,930
Purchase of bearer biological assets		**(51,357)**	(42,324)	**-**	-
Capital reduction from investments		**28,668**	2,137	**125,000**	100,000
Loans granted		**(110,223)**	(87,195)	**(440,875)**	(1,027,049)
Loans refunded		**147,058**	18,632	**391,918**	859,245
Interest received		**72,598**	34,645	**65,949**	63,125
Dividend received		**7,611**	3,804	**7,611**	3,804
Net cash (used in)/generated from investing activities		**(3,069,450)**	(2,949,575)	**254,275**	(5,384)
Financing activities					
Issue of shares to non-controlling shareholders		**-**	762,197	**-**	-
Acquisition of non-controlling interests		**(388,334)**	-	**-**	-
Issue of bond/debenture		**2,724,651**	-	**-**	-
Capital reduction by subsidiary companies attributable to non-controlling shareholders		**(19,637)**	(98,186)	**-**	-
Proceeds from borrowings		**8,928,353**	7,773,062	**2,472,927**	1,652,419
Payments on borrowings		**(7,892,822)**	(6,098,290)	**(1,824,584)**	(610,902)
Principal payments on lease liabilities		**(314,801)**	(241,317)	**(5,684)**	(5,993)
Interest paid		**(2,094,466)**	(1,574,864)	**(588,909)**	(394,840)
Dividends paid		**(393,746)**	(356,247)	**(393,746)**	(356,247)
Dividends paid by subsidiaries to non-controlling shareholders		**(447,513)**	(529,643)	**-**	-
Net cash generated from/(used in) financing activities		**101,685**	(363,288)	**(339,996)**	284,437
Increase/(decrease) in cash and cash equivalents		**131,039**	(19,973)	**61,292**	184,440
Movement in cash and cash equivalents					
At July 1,		**4,003,908**	4,026,764	**637,353**	452,566
Effects of exchange rate changes		**52,379**	(2,883)	**1,385**	347
Increase/(decrease) in cash and cash equivalents		**131,039**	(19,973)	**61,292**	184,440
At June 30,	39(c)	**4,187,326**	4,003,908	**700,030**	637,353

The notes on pages 110 to 219 form an integral part of these financial statements.

Independent auditor's report on pages 100 to 103.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

1. GENERAL INFORMATION

ENL Limited is a limited liability company incorporated and domiciled in Mauritius. Its registered office is at ENL House, Vivéa Business Park, Moka. ENL Limited is listed on the Stock Exchange of Mauritius.

ENL Limited is a land owner and is also an investment and management company.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the company.

2. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements have been disclosed in their respective notes other than those disclosed below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation

The financial statements of ENL Limited comply with the Companies Act 2001 and have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board ("IASB"). The financial statements include the consolidated financial statements of the holding company and its subsidiary companies (collectively referred to as the group) and the separate financial statements of the holding company (the company). The financial statements are presented in Mauritian rupees and all values are rounded to the nearest thousand (Rs'000) except when otherwise indicated. The financial statements have been prepared under the historical cost convention, except that:

- land and buildings are carried at revalued amounts;
- investment properties are stated at fair value;
- financial assets at fair value through other comprehensive income are carried at fair value;
- financial assets at fair value through profit or loss are carried at fair value;
- Plan assets under employee benefit assets/employee benefit liabilities are carried at fair value;
- consumable biological assets are measured at fair value;
- relevant financial assets and financial liabilities are stated at amortised cost; and
- non-current asset held for sale are carried at the lower of carrying value and fair value less costs to sell.
- investments in subsidiary companies, associated companies and jointly controlled entities are carried at fair value in the separate financial statements.

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 group'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 and in respective applicable notes. Therefore, the financial statements continue to be prepared on a going concern basis.

2.2 Changes in accounting policies and disclosures

New and amended standards and interpretations

The group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2023 (unless otherwise stated). The group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005 and is effective for annual period beginning on or after January 1, 2023. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The group has an investment in an associated company which operates in both life and general insurance. As described under note 9 to the financial statements, management is still assessing the impact of adopting IFRS 17 on the group, as the associate has not yet implemented this standard at the date of approval of these financial statements.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments do not have a material impact on the group.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments do not have a material impact on the group.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

2. ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies and disclosures (cont'd)

New and amended standards and interpretations (cont'd)

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which the Board expects to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

The amendments do not have a material impact on the group.

International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12

In May 2023, the Board issued amendments to IAS 12, which introduce a mandatory exception in IAS 12 from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

The amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes' respectively.

The amendments require an entity to disclose that it has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period.

The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon issue of the amendments.

The disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after January 1, 2023, but are not required for any interim period ending on or before December 31, 2023.

The amendments do not have a material impact on the group.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the group's financial statements are disclosed below. The group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1

In January 2020 and October 2022, the Board issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer settlement must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification
- Disclosures

The amendments are effective for annual reporting beginning on or after January 1, 2024 and must be applied retrospectively.

The amendments do not have a material impact on the group.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16). The amendment to IFRS 16 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease, as required by paragraph 46(a) of IFRS 16.

The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy in accordance with IAS 8 that results in information that is relevant and reliable.

A seller-lessee applies the amendment to annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted and that fact must be disclosed. The amendments do not have a material impact on the group.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

2. ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies and disclosures (cont'd)

Standards issued but not yet effective (cont'd)

Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions. In the context of quantitative liquidity risk disclosures required by IFRS 7, supplier finance arrangements are included as an example of other factors that might be relevant to disclose.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2024. Early adoption is permitted, but will need to be disclosed. The amendments do not have a material impact on the group.

Lack of exchangeability – Amendments to IAS 21

In August 2023, the Board issued Lack of Exchangeability (Amendments to IAS 21). The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2025. Early adoption is permitted, but will need to be disclosed. The group is currently assessing the impact of these amendments.

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met
- Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features
- Clarifies the treatment of non-recourse assets and contractually linked instruments
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income

The amendments will be effective for annual reporting periods beginning on or after January 1, 2026. Early adoption is permitted to the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The group is currently assessing the impact of these amendments.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

IFRS 18, and the amendments to the other accounting standards, is effective for reporting periods beginning on or after January 1, 2027 and will apply retrospectively. Early adoption is permitted and must be disclosed. The group is currently assessing the impact of these amendments.

IFRS 19 - Subsidiaries without Public Accountability: Disclosures

In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS accounting standards including IFRS 19 to make an explicit and unreserved statement of such compliance.

IFRS 19 is effective for reporting periods beginning on or after January 1, 2027 and earlier adoption is permitted. If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under IFRS 19, unless IFRS 19 or another IFRS accounting standard permits or requires otherwise.

The group is currently assessing the impact of these amendments.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

2. ACCOUNTING POLICIES (CONT'D)

2.3 Summary of accounting policies

(a) **Financial instruments**

(i) **Financial assets**

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically;

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss;

Impairment of financial assets

The group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The group applies the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the entity's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all the other financial instruments, the group recognises lifetime ECL until they are derecognised due to short-term nature of the receivables and have been assessed to have credit risk other than low.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

- Significant increase in credit risk

The group holds only trade receivables with no financing component, and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply the simplified approach for expected credit losses (ECL) under IFRS 9 to all its receivables. Therefore, the group does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

- Definition of default

The group considers a trade receivable to be in default when contractual payments are past due for a period exceeding 90 days. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

- Write off policy

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets written off may still be subject to enforcement activities under the group's recovery procedures. Any recoveries made are recognised in profit or loss.

Recognition of expected credit losses

The group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account and does not reduce the carrying amount of the financial asset in the statements of financial position.

(ii) **Derecognition of financial assets and liabilities**

Derecognition of financial assets

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the entity recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In contrast, on derecognition of an investment in equity instrument which the entity has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) **Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

(iv) **Derivative financial instruments**

Derivatives which comprise foreign exchange forward contracts are initially recognised at fair value on the dates the derivatives contracts are entered into and are subsequently remeasured at their fair value. These derivatives do not qualify for hedge accounting. Changes in the fair value of derivatives are recognised immediately in the Statements of Profit or Loss. These derivatives are trading derivatives and are classified as current asset or liability.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

2. ACCOUNTING POLICIES (CONT'D)

2.3 Summary of accounting policies (cont'd)

(a) **Financial instruments (cont'd)**

(v) **Fair value of financial instruments**

Determination of fair value

The group determines the fair value of its financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. Securities defined in these accounts as 'listed' are traded in an active market.

Where the group has financial assets and financial liabilities with offsetting positions in market risks or counterparty credit risk, it has elected to use the measurement exception provided in IFRS 13 to measure the fair value of its net risk exposure by applying the bid or ask price to the net open position as appropriate.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning of each reporting period.

(b) **Cash and cash equivalents**

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the consolidated and separate statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Such financial assets are carried at amortised cost using the effective interest rate method.

(c) **Taxation**

The income tax expense represents the current tax provision and the movement in deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The accounting policies for deferred tax are disclosed in note 23.

(d) **Foreign currencies**

(i) Functional and presentation currency

Items included in the financial statements of the group's entities are measured using Mauritian rupees, the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Mauritian rupees, which is the group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

(iii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES

3.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest-rate risk), credit risk and liquidity risk.

The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

A description of the significant risk factors is given below together with the risk management policies applicable.

(a) **Market risk**

(i) ***Currency risk***

Several of the group's subsidiary companies deal in foreign currency transactions or operate internationally and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, the US dollar and the GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. Some of the group's subsidiary companies are also exposed to fluctuations of exchange rate which impacts on the price of sugar.

The group operates internationally and is exposed to foreign exchange risk arising from various major currencies. Group's entities use forward contracts, whenever possible, to hedge their exposure to foreign currency risk. Each subsidiary is responsible for hedging the net position in each currency by using currency borrowings.

	THE GROUP					THE COMPANY
	EURO	USD	GBP	Rs	Total	Rs
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
June 30, 2024						
Non current financial assets	-	-	-	1,348,055	**1,348,055**	1,919,577
Non current financial liabilities	(286,700)	(40,000)	-	(29,832,855)	**(30,159,555)**	(8,319,289)
Long term exposure	**(286,700)**	**(40,000)**	**-**	**(28,484,800)**	**(28,811,500)**	**(6,399,712)**
Current financial assets	713,113	558,305	94,800	9,587,832	**10,954,050**	1,285,542
Current financial liabilities	(229,981)	(203,649)	(100)	(11,671,077)	**(12,104,807)**	(656,493)
Short term exposure	**483,132**	**354,656**	**94,700**	**(2,083,245)**	**(1,150,757)**	**629,049**
Total exposure	**196,432**	**314,656**	**94,700**	**(30,568,045)**	**(29,962,257)**	**(5,770,663)**

	THE GROUP					THE COMPANY
	EURO	USD	GBP	Rs	Total	Rs
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
June 30, 2023						
Non current financial assets	-	68,300	-	955,270	1,023,570	1,919,577
Non current financial liabilities	(315,400)	(67,000)	-	(26,440,730)	(26,823,130)	(8,319,289)
Long term exposure	(315,400)	1,300	-	(25,485,460)	(25,799,560)	(6,399,712)
Current financial assets	874,831	791,316	67,400	8,489,839	10,223,386	1,285,542
Current financial liabilities	(231,867)	(584,046)	-	(11,171,234)	(11,987,147)	(656,493)
Short term exposure	642,964	207,270	67,400	(2,681,395)	(1,763,761)	629,049
Total exposure	327,564	208,570	67,400	(28,166,855)	(27,563,321)	(5,770,663)

If the Rupee had weakened/strengthened by 1% against the Euro, US dollar, GBP with all other variables held constant, the financial impact will be as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
Euro	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Profit for the year (+ / -)	**1,964**	3,276	**-**	-
Equity (+ / -)	**1,964**	3,276	**-**	-
USD				
Profit for the year (+ / -)	**3,147**	2,086	**-**	-
Equity (+ / -)	**3,147**	2,086	**-**	-
GBP				
Profit for the year (+ / -)	**947**	674	**-**	-
Equity (+ / -)	**947**	674	**-**	-

Derivative financial instruments

At June 30, 2024, the group had foreign exchange contracts for a notional amount of Rs 766m (2023: Rs 590.9m) and a corresponding derivative liability with a fair value of Rs 8.8m (2023: Rs 15.0m).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES (CONT'D)

3.1 Financial risk factors (cont'd)

(a) **Market risk (cont'd)**

(ii) ***Price risk***

Equity

The group and the company are exposed to equity securities price risk mainly because of investments in equity listed companies on the Stock Exchange of Mauritius. The investments are held for medium term and are exposed to fluctuations in the equity market. A 5% increase/(decrease) in the relevant equity prices will increase/(decrease) the group's and company's equity by Rs 5.4m (2023: Rs 7.2m) and Rs 5.2 (2023: Rs 6.0m) respectively and will increase/(decrease) the group's and company's profit before tax by Rs 1.9m (2023: Rs 1.9m) and Rs 1.9m (2023: Rs 1.9m) respectively. Our process as regards to the risk associated with these investments is a monitoring of the entities' annual financial performance and the analysis of their return on investment.

Commercial

The group is exposed to market risk in respect of residential units for sale and commercial units to rental. Management monitors the demand and supply of the market and decides accordingly to initiate projects.

(iii) ***Cash flow interest risk***

The group is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The group's interest rate risk arises from borrowings at variable rates.

At June 30, 2024, if interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been lower/higher mainly as a result of higher/lower interest expense on floating rate borrowings as shown below:

Rupee-denominated borrowings	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Effect higher/lower interest expense on post tax profit and equity	**129,699**	122,319	**35,480**	31,860

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

(b) **Credit risk**

Credit risk arises principally from the group's trade receivables and leases as well as other credit facilities made to customers, other financial assets carried at amortised cost and cash and cash equivalents. The group's credit risk concentration is spread between interest rate and equity securities and also arises on amounts receivable from group companies. 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.

In view of managing its credit risk, the group establishes credit policy whereby new customers are analysed for credit worthiness for each business activity before offering any standard payment delivery terms and conditions. Customers that fail to meet the group's benchmark credit worthiness may transact with the group upon lodging of a bank guarantee or a security document or prepaid basis. The subsidiary companies have no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The company makes advances and loans to group companies with sound financial background. Further disclosures on credit risk and expected credit losses ("ECL") are provided in the following notes: Note 12 – Other financial assets at amortised cost, Note 13 - Loans and advances, Note 17 – Assets related to contracts with customers, Note 16 – Trade and other receivables and Note 39(c) - Cash and cash equivalents.

The risk with the sales of sugar from the operations in Mauritius has significant concentration of credit risk with exposure spread over a few customers. However, sale of products is made through a reputable institution namely, the Mauritius Sugar Syndicate where the risk of default is very remote.

For further details on the risk management policies and committees in place, refer to part 2.4.1 of the corporate governance report.

(c) **Liquidity risk**

Liquidity risk is the risk that the group encounters difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities from financial institutions. Due to the dynamic nature of the underlying businesses, group treasury aims at maintaining flexibility in funding by keeping committed credit facilities with banks. The group monitors rolling forecasts of its liquidity reserve on the basis of expected future cash flows.

At June 30, 2024, the company has a net current asset position of Rs 629m (2023: net current liability position of Rs 1,135m) mainly due to a bond of Rs 1.4bn raised on August 10, 2022 repayable between 8-15 years.

At June 30, 2024, the company also had unutilised bank overdraft facilities.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES (CONT'D)

3.1 Financial risk factors (cont'd)

(c) **Liquidity risk (cont'd)**

The table below summarises the maturity profile of the group's financial liabilities based on contractual undiscounted payments :

	Carrying amount	Less than one year	After one year and before two years	After two years and before five years	After five years	Contractual undiscounted payments
THE GROUP	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
June 30, 2024						
Bank overdrafts	691,313	691,313	-	-	-	691,313
Bank and other loans	15,104,638	2,878,631	1,546,321	7,545,554	6,372,502	18,343,008
Bond notes	6,147,518	445,420	1,271,644	987,030	6,623,230	9,327,324
Secured fixed and variable rate notes	5,074,277	1,186,300	149,200	1,071,100	3,706,977	6,113,577
Debentures	1,010,105	128,000	64,800	1,027,905	-	1,220,705
Lease liabilities	1,388,779	367,938	351,961	543,569	230,862	1,494,330
Redeemable notes	4,745,100	295,900	295,900	2,545,200	3,772,700	6,909,700
Convertible bonds	232,300	10,200	12,800	21,500	237,000	281,500
Liabilities at fair value through profit or loss	318,000	13,000	13000	39,000	328,700	393,700
Trade and other payables	6,157,198	6,157,198	-	-	-	6,157,198
Dividends payable	206,248	206,248	-	-	-	206,248
	41,075,476	**12,380,148**	**3,705,626**	**13,780,858**	**21,271,971**	**51,138,603**
June 30, 2023						
Bank overdrafts	1,721,183	1,721,183	-	-	-	1,721,183
Bank and other loans	12,380,891	1,935,408	1,409,120	4,428,823	8,563,014	16,336,365
Bond notes	5,262,577	1,753,984	221,022	1,858,477	3,101,261	6,934,744
Secured fixed and variable rate notes	4,822,715	342,600	1,320,700	1,300,200	2,644,315	5,607,815
Debentures	1,062,805	124,400	131,800	1,027,905	-	1,284,105
Lease liabilities	1,211,911	285,349	350,783	498,526	160,065	1,294,723
Redeemable notes	4,743,000	296,900	296,900	1,476,900	3,222,100	5,292,800
Convertible bonds	257,200	19,500	19,500	58,500	175,000	272,500
Liabilities at fair value through profit or loss	313,700	13,000	13,000	39,000	357,700	422,700
Trade and other payables	5,574,396	5,574,396	-	-	-	5,574,396
Dividends payable	187,498	187,498	-	-	-	187,498
	37,537,876	12,254,218	3,762,825	10,688,331	18,223,455	44,928,829

Provisions have been excluded in the maturity analysis in the financial year 2024. Comparatives have been amended to conform with presentation in the current year.

The group monitors its risk of a shortage of funds using a liquidity planning tool. The group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, and lease contracts. The group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

	Carrying amount	Less than one year	After one year and before two years	After two years and before five years	After five years	Contractual undiscounted payments
THE COMPANY	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
June 30, 2024						
Bank overdrafts	771	771	-	-	-	771
Bank and other loans	2,509,424	426,905	408,340	719,470	1,659,033	3,213,748
Bond notes	6,147,518	445,420	1,271,644	987,030	6,623,230	9,327,324
Lease liabilities	4,104	201	201	420	11,976	12,798
Trade and other payables	89,655	89,655	-	-	-	89,655
Dividends payable	206,248	206,248	-	-	-	206,248
	8,957,720	**1,169,200**	**1,680,185**	**1,706,920**	**8,294,239**	**12,850,544**
June 30, 2023						
Bank and other loans	2,777,040	443,991	426,953	1,127,811	1,659,076	3,657,831
Bond notes	5,262,577	1,753,984	221,022	1,858,477	3,101,261	6,934,744
Lease liabilities	9,121	5,803	181	561	10,584	17,129
Trade and other payables	94,190	94,190	-	-	-	94,190
Dividends payable	187,498	187,498	-	-	-	187,498
	8,330,426	2,485,466	648,156	2,986,849	4,770,921	10,891,392

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES (CONT'D)

3.1 Financial risk factors (cont'd)

(d) **Risk associated with the group's agricultural activities**

The group is exposed to the following risks associated with its agricultural activities namely standing crop, deer farming and palm trees.

(i) Regulatory and environmental risk

The group has established environmental policies and procedures aimed at compliance with local environmental and other laws.

(ii) Price risk

The group is exposed to risk due to fluctuations in the price of sugar. The risk will affect both the crop proceeds and the standing cane valuation.

(iii) Demand and supply risk

The group is exposed to risks arising from fluctuations in the price and sales volume of standing crop, deer farming and palm trees. When possible, the group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing.

(iv) Climate and other risk

The sugar cane and palm trees plantations and deer farming are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The group has extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry pest and disease surveys. The group is also insured against natural disasters such as forest fires, floods and cyclones.

3.2 Capital risk management

The group's objectives when managing capital are:

- to safeguard the entities' ability to continue as going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The group manages the capital structure and makes adjustments to it 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 group may vary the amount of dividends paid to shareholders or sell assets to reduce debt.

The group 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 bank balances. Adjusted capital comprises all components of equity (i.e. share capital, non-controlling interests, retained earnings and revaluation, fair value and other reserves).

The net debt-to-adjusted capital ratios at June 30, 2024 and at June 30, 2023 were as follows:

	THE GROUP		THE COMPANY	
		Restated		
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Total debts	**35,714,565**	32,815,499	**8,661,817**	8,059,659
Cash and bank balances	**(4,878,639)**	(5,725,091)	**700,801**	(637,353)
Net debts	**30,835,926**	27,090,408	**9,362,618**	7,422,306
Total equity	**53,332,513**	49,750,042	**37,045,450**	34,211,926
Debt-to-adjusted capital ratio	**0.578**	0.545	**0.253**	0.217

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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.

Critical accounting estimates and assumptions

The group 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 described below and in respective applicable notes to the financial statements.

(i) **Judgements**

Note 8 Investments in subsidiary companies: whether the group has de facto control over an investee;

Subsidiaries are all entities, including structured entities, over which the group has control. The group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. For entities where effective holding is less than 50%, management ensures that control is exercised through board representations.

Note 9 Investments in associated companies: whether the group has significant influence over an investee;

The group determines whether an entity has significant influence over another entity for all entities with a shareholding between 20% and 50% of the voting rights. In considering the classification management considers whether control exists, the nature and structure of the relationship and other facts and circumstances. In making their judgement, the directors and management considered the group's absolute size of holding and the relative size and dispersion of the shareholdings owned by the other investors. For associates with less than 20% effective holding, management ensures that significant influence is exercised through board representation.

Note 10 Investments in jointly controlled entities: whether the group has significant influence over an investee.

Note 50 Going concern: Whether the company has adequate resources to continue in operation for a period of 12 months from the date of approval of the financial statements.

(ii) **Assumptions and estimation uncertainties**

Note 5 Property, plant and equipment: determining the fair value of property, plant and equipment as part of the revaluation exercise carried out every 3 years;

Note 6 Investment properties: determining the fair value of investment property;

Note 7 Intangible assets: impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts;

Note 11 Investments in financial assets: determining the fair value of investments in financial asset on the basis of significant unobservable inputs;

Note 13 Loans and advances: measurement of ECL allowance for loans and advances: key assumptions in determining the inputs to the ECL model;

Note 15 Consumable biological assets: determining the fair value of biological assets on the basis of significant unobservable inputs;

Note 16 Trade and other receivables: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate;

Note 17 Assets related to contracts with customers: measurement of ECL allowance for contract assets: key assumptions in determining the weighted-average loss rate;

Note 22 Deferred income taxes: recognition of deferred tax assets/liabilities: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; and

Note 25 Employee benefits liabilities: measurement of defined benefit assets/obligations: key actuarial assumptions.

Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration how the group assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the group view of possible near term market changes that cannot be predicted with any certainty.

More details are in respective applicable notes below to the financial statements:

Note 3.1(a) Financial risk factors – Market risk: sensitivity analysis;

Note 11 Investments in financial assets: sensitivity analysis;

Note 13 Loans and advances: measurement of ECL allowance for loans and advances: key assumptions in determining the inputs to the ECL model;

Note 16 Trade and other receivables: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate;

Note 17 Assets related to contracts with customers: measurement of ECL allowance for contract assets: key assumptions in determining the weighted-average loss rate; and

Note 25 Employee benefits liabilities: measurement of defined benefit assets/obligations: key actuarial assumptions.

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgements in making these assumptions and selecting the inputs for the impairment calculation, based on group's past history, existing market conditions as well as forward looking estimates at the end of cash reporting period. Kindly refer to note 12 for more details.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT

(a) **Accounting policy**

All property, plant and equipment are initially recorded at cost, some of which, namely land and buildings, are subsequently shown at revalued amount based on periodic, but at least triennial valuations by qualified independent professional valuers, less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the asset will flow to the group and the cost can be measured reliably. Cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met.

At each reporting date, the group reviews the carrying amount of its property, plant and equipment to determine whether there is any indication of impairment. If such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash generating units (CGU) exceeds its recoverable amount. When there is indication of impairment and the carrying amount of such asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Property, plant and equipment, other than land, are depreciated over their useful lives on a straight line basis. Depreciation is calculated on a straight line method to write off the cost or revalued amounts of the assets, with the exception of land, to their residual values over their estimated useful lives as follows:

	Years
Buildings and yard	10 - 50
Machinery and equipment/Agricultural equipment	1 - 50
Motor vehicles/Transport equipment	4 - 10
Furniture, fittings and others/Office equipment	4 - 20
Bearer plants	7 - 14

Land is not depreciated.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised during the period of time that is required to complete and prepare the asset for its intended use, as part of the cost of the asset. All other borrowing costs are expensed in the year they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Depreciation on assets which are directly related to operations are charged to cost of sales and others to operating expenses.

Bearer biological assets comprise of re-plantation costs relating to bearer canes. Cane replantation costs are capitalised and amortised over a period of ten years, one year after the expenses have been incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statements of profit or loss when the asset is derecognised.

The group accounts for land and buildings at fair value based on revaluation exercise carried out by qualified independent professional valuers on a periodic basis, normally every 3 years unless there are significant changes in market conditions which would require more frequent revaluations. The latest valuation was performed in June 2023.

Every year, management performs an internal assessment of the fair valuation of the land and buildings. Investment properties which are owner-occupied are revalued on an annual basis and are transferred to property, plant and equipment in the financial statements of the group. Some specialised equipment used in the production lines and considered as core assets, are also revalued periodically by external independent valuers and stated at their fair values less depreciation.

Increases in the carrying amount arising on revaluation are credited to other comprehensive income and shown as revaluation reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against the revaluation surplus directly in equity. All other decreases are charged to statements of profit or loss.

If an owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and fair value of this item at the date of transfer is treated in the same way as a revaluation.

(a)(i) Items of property, plant and equipment include:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Property, plant and equipment (see notes (b) and (c))	**36,809,727**	35,378,518	**689,197**	682,353
Right of use assets (see note (e))	**1,042,245**	1,018,873	**3,627**	6,882
At June 30,	**37,851,972**	36,397,391	**692,824**	689,235

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) THE GROUP

(i) **2024**	Freehold land	Buildings & yard	Machinery & equipment	Motor vehicles	Furniture, fittings & others	Bearer plants	Assets under construction	Total
COST AND VALUATION	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,	16,707,941	15,590,322	3,491,960	770,708	999,559	873,248	1,334,195	**39,767,933**
Additions	-	637,064	954,854	173,807	145,550	129,975	24,983	**2,066,233**
Borrowing costs capitalised*	-	2,409	-	-	-	-	-	**2,409**
Acquisition through business combination (note 43A(A)(b))	-	-	4,075	200	4,080	-	-	**8,355**
On deconsolidation of subsidiaries (note 43A(A)(c))	-	-	(93,600)	(1,700)	-	-	-	**(95,300)**
Disposals	(24,313)	(71,906)	(86,726)	(88,881)	(9,456)	-	(183,694)	**(464,976)**
Assets written off	-	-	(3,700)	(1,100)	-	-	(2,000)	**(6,800)**
Revaluation adjustment	299,989	438,236	-	-	-	-	-	**738,225**
Transfer***	-	(66,300)	-	-	-	-	-	**(66,300)**
Transfer from right of use assets (note 5(e))	-	92,600	19,100	45,588	-	-	-	**157,288**
Transfer (to)/from investment properties (note 6)**	(408,763)	84,557	-	-	(17,082)	-	-	**(341,288)**
Transfer from/(to) other categories	-	950,376	91,712	-	21	(834)	(1,041,275)	**-**
Transfer to inventories	-	-	-	-	-	-	(9,700)	**(9,700)**
Translation difference	-	8,600	50,600	3,500	-	-	-	**62,700**
At June 30,	**16,574,854**	**17,665,958**	**4,428,275**	**902,122**	**1,122,672**	**1,002,389**	**122,509**	**41,818,779**
DEPRECIATION								
At July 1,	-	103,453	2,813,597	501,022	386,843	584,500	-	**4,389,415**
On deconsolidation of subsidiaries (note 43A(A)(c))	-	-	(88,300)	(2,000)	-	-	-	**(90,300)**
Charge for the year	-	239,905	342,661	105,754	93,911	42,561	-	**824,792**
Disposals	-	(150)	(83,138)	(81,902)	(6,170)	-	-	**(171,360)**
Acquisition through business combination (note 43A(A)(b))	-	-	3,826	-	1,807	-	-	**5,633**
Assets written off	-	-	(3,700)	(1,100)	-	-	-	**(4,800)**
Transfer***	-	(66,300)	-	-	-	-	-	**(66,300)**
Transfer from right of use assets (note 5(e))	-	59,900	13,700	16,715	-	-	-	**90,315**
Transfer to investment properties (note 6)**	-	(1,239)	-	-	(14,814)	-	-	**(16,053)**
Translation difference	-	4,300	39,300	4,110	-	-	-	**47,710**
At June 30,	**-**	**339,869**	**3,037,946**	**542,599**	**461,577**	**627,061**	**-**	**5,009,052**
NET BOOK VALUES								
At June 30,	**16,574,854**	**17,326,089**	**1,390,329**	**359,523**	**661,095**	**375,328**	**122,509**	**36,809,727**

* The rate used to determine the amount of borrowing costs eligible for capitalisation was 6.75% which is the effective interest rate of the specific borrowing.

** During the year, several portions of land have been reclassified (from)/to property, plant and equipment from/(to) investment properties following change in use; land is now held for capital appreciation or rental instead of own use.

*** This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) THE GROUP (CONT'D)

(ii) 2023	Freehold land	Buildings & yard	Machinery & equipment	Motor vehicles	Furniture, fittings & others	Bearer plants	Assets under construction	Total
COST AND VALUATION	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,	16,748,806	14,243,405	3,293,487	771,002	913,185	759,115	609,740	37,338,740
Additions	275,026	225,263	348,715	181,360	93,675	114,133	738,796	1,976,968
Borrowing costs capitalised*	-	-	-	-	-	-	1,505	1,505
Acquisition through business combination	-	28,000	24,200	900	-	-	-	53,100
On deconsolidation of subsidiaries**	-	-	(42,000)	(86,200)	-	-	-	(128,200)
Disposals	(232,333)	(31,871)	(93,773)	(126,112)	(7,301)	-	-	(491,390)
Assets written off	-	(4,919)	(19,800)	(3,869)	-	-	-	(28,588)
Revaluation adjustment	1,390,295	2,030,927	-	-	-	-	-	3,421,222
Transfer****	-	(863,200)	-	-	-	-	-	(863,200)
Transfer from right of use assets (note 5(e))	-	-	-	37,327	-	-	-	37,327
Transfer to investment properties (note 6)***	(1,319,123)	(38,798)	-	-	-	-	-	(1,357,921)
Transfer from/(to) other categories	-	9,815	6,031	-	-	-	(15,846)	-
Transfer to non-current assets held for sale (note 19(b))	(154,730)	-	-	-	-	-	-	(154,730)
Translation difference	-	(8,300)	(24,900)	(3,700)	-	-	-	(36,900)
At June 30,	16,707,941	15,590,322	3,491,960	770,708	999,559	873,248	1,334,195	39,767,933
DEPRECIATION								
At July 1,	-	1,549,222	2,675,232	538,683	311,704	547,569	-	5,622,410
On deconsolidation of subsidiaries**	-	-	(32,100)	(22,300)	-	-	-	(54,400)
Charge for the year	-	224,272	286,848	85,153	80,801	36,931	-	714,005
Disposals	-	(5,645)	(94,183)	(122,770)	(5,662)	-	-	(228,260)
Assets written off	-	(4,919)	(7,300)	(3,869)	-	-	-	(16,088)
Transfer****	-	(863,200)	-	-	-	-	-	(863,200)
Transfer from right of use assets (note 5(e))	-	-	-	27,925	-	-	-	27,925
Revaluation adjustment	-	(795,877)	-	-	-	-	-	(795,877)
Translation difference	-	(400)	(14,900)	(1,800)	-	-	-	(17,100)
At June 30,	-	103,453	2,813,597	501,022	386,843	584,500	-	4,389,415
NET BOOK VALUES								
At June 30,	16,707,941	15,486,869	678,363	269,686	612,716	288,748	1,334,195	35,378,518

* The rate used to determine the amount of borrowing costs eligible for capitalisation was 6.75% which is the effective interest rate of the specific borrowing.

** Refer to note 49 - 'Discontinued Operations' for more details.

*** During the year, several portions of land have been reclassified from property, plant and equipment to investment properties following change in use; land is now held for capital appreciation or rental instead of own use.

**** This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) THE GROUP (CONT'D)

(iii) Assets under construction relate to irrigation and other equipment under installation which are not yet operational.

(iv) The group's and the company's land and buildings were revalued by qualified independent professional valuers in 2023. The valuations were made on the basis of open market value and replacement costs as appropriate.

The techniques used are as follows:

- Where there are a significant number of similar transactions on the market, the market sales comparison approach are usually based upon to determine the open market values of both the land, freehold or leasehold and the buildings as well as the built-up improvements.
- For properties which are not regularly transacted on the open market, more particularly specialised properties, the income approach and depreciated replacement cost approach are used for the buildings and built-up improvements and the market sales comparison approach for the land component.

(v) **The group and the company**

Details of the group's and the company's freehold land and buildings measured at fair value and information about the fair value hierarchy as at the reporting date are as follows:

	THE GROUP	THE COMPANY
2024	**LEVEL 3**	**LEVEL 3**
	Rs'000	Rs'000
Freehold land	**16,574,854**	**607,992**
Buildings & yard	**17,326,089**	**39,147**
Total	**33,900,943**	**647,139**

	THE GROUP	THE COMPANY
2023	LEVEL 3	LEVEL 3
	Rs'000	Rs'000
Freehold land	16,707,941	609,391
Buildings & yard	15,486,869	26,424
Total	32,194,810	635,815

Freehold land and buildings and yard are disclosed as level 3 in the current year (2023: level 3).

The different levels have been defined as follows:

Level 1 - Unadjusted market prices in active market for identical assets.

Level 2 - Inputs other than market prices included within level 1 that are observable for the asset, either directly or indirectly.

Level 3 - Inputs for the asset that are not based on observable market data.

(vi) The movement in level 3 fair value measurement for the year ended June 30, 2024 and 2023 are disclosed in the note (b) (i) & (ii) for the group and in the note (c) (i) & (ii) for the company.

(vii) **Sensitivity of fair value measurement to changes in unobservable inputs**

The group and the company

Although management believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on other comprehensive income and equity. The following table shows the valuation technique used in measuring the fair value of property, plant and equipment as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Direct market comparison approach: estimates the value of a property by comparing it to similar properties recently sold in the market.	Prices per square foot for buildings (Rs) Prices per arpent of land (Rs)	The estimated fair value would increase/(decrease) if rate per square foot/ arpent (Rs) were higher/ (lower).
Depreciated replacement cost (DRC)	Cost per arpent of land (Rs 24.4m - Rs 31.8m)	The estimated fair value would increase/(decrease) if: • expected price of construction materials increase/(decrease); • Interest rates increase/ (decrease).
Discounted cash flows: The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth, void periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms. The DCF method is also the approach by which private, institutional, local and overseas investors analyse property for investment purposes to estimate the market value. This methodology also takes into account the time value of money between the valuation date and the date when the income stream theoretically reverts to market levels.	Discount rate (12.50% - 14%) Reversionary rate (7% - 9.25%) Net property income (Rs 21m - Rs 600m) Gross lettable area (140,258 m²) Market rental growth (5%) Expense growth (5%) Void periods (1 - 3 months) Vacancy rate (1% - 2.50%) Price per arpent (Rs 25m - Rs 37.5m)	The estimated fair value would increase/(decrease) if the following respective movement were to occur in isolation: • Risk-adjusted discount rate were lower/(higher) • Expense growth were lower/(higher)

A quantitative sensitivity analysis is shown below for the rate per square foot/arpent which are the unobservable inputs that management consider to be most significant.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) THE GROUP (CONT'D)

(vii) **Sensitivity of fair value measurement to changes in unobservable inputs (cont'd)**

The group and the company (cont'd)

Discount rate

Increase of 0.5% in discount rate would decrease fair value gain by Rs 326m (2023: Rs 311.8m).

Decrease of 0.5% in discount rate would increase fair value gain by Rs 334.4m (2023: Rs 311.8m).

Reversionary rate

Increase of 0.5% in reversionary rate would decrease fair value gain by Rs 785.4m (2023: Rs 768.9m).

Decrease of 0.5% in reversionary rate would increase fair value gain by Rs 899.8m (2023: Rs 768.9m).

Price per square foot for buildings

Increase of 0.5% in rate per square foot for buildings would increase fair value gain by Rs 2.2m (2023: Rs 14.1m) for the group and by Rs nil (2023: Rs 0.03m) for the company.

Decrease of 0.5% in per square foot for buildings would decrease fair value gain by Rs 2.2m (2023: Rs 14.1m) for the group and by Rs nil (2023: Rs 0.03m) for the company.

Price per arpent of land

Increase of 0.5% in rate per arpent of land would increase fair value gain by Rs 1.5m (2023: Rs 7m) for the group and by Rs nil (2023: Rs 0.14m) for the company.

Decrease of 0.5% in rate per arpent of land would decrease fair value gain by Rs 1.5m (2023: Rs 7m) for the group and by Rs nil (2023: Rs 0.14m) for the company.

(viii) The group's property, plant and equipment are reflected at revalued amounts. If property, plant and equipment were stated at historical cost, the amounts would have been as follows:

	Freehold land	Buildings & yard	Total
2024	Rs'000	Rs'000	Rs'000
Cost	**654,380**	**6,204,689**	**6,859,069**
Accumulated depreciation	**-**	**(2,397,403)**	**(2,397,403)**
Net book values	**654,380**	**3,807,286**	**4,461,666**
2023			
Cost	654,380	5,575,668	6,230,048
Accumulated depreciation	-	(2,157,498)	(2,157,498)
Net book values	654,380	3,418,170	4,072,550

(ix) Depreciation charge of Rs 724m and Rs 101m (2023: Rs 603m and Rs 111m) has been charged to other operating expenses and to cost of sales respectively. Those charged to cost of sales are directly attributable to production activity.

(x) Bank borrowings are secured on some of the group's property, plant and equipment. Refer to note 21 for further details.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(c) THE COMPANY

(i) 2024	Land Rs'000	Buildings Rs'000	Improvement to leasehold buildings Rs'000	Agricultural equipment Rs'000	Transport equipment Rs'000	Motor vehicles Rs'000	Furniture & fittings Rs'000	Office equipment Rs'000	Work-in-progress Rs'000	Total Rs'000
COST AND VALUATION										
At July 1,	609,391	28,760	2,409	21,972	11,583	20,316	2,574	19,156	11,326	**727,487**
Additions	-	-	-	-	-	8,786	81	5,050	8,564	**22,481**
Disposals	-	-	-	(227)	-	(4,117)	(445)	(171)	-	**(4,960)**
Investment properties (note 6)	(1,399)	(990)	-	-	-	-	-	-	-	**(2,389)**
Transfer from work-in-progress	-	15,143	-	-	-	-	-	-	(15,143)	**-**
At June 30,	**607,992**	**42,913**	**2,409**	**21,745**	**11,583**	**24,985**	**2,210**	**24,035**	**4,747**	**742,619**
DEPRECIATION										
At July 1,	-	2,336	871	11,726	11,583	4,602	2,306	11,710	-	**45,134**
Charge for the year	-	1,463	241	555	-	4,866	185	3,177	-	**10,487**
Disposal adjustments	-	-	-	(227)	-	(1,393)	(445)	(101)	-	**(2,166)**
Investment properties (note 6)	-	(33)	-	-	-	-	-	-	-	**(33)**
At June 30,	**-**	**3,766**	**1,112**	**12,054**	**11,583**	**8,075**	**2,046**	**14,786**	**-**	**53,422**
NET BOOK VALUES										
At June 30,	**607,992**	**39,147**	**1,297**	**9,691**	**-**	**16,910**	**164**	**9,249**	**4,747**	**689,197**

Land and buildings are classified under level 3.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(c) THE COMPANY (CONT'D)

(ii) 2023	Land	Buildings	Improvement to leasehold buildings	Agricultural equipment	Transport equipment	Motor vehicles	Furniture & fittings	Office equipment	Work-in-progress	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
COST AND VALUATION										
At July 1,	606,699	40,471	2,087	21,972	40,466	12,928	2,574	12,386	-	739,583
Additions	-	-	322	-	-	12,241	-	6,770	11,326	30,659
Disposals	-	-	-	-	(25,014)	(4,853)	-	-	-	(29,867)
Assets written off	-	(4,919)	-	-	(3,869)	-	-	-	-	(8,788)
Transfer to investment properties (note 6)	(18,200)	(7,074)	-	-	-	-	-	-	-	(25,274)
Revaluation adjustment	20,892	282	-	-	-	-	-	-	-	21,174
At June 30,	609,391	28,760	2,409	21,972	11,583	20,316	2,574	19,156	11,326	727,487
DEPRECIATION										
At July 1,	-	13,504	657	11,171	40,466	6,583	2,109	9,093	-	83,583
Charge for the year	-	803	214	555	-	2,872	197	2,617	-	7,258
Disposal adjustments	-	-	-	-	(25,014)	(4,853)	-	-	-	(29,867)
Assets written off	-	(4,919)	-	-	(3,869)	-	-	-	-	(8,788)
Transfer to investment properties (note 6)	-	(521)	-	-	-	-	-	-	-	(521)
Revaluation adjustment	-	(6,531)	-	-	-	-	-	-	-	(6,531)
At June 30,	-	2,336	871	11,726	11,583	4,602	2,306	11,710	-	45,134
NET BOOK VALUES										
At June 30,	609,391	26,424	1,538	10,246	-	15,714	268	7,446	11,326	682,353

Land and buildings are classified under level 3.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(c) THE COMPANY (CONT'D)

(iii) The company's property, plant and equipment are reflected at revalued amounts. If property, plant and equipment were stated at historical cost, the amounts would have been as follows:

	Freehold land	Buildings & yard	Total
2024	Rs'000	Rs'000	Rs'000
Cost	**10,516**	**11,135**	**21,651**
Accumulated depreciation	**-**	**(5,185)**	**(5,185)**
Net book values	**10,516**	**5,950**	**16,466**
2023			
Cost	10,516	11,135	21,651
Accumulated depreciation	-	(3,722)	(3,722)
Net book values	10,516	7,413	17,929

(iv) Bank borrowings are secured on some of the company's property, plant and equipment. Please refer to note 21 for further details.

(v) Depreciation charge has been included in other operating expenses.

(d) **Critical accounting estimates**

Asset lives and residual values

Property, plant and equipment are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes as well as location, wear and tear and frequency of renovation are taken into account. The residual value of an asset is the estimated net amount that the group would currently obtain from the disposal of the asset, if the asset was already of the age and in the condition expected at the end of its useful life. Residual value assessments consider issues such as future market conditions, the remaining useful life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

Revaluation of properties

The group and the company measure land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The group appoints qualified independent professional valuers who have valuation experience of similar properties to determine the fair value of these properties. Valuations were made on the basis of open market values and replacement costs and income approach.

As part of the revaluation process, the use of estimates to determine the fair value of properties is necessary. Land is valued on the basis of recently transacted properties in that specific region.

(e) **RIGHT OF USE ASSETS**

Accounting policy

The group recognises a right of use asset and a corresponding lease liability at commencement date at which the leased asset is available for use.

The group presents right of use assets that do not meet the definition of investment property as property, plant and equipment.

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The depreciation period for right of use assets held by the group are as described below:

	Years
Land and buildings	10 - 50
Plant, machinery and motor vehicles	3 - 5

Short term leases and leases of low value assets

The group has elected not to recognise right of use assets and the corresponding lease liabilities for short-term leases and low-value assets. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. The group applies the exemption for low value assets on a lease by lease basis. While short term leases are leases with a term of twelve months or less, low-value assets are comprised of IT equipment including computers, mobile phones and small office equipment.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(e) **RIGHT OF USE ASSETS (CONT'D)**

(i) THE GROUP

2024	Land and buildings	Plant, machinery and motor vehicles	Total
	Rs'000	Rs'000	Rs'000
COST			
At July 1,	1,386,484	289,134	**1,675,618**
Additions	241,005	75,739	**316,744**
Disposals	-	(1,683)	**(1,683)**
Transfer to property, plant and equipment (note 5(b))	(92,600)	(64,688)	**(157,288)**
Termination of lease contracts	(90,600)	(4,600)	**(95,200)**
Effect of remeasurement	(76,051)	(25,300)	**(101,351)**
Translation difference	13,100	1,500	**14,600**
On deconsolidation of subsidiaries (note 43A)	-	(1,900)	**(1,900)**
At June 30,	**1,381,338**	**268,202**	**1,649,540**
DEPRECIATION			
At July 1,	522,612	134,133	**656,745**
Charge for the year	135,377	45,571	**180,948**
Disposal adjustment	-	(1,683)	**(1,683)**
Transfer to property, plant and equipment (note 5(b))	(59,900)	(30,415)	**(90,315)**
Termination of lease contracts	(52,800)	(2,000)	**(54,800)**
Effect of remeasurement	(62,700)	(27,000)	**(89,700)**
Translation difference	5,400	500	**5,900**
On deconsolidation of subsidiaries (note 43A)	-	200	**200**
At June 30,	**487,989**	**119,306**	**607,295**
NET BOOK VALUES			
At June 30,	**893,349**	**148,896**	**1,042,245**

2023	Land and buildings	Plant, machinery and motor vehicles	Total
	Rs'000	Rs'000	Rs'000
COST			
At July 1,	1,348,094	264,443	1,612,537
Additions	111,458	70,627	182,085
Transfer to property, plant and equipment (note 5(b))	-	(37,327)	(37,327)
Transfer between asset accounts	(3,100)	3,100	-
Termination of lease contracts	-	(6,309)	(6,309)
Effect of remeasurement	(20,368)	(3,700)	(24,068)
Translation difference	800	300	1,100
On deconsolidation of subsidiaries	(50,400)	(2,000)	(52,400)
At June 30,	1,386,484	289,134	1,675,618
DEPRECIATION			
At July 1,	428,486	125,618	554,104
Charge for the year	131,526	42,349	173,875
Transfer to property, plant and equipment (note 5(b))	-	(27,925)	(27,925)
Termination of lease contracts	(16,100)	(4,309)	(20,409)
Effect of remeasurement	-	(100)	(100)
Translation difference	(600)	300	(300)
On deconsolidation of subsidiaries	(20,700)	(1,800)	(22,500)
At June 30,	522,612	134,133	656,745
NET BOOK VALUES			
At June 30,	863,872	155,001	1,018,873

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(e) RIGHT OF USE ASSETS (CONT'D)

(ii) THE COMPANY

2024	Office equipment	Land and buildings	Plant, machinery and motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000
COST				
At July 1,	-	21,495	3,508	**25,003**
Effect of modification to lease terms	-	410	-	**410**
At June 30,	**-**	**21,905**	**3,508**	**25,413**
DEPRECIATION				
At July 1,	-	14,613	3,508	**18,121**
Charge for the year	-	3,665	-	**3,665**
At June 30,	**-**	**18,278**	**3,508**	**21,786**
NET BOOK VALUES				
At June 30,	**-**	**3,627**	**-**	**3,627**

2023	Office equipment	Land and buildings	Plant, machinery and motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000
COST				
At July 1,	102	21,495	3,508	25,105
Assets written off	(102)	-	-	(102)
At June 30,	-	21,495	3,508	25,003
DEPRECIATION				
At July 1,	102	10,954	2,871	13,927
Charge for the year	-	3,659	637	4,296
Assets written off	(102)	-	-	(102)
At June 30,	-	14,613	3,508	18,121
NET BOOK VALUES				
At June 30,	-	6,882	-	6,882

6. INVESTMENT PROPERTIES

(a) Accounting policy

Investment properties are properties which are held to earn rentals or for capital appreciation and not occupied by the group and are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value determined annually by qualified independent professional valuers. The qualified independent professional valuers hold recognised and relevant professional qualification and have recent experience in the location and category of the properties being valued. Subsequent costs relating mainly to infrastructure costs (costs to bring investment properties into saleable conditions) are capitalised as part of investment properties. Changes in fair value are included in profit or loss.

Properties that are being constructed or developed for future use as investment properties are treated as investment properties. Investment properties are derecognised when they are disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from their use. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year of derecognition.

Rental income from investment properties is recognised in revenue on a straight-line basis over the term of the lease. The effect of straight-lining of income is adjusted for in the fair value of investment properties.

If an investment property becomes owner occupied, it is reclassified to property, plant and equipment. Its fair value at the date of reclassification becomes its book value for subsequent accounting purposes.

If an owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and fair value of this item at the date of transfer is treated in the same way as a revaluation under IAS 16. Any resulting increase in the carrying amount of the property is recognised in profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increase directly to equity in revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged to other comprehensive income against any previously recognised revaluation surplus, with any remaining decrease charged to profit or loss.

Where an investment property undergoes a change in use, such as commencement of development with a view to sell, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use. Transfers between levels of the fair value hierarchy, are deemed to have occurred at the beginning of the reporting period.

Borrowing costs

Interest costs on borrowings to finance the construction of investment property are capitalised as part of the cost of the asset during the period of time that is required to complete and prepare the asset for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that the group incurs in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

6. INVESTMENT PROPERTIES (CONT'D)

(b) ***Fair value model***

(i) THE GROUP

2024	Commercial properties Rs'000	Bare land and other properties Rs'000	Total Rs'000
At July 1,	**19,308,222**	**6,326,197**	**25,634,419**
Additions	**871,765**	**738,579**	**1,610,344**
Borrowing costs capitalised*	**74,570**	**-**	**74,570**
Disposals	**-**	**(17,706)**	**(17,706)**
Effect of straightlining adjustment on rental income	**36,760**	**-**	**36,760**
Transfer from property, plant and equipment (note 5)	**43,631**	**281,604**	**325,235**
Transfer to inventories (stock of land)	**-**	**(582,774)**	**(582,774)**
Translation difference	**-**	**7,374**	**7,374**
(Decrease)/increase in fair value	**(54,656)**	**654,639**	**599,983**
At June 30,	**20,280,292**	**7,407,913**	**27,688,205**

2023	Commercial properties Rs'000	Bare land and other properties Rs'000	Total Rs'000
At July 1,	17,527,966	4,504,677	22,032,643
Additions	1,175,092	96,168	1,271,260
Borrowing costs capitalised*	33,074	-	33,074
Disposals	-	(5,252)	(5,252)
Effect of straightlining adjustment on rental income	40,645	-	40,645
Transfer (to)/from property, plant and equipment (note 5)	(1,835)	1,359,756	1,357,921
Transfer to inventories (stock of land)	-	(49,243)	(49,243)
Translation difference	-	3,900	3,900
Increase in fair value	533,280	416,191	949,471
At June 30,	19,308,222	6,326,197	25,634,419

The group leases out its investment property. The group has classified those leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

* The rate used to determine the amount of borrowing costs eligible for capitalisation was 7.2% (2023: 5.46% to 7.2%), which is the effective interest rate of the specific borrowing.

(ii) THE COMPANY

2024	Bare land and other properties Rs'000
At July 1,	**13,714,086**
Additions	**15,521**
Disposals	**(35,873)**
Transfer from property, plant and equipment (note 5)	**2,356**
Increase in fair value	**248,738**
At June 30,	**13,944,828**

2023	
At July 1,	12,984,739
Additions	41,659
Disposals	(456,251)
Transfer from property, plant and equipment (note 5)	24,753
Increase in fair value	1,119,186
At June 30,	13,714,086

(c) The following amounts have been recognised in profit or loss:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rental income derived from investment properties (note 30(b))	**1,058,755**	1,056,972	**75,999**	73,382
Direct operating expenses generating rental income	**86,665**	67,455	**-**	-
Direct operating expenses that did not generate rental income	**630,526**	538,864	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

6. INVESTMENT PROPERTIES (CONT'D)

(d) The investment properties were valued on June 30, 2024 by qualified independent professional valuers namely Ramiah Isabel Consultancy Ltd, Tristan Doger de Speville and Mills Fitchet.

The properties have been valued to their open market value being the price at which the freehold interests might reasonably be expected to achieve if sold at the date of this valuation assuming:

1. There is a willing buyer for existing or alternative use purposes.
2. There is a willing and prudent seller.
3. That prior to the date of sale there had been a reasonable period in which to negotiate the proposed sale taking into account the prevailing market conditions.
4. That property values will remain static throughout the period during which the property is marketed.
5. That the properties will be freely and fully exposed to the market.
6. That no account is taken of any additional bid by a prospective purchaser with a special interest.
7. That both parties to the transaction will act knowledgeably, prudently and without compulsion.
8. The properties are free from all charges and encumbrances.

(e) The fair value of the properties were determined using:

(i) The Direct Market Comparison Approach, which is based on recent transactions for similar properties in similar locations. Where comparables are not available, then the best-suited comparables are used and adjusted for year of transaction, geographical location, land, use, size, shape, frontage, access, site constraints, planning restrictions, etc. The resulting figure is further analysed to ascertain whether it is fair and reasonable according to our knowledge of the property market.

There are adequate market evidences of sales for bare land, commercial and other properties where the subject properties are located to render the Sales Comparison Approach as the most appropriate approach for the landed assets owned by the group.

(ii) The discounted cash flow method (DCF) refers to the expected future net income for 5 years that has been discounted at an appropriate discount rate and added to the estimated reversionary value. The reversionary value has been computed by capitalising the net income prevailing at the end of the cash flow projections and discounting at an appropriate rate.

The DCF valuation is also the approach by which private, institutional, local and overseas investors analyse property for investment purposes to estimate the market value. This methodology also takes into account the time value of money between the valuation date and the date when the income stream theoretically reverts to market levels.

(iii) On the other hand, some buildings comprising mainly residential houses have been fair valued using the Depreciated Replacement Cost (DRC) Method. The DRC has been arrived at by using the construction costs of similar buildings and adjusted for depreciation resulting from one or more of the following factors: Physical deterioration, functional obsolescence, external (or economic) obsolescence, renovation works, level/quality of maintenance.

(1) Commercial properties

Commercial properties relates mainly to shopping malls. The investment properties were valued at year end by Mills Fitchet and Ramiah Isabel Consultancy Ltd, accredited independent valuers with recognised professional qualification (Royal Institution of Chartered Surveyors - RICS Registered) and relevant experience of the location and category of the investment properties being valued. The valuations were performed in accordance with the International Valuation Standards Committee requirements. Valuation was based on a discounted cash flow model. The determined fair value of the investment property is sensitive to the risk-adjusted discount rate as well as reversionary rate.

The investment properties are classified as level 3 on the fair value hierarchy. There were no transfers between levels during the year.

Sensitivity of fair value measurement to changes in unobservable inputs

Although management believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on profit or loss and equity.

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows: The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth, void periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms. The DCF method is also the approach by which private, institutional, local and overseas investors analyse property for investment purposes to estimate the market value. This methodology also takes into account the time value of money between the valuation date and the date when the income stream theoretically reverts to market levels.	Discount rate (12% - 14%) Reversionary rate (7% - 9.25%) Net property income (Rs 21m - Rs 600m) Gross lettable area (140,258 m^2) Market rental growth (5%) Expense growth (5%) Void periods (1 - 3 months) Vacancy rate (1% - 2.50%) Price per arpent (Rs 25m - Rs 37.5m)	The estimated fair value would increase/(decrease) if the following respective movement were to occur in isolation: • Risk-adjusted discount rate were lower/(higher) • Reversionary rate were lower/(higher) • Net property income were higher/(lower) • Gross lettable area were higher/(lower) • Expected market rental growth were higher/(lower) • Expense growth were lower/(higher) • Void periods were shorter/(longer) • Vacancy rate were lower/(higher)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

6. INVESTMENT PROPERTIES (CONT'D)

(1) Commercial properties (cont'd)

However, inter-relationships exist between the unobservable inputs as they are driven by market conditions. For instance, generally a change in the input used for the net property income is accompanied by a directionally similar change in the input used for the expected market rental growth, discount rate and reversionary rate, and a directionally opposite change in the input used for expense growth, void periods and vacancy rate.

A quantitative sensitivity analysis is shown below for the discount rate and reversionary rate which are the unobservable inputs that management consider to be most significant.

Discount rate

Increase of 0.5% in discount rate would decrease fair value gain by Rs 326m (2023: Rs 311.8m).

Decrease of 0.5% in discount rate would increase fair value gain by Rs 334.4m (2023: Rs 311.8m).

Reversionary rate

Increase of 0.5% in reversionary rate would decrease fair value gain by Rs 785.4m (2023: Rs 768.9m).

Decrease of 0.5% in reversionary rate would increase fair value gain by Rs 899.8m (2023: Rs 768.9m).

(2) Bare land and other properties

Bare land

Bare land are properties held by the group and the company for future capital appreciation. The investment property is valued at fair value on an open-market basis by Tristan Doger de Speville. The valuation methodology is the open-market value basis and the fair value is classified as level 3. The valuation consideration takes into account the following:

Sensitivity of fair value measurement to changes in unobservable inputs

Although management believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on profit or loss and equity.

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Open-market value - The model considers the price at which the freehold/leasehold interests might reasonable expected to achieve if sold by private treaty at valuation date.	Prices per arpent of land (Rs 6.8m - Rs 12.7m).	The estimated fair value would increase/(decrease) if: • expected growth in prices of land and buildings were higher/(lower).

A quantitative sensitivity analysis is shown below for land on price per arpent which is the unobservable inputs that management consider to be most significant.

Price per arpent

Increase of 1% in price per arpent would increase fair value gain by Rs 16m (2023: Rs 0.1m) for bare land.

Decrease of 1% in price per arpent would decrease fair value gain by Rs 16m (2023: Rs 0.1m) for bare land.

Other properties

Other properties comprises of office building and sports complex which are rented to tenants. The investment property is valued at fair value on an open-market basis by Tristan Doger de Speville. The valuation methodology is the open-market value basis and the fair value is classified as level 3. The valuation consideration takes into account the following:

- the location of the property;
- existing new tarred road and utilities;
- that this area forms part of an established IRS development with clearances and permits in hand;
- the existing facilities that it will enjoy; and
- a stable market.

Although management believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on profit or loss and equity.

Sensitivity of fair value measurement to changes in unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Open-market value - The model considers the price at which the freehold/leasehold interests might reasonable expected to achieve if sold by private treaty at valuation date.	Prices per square foot for buildings (Rs 10,000 - Rs 620,000)	The estimated fair value would increase/(decrease) if: • expected growth in prices of land and buildings were higher/(lower).
Depreciated Replacement Cost (''DRC''): The DRC is arrived at by using the current construction cost are similar buildings based on our experience and knowledge of the construction sector and adjusting for depreciation resulting from one or more of the following factors: Physical deterioration, functional obsolescence, external (or economic) obsolescence, renovation works, level and quality of maintenance.	Expected price increase in construction materials. Expected growth in interest rates.	The estimated fair value would increase/(decrease) if: • expected price of construction materials increase/(decrease); • Interest rates increase/ (decrease).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

6. INVESTMENT PROPERTIES (CONT'D)

(2) Bare land and other properties (cont'd)

Other properties (cont'd)

However, inter-relationships exist between the unobservable inputs as they are driven by market conditions. For instance, generally a change in the input used for the net property income is accompanied by a directionally similar change in the input used for the expected market rental growth, discount rate and reversionary rate, and a directionally opposite change in the input used for expense growth, void periods and vacancy rate.

A quantitative sensitivity analysis is shown below for the land on price per arpent and for building on price per square foot which are the unobservable inputs that management consider to be most significant.

Price per arpent

Increase of 1% in price per arpent would increase fair value gain by Rs 4.4m (2023: Rs 0.1m) for other properties.

Decrease of 1% in price per arpent would decrease fair value gain by Rs 4.4m (2023: Rs 0.1m) for other properties.

Price per square foot

Increase of 1% in price per square foot would increase fair value gain by Rs 4.4m (2023: Rs 0.1m) for other properties.

Decrease of 1% in price per square foot would decrease fair value gain by Rs 4.4m (2023: Rs 0.1m) for other properties.

(f) The group and the company have pledged part of its investment properties to secure borrowings. Please refer to note 21 for further details.

(g) Details of the investment properties and information about the fair value hierarchy for Level 3 are as follows:

	2024	2023
THE GROUP	Rs'000	Rs'000
Bare land and other properties	27,688,205	25,634,419
THE COMPANY		
Bare land and other properties	13,944,828	13,714,086

(h) The movement in level 3 fair value measurement for the year ended June 30, 2024 and 2023 are disclosed in note (b) above. Land is disclosed as level 3 in the current year (2023: level 3).

(i) There has been no change in the valuation techniques used.

(j) **Critical accounting estimates**

Revaluation of investment properties

Investment properties are stated at fair value with changes in fair value being recognised in the statements of profit or loss. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The group appointed qualified independent professional valuers who have valuation experience of similar properties to determine the fair value of these properties which were carried out on the basis of open market values, depreciated replacement cost, discounted cash flow approach and residual value method.

As part of the revaluation process, the use of judgement to determine the fair value of properties is necessary. Land is valued on the basis of recently transacted properties of similar nature in that specific region and residual value method as appropriate.

For developed sites, the income capitalisation method and the depreciated replacement cost basis have been used. The depreciated replacement cost methodology consists of the depreciated replacement cost of the building, plus the market value of the land.

For the unimproved sites, depreciated replacement cost basis have been used. The depreciated replacement cost methodology consists of the depreciated replacement cost of the building.

Significant accounting judgements and estimates

Management has applied judgement in determining appropriate classes of investment properties for which disclosures about fair value measurements should be provided. Investment properties have been classified into three distinct categories, namely, commercial, bare land and other properties. The classes have been determined based on the nature, characteristics and risks of the assets. Judgement has also been applied by management in respect of the level of detail necessary to satisfy the disclosure requirements and when assessing the level aggregation or disaggregation to undertake in determining the appropriate classes.

The group carries its investment property at fair value, with changes in fair value being recognised in the Statements of Profit or Loss and Other Comprehensive Income. The fair value is based on valuations performed by external independent valuers and as estimated by the Directors and management based on reference to their knowledge on the current market evidence of transaction prices for similar properties and based on a discounted cash flow model. The determined fair value of the investment property is sensitive to the risk-adjusted discount rate as well as the long term vacancy rate.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

7. INTANGIBLE ASSETS

(a) Accounting policy

Market related intangibles, computer software and other intangible assets

Computer software and other intangible assets including market related intangibles, any premium paid on acquisition of businesses and concession rights, that are acquired by the group and have finite useful lives are initially recorded at cost. Other intangible assets are subsequently measured at cost less accumulated amortisation and impairment losses. The intangible assets are amortised using the straight-line method over its estimated useful life.

Amortisation methods, useful lives and residual values of computer software and other intangible assets are reviewed at each reporting date and adjusted if appropriate.

Gains or losses arising from derecognition of other intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Premium paid by certain subsidiaries for acquiring agencies are considered as intangibles with indefinite life and are tested for impairment annually. Those premium having a finite life are amortised over the life time of the asset to determine its carrying amount at the end of the reporting period. For the year ended June 30, 2024, the group has not recognised internally generated intangibles.

The amortisation rates by class of other intangible assets held by the group are as described below:

	Years	Rate
Computer software	2 - 8	12.5% - 50%
Customer relationships	8	12.5%
Market related intangibles	8	12.5%
Other intangible assets	7-10	10% - 14%
Concession/leasehold rights	9 - 60	2% - 11%
Franchise	4 - 10	10% - 25%

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Land conversion rights

With the reform of the sugar industry, Government granted a tax exemption to the sugar industry when converting agricultural land into residential land in the form of Land Conversion Rights ("LCRs"). These LCRs are granted by the Mauritius Cane Industry Authority (MCIA) based on the qualifying costs incurred by an entity. The LCRs are assumed to have an indefinite useful life according to Sugar Industry Efficiency Act.

LCR is recognised as a non-current asset and is initially measured at fair value at the date on which the group is entitled to receive those rights, that is when there is reasonable assurance that the LCR will be received and all the attached conditions will be complied with.

LCRs have been assessed to have an indefinite life and are tested annually for impairment and are transferred to investment properties upon conversion of the land. The recoverable amount of the land conversion rights has been determined based on the value stated in the Sugar Industry Efficiency Act as there is no expiry dates and the group can use them to convert agricultural land into residential land whenever the need arises.

LCRs are derecognised upon disposal (i.e. the date the recipient obtains control), used internally for converting land into residential land for land projects or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the LCR is included in the statements of profit or loss.

Franchise

Franchise is shown at historical cost, has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method over its estimated useful lives of 4 - 10 years.

Goodwill

Goodwill arises on the acquisition of subsidiary companies and represents the excess of the consideration over the group's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree. Any net excess of the group's interests in the net fair value of the acquiree's net identifiable assets over cost is recognised in profit or loss.

Goodwill is tested annually for impairment and is carried at cost less accumulated impairment losses. On disposal of a subsidiary company, the 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. Impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

Other purchased goodwill consists mainly of premium paid by certain subsidiaries for acquiring agencies. This goodwill is either tested for impairment or amortised over a finite period of time to determine its carrying amount at the end of the reporting period.

Concession rights

The local authority has provided one of the subsidiary with the contractual rights for its port operations and the latter has right to charge users of the port a license fee to trade and therefore meets the criteria of a concession rights. Given that the authority has granted only the rights to charge users for a license fees , the concession rights amounting to Rs 180m have been accounted as intangible asset in the financial statements and amortised over 60 years. The remaining amortisation period for concession rights was 31.5 years as at June 30, 2024 (2023: 32.5 years).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

7. INTANGIBLE ASSETS (CONT'D)

(b) THE GROUP

(i) **2024**

	Computer software	Goodwill on acquisition of subsidiaries	Land conversion rights	Franchise	Market related intangibles	Concession / leasehold rights	Other intangible assets	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
COST								
At July 1,	316,262	949,791	623,587	29,314	357,300	180,000	88,003	**2,544,257**
Additions	10,375	59,400	-	2,796	43,500	-	948	**117,019**
Acquisition through business combination (note 43A(A)(b))	263	-	-	-	-	-	-	**263**
Assets written off	(1,300)	-	-	-	-	-	-	**(1,300)**
Disposal	(2,504)	-	-	-	-	-	(100)	**(2,604)**
Translation difference	3,200	58,061	-	-	-	-	-	**61,261**
At June 30,	**326,296**	**1,067,252**	**623,587**	**32,110**	**400,800**	**180,000**	**88,851**	**2,718,896**
AMORTISATION AND IMPAIRMENT								
At July 1,	305,327	20,763	-	8,656	277,400	84,000	34,298	**730,444**
Charge for the year	22,343	-	-	1,410	28,000	3,000	12,644	**67,397**
Acquisition through business combination (note 43A(A)(b))	226	-	-	-	-	-	-	**226**
Assets written off	(1,300)	-	-	-	-	-	-	**(1,300)**
Disposal adjustment	(1,500)	-	-	-	-	-	-	**(1,500)**
On deconsolidation of subsidiaries	(900)	-	-	-	-	-	-	**(900)**
Translation difference	2,100	-	-	-	-	-	-	**2,100**
At June 30,	**326,296**	**20,763**	**-**	**10,066**	**305,400**	**87,000**	**46,942**	**796,467**
NET BOOK VALUES								
At June 30,	**-**	**1,046,489**	**623,587**	**22,044**	**95,400**	**93,000**	**41,909**	**1,922,429**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

7. INTANGIBLE ASSETS (CONT'D)

(b) THE GROUP (CONT'D)

(ii) 2023

	Computer software	Goodwill on acquisition of subsidiaries	Land conversion rights	Franchise	Market related intangibles	Concession / leasehold rights	Other intangible assets	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
COST								
At July 1,	392,246	945,491	311,528	27,916	357,300	180,000	96,703	2,311,184
Additions	22,300	-	324,321	1,398	-	-	-	348,019
Assets written off	(38,937)	-	-	-	-	-	-	(38,937)
Disposal	(647)	-	(12,262)	-	-	-	-	(12,909)
On deconsolidation of subsidiaries	(58,800)	-	-	-	-	-	(8,700)	(67,500)
Translation difference	100	4,300	-	-	-	-	-	4,400
At June 30,	316,262	949,791	623,587	29,314	357,300	180,000	88,003	2,544,257
AMORTISATION AND IMPAIRMENT								
At July 1,	347,657	20,763	-	7,411	245,600	81,000	31,626	734,057
Charge for the year	26,923	-	-	1,245	31,800	3,000	15,572	78,540
Assets written off	(38,533)	-	-	-	-	-	-	(38,533)
Disposal adjustment	(620)	-	-	-	-	-	-	(620)
Transfer between assets accounts	4,200	-	-	-	-	-	(4,200)	-
On deconsolidation of subsidiaries	(35,100)	-	-	-	-	-	(8,700)	(43,800)
Translation difference	800	-	-	-	-	-	-	800
At June 30,	305,327	20,763	-	8,656	277,400	84,000	34,298	730,444
NET BOOK VALUES								
At June 30,	10,935	929,028	623,587	20,658	79,900	96,000	53,705	1,813,813

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

7. INTANGIBLE ASSETS (CONT'D)

(b) THE GROUP (CONT'D)

(iii) Amortisation charge has been included in other operating expenses.

(iv) The recoverable amounts of the goodwill have been assessed based on the fair value of the cash-generating units determined by external valuers at June 30, 2024. The fair value of some of the cash generating units was determined on the basis of capitalisation of earnings whereby a multiple is applied to the investee's adjusted pro-forma earnings. The fair value of other cash generating units was determined on the basis of expected future cash flows from latest management forecasts which were extrapolated on the basis of long term revenue growth rates and assumptions with regard to margin development and discounted for the capital costs of business unit. Following this exercise, no impairment was recognised during the year (2023: Rs nil).

(v) Land conversion rights have been tested for impairment by comparing the carrying value to recoverable amount and no impairment has been noted.

(vi) Bank borrowings are secured on some of the group's intangible assets. Please refer to note 21 for further details.

(vii) For the purposes of goodwill impairment testing, goodwill has been allocated to the group's cash generating units as follows:

	2024	2023
	Rs'000	Rs'000
Finance & technology	**546,700**	525,900
Logistics	**245,900**	226,300
Hospitality	**127,600**	50,539
Commerce & manufacturing	**31,151**	31,151
Land & investment	**25,077**	25,077
Real estate	**70,061**	70,061
At June 30,	**1,046,489**	929,028

(c) **Impairment test**

The recoverable amounts for the cash generating units were based on their value in use, determined by discounting the generated future five year cash flows as approved by management. No impairment has been recognised in 2024 and 2023. The key assumptions used in the estimation of value in use and recoverable amounts are based on management's past experience of the served markets in which the group operates with a view to maintain market share.

The assumptions used for the value-in-use calculations are as follows:

	THE GROUP	
	2024	2023
Fintech - Corporate Services	%	%
Discount rate	**12.5**	14.5
Terminal growth rate	**3.3**	3.3
Average EBITDA growth rate	**25.6**	27.4
Fintech - Technology Services		
Discount rate	**13.1**	15
Terminal growth rate	**3.3**	3.3
Average EBITDA growth rate	**11.3**	18.8
Hospitality - Hotels		
Discount rate	**10.9**	11.6
Terminal growth rate	**3.3**	3.3
Average EBITDA growth rate	**24**	9.9
Hospitality - Leisure		
Discount rate	**13.2 - 15.1**	12.2 - 15.2
Terminal growth rate	**3.3**	3.3
Average EBITDA growth rate	**13.4 - 34.9**	12.2 - 40.0
Hospitality - Travel		
Discount rate	**8.1 - 26.5**	17
Terminal growth rate	**1.3 - 8.5**	1.4
Average EBITDA growth rate	**1.4 - 23.0**	3.7 - 14.8
Logistics		
Discount rate	**9.7 - 24.6**	8.9 - 19.7
Terminal growth rate	**1.3 - 6.5**	1.4 - 6.0
Average EBITDA growth rate	**2.0 - 68.9**	1.8 - 37.9

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

7. INTANGIBLE ASSETS (CONT'D)

A five-year cash flow forecast is used and terminal value growth rate is assumed to be nil for the purpose of goodwill impairment tests.

The discount rate was a pre-tax measure estimated based on the rate of 10-years government bonds issued by the Government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the risk of investing in equities generally and the systematic risk of the specific Cash Generating Unit. The risk for each foreign country has been considered and the discount factor from the foreign subsidiaries were not materially different to that of the local subsidiaries.

Forecasted EBITDA has been based on the expectation of future outcomes adjusted for revenue growth and cost containment measures.

The discount rate has been adjusted to reflect the current market assessment of the risks specific to the group and was estimated based on the weighted average cost of capital for the group. This rate was further adjusted to reflect the market assessment of risks specific to the group for which future estimates of cash flows have not been adjusted. Further changes to the discount rate may be necessary in the future to reflect changing risks for the industry and changes to the weighted average cost of capital.

Growth rates are based on the current economic outlook. However, given the economic uncertainty, reductions in growth estimates may be necessary in the future.

The group has performed sensitivity analyses on its key assumptions, none of which resulted in any impairment of its goodwill.

(d) THE COMPANY

(i) **2024**

	Computer software	Land conversion rights	Other intangible assets	Total
	Rs'000	Rs'000	Rs'000	Rs'000
COST				
At July 1,	3,873	430,062	-	**433,935**
Additions	207	-	343	**550**
At June 30,	**4,080**	**430,062**	**343**	**434,485**
AMORTISATION				
At July 1,	3,873	-	-	**3,873**
Charge for the year	13	-	-	**13**
At June 30,	**3,886**	**-**	**-**	**3,886**
NET BOOK VALUES				
At June 30,	**194**	**430,062**	**343**	**430,599**

(ii) 2023

	Computer software	Land conversion rights	Other intangible assets	Total
	Rs'000	Rs'000	Rs'000	Rs'000
COST				
At July 1,	3,873	311,528	-	315,401
Additions	-	130,796	-	130,796
Disposals	-	(12,262)	-	(12,262)
At June 30,	3,873	430,062	-	433,935
AMORTISATION				
At July 1, & June 30,	3,873	-	-	3,873
NET BOOK VALUES				
At June 30,	-	430,062	-	430,062

(e) **Critical accounting estimates**

Estimated impairment of goodwill

The impairment assessment and the calculation of the recoverable amount is subject to significant management judgement and estimation which includes the selection of the appropriate impairment model to be used, determination of the expected future cash flows from the businesses, setting appropriate terminal growth rates, selection of the appropriate discount rate.

Estimate of useful lives and residual value

The group uses historical experience and comparable market available data to determine useful lives. Residual value is the estimated amount that an entity would currently obtain from disposal of the asset after deducting the estimated cost of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The amortisation charge calculation require an estimate of the economic useful lives of the different assets.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES

(a) Accounting policy

Separate financial statements of the investor

Investments in subsidiary companies are carried at fair value. The carrying amount is adjusted to recognise any fluctuation in the value of the individual investments.

Consolidated financial statements

Subsidiaries are entities (including structured entities) over which the group has control. The group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date control is transferred to the group and de-consolidated from the date that control ceases.

The acquisition method is used to account for business combinations by the group. The consideration for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated on consolidation. The accounting policies of subsidiary companies have been amended where necessary to ensure consistency with the policies adopted by the group.

Foreign subsidiaries

On consolidation, the assets and liabilities of the group's overseas entities are translated at exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences, if any, are classified as other comprehensive income. Such translation differences are recognised in profit or loss in the period in which the operation is disposed of. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Transactions with non-controlling interests

The group accounts for transactions with non-controlling interests as transactions with equity owners of the group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share of the carrying value of net assets of the subsidiary acquired is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiary companies

When the group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. Amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Capital reduction

When a subsidiary company reduces its share capital without affecting the shareholding interest, it is accounted for as a disposal of share. The difference between the proceeds and the carrying amount is accounted for in the statement of changes in equity and the difference between the carrying amount and the cost is transferred from revaluation reserve to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(b) THE COMPANY

	Official Market	Unquoted	Total
(i) **2024**	Rs'000	Rs'000	Rs'000
At July 1,	1,003,999	22,962,911	**23,966,910**
Additions	-	81,200	**81,200**
Disposal**	-	(258,300)	**(258,300)**
Capital reduction*	-	(133,330)	**(133,330)**
Fair value adjustments	50,001	2,900,829	**2,950,830**
At June 30,	**1,054,000**	**25,553,310**	**26,607,310**
2023			
At July 1,	963,699	18,363,011	19,326,710
Additions	-	712,400	712,400
Capital reduction*	-	(76,116)	(76,116)
Fair value adjustments	40,300	3,963,616	4,003,916
At June 30,	1,003,999	22,962,911	23,966,910

* During this year, a wholly-owned subsidiary company reduced (through a share buy back) the number shares in issue, thus resulting in a decrease in its stated capital. For the consolidated financial statements, there was no change in the equity interests held by the parent or the non-controlling interest as a result on the reduction in number of shares. For the separate financial statements, the carrying amount of the shares bought back (amounting to Rs 133,330k) has been deducted from the company's total investments, resulting in a release of Rs (33,755)k which has been recognised in the statement of other comprehensive income. An amount of Rs 144,861k has been transferred from fair value reserves to retained earnings.

* In 2023, a wholly-owned subsidiary company reduced (through a share buy back) the number shares in issue, thus resulting in a decrease in its stated capital. For the consolidated financial statements, there was no change in the equity interests held by the parent or the non-controlling interest as a result on the reduction in number of shares. For the separate financial statements, the carrying amount of the shares bought back (amounting to Rs 76,116k) has been deducted from the company's total investments, resulting in a release of Rs (26,040)k which has been recognised in the statement of changes in equity.

** Relates to disposal of investment in subsidiaries to a wholly-owned subsidiary. No effect on effective percentage holding.

(c) The fair value of investments in subsidiary companies was determined at June 30, 2024 by qualified independent professional valuers. The valuation was based on a combination of adjusted net assets, discounted cash flow basis and capitalised earnings. This did not result in any loss of control.

(d) Investments included in level 1 comprise of quoted equity investments valued using market approach. Investments classified under the official market above have been fair valued using the sum of parts method as the market on which the shares are listed is not liquid, thus classified under level 3. If all significant inputs required to fair value an investment 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 investment is included in level 3.

(e) The company's investments in subsidiary companies are categorised as follows:

	2024	2023
	Rs'000	Rs'000
Level 3	**26,607,310**	23,966,910

The movement in level 3 instruments for the year ended June 30, 2024 and 2023 is disclosed in the note b(i) above.

(i) The table below sets out information about significant unobservable inputs used at June 30, 2024 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

2024 & 2023	**Valuation technique**	**Unobservable inputs**	**Range**	**Sensitivity to changes in significant unobservable inputs**
Investments in subsidiary companies	Discounted cash flow	Discount rate	4.90% - 8% (2023: 4.90% - 9.20%)	The estimated fair value would increase/ (decrease) if discount rate were lower/ (higher).
	EBITDA multiple	Multiple	12.50x (2023: 11.00x)	The estimated fair value would increase/ (decrease) if discount rate were lower/ (higher).
		Discount rate	12.40% (2023: 12.40%)	The estimated fair value would increase/ (decrease) if discount were lower/ (higher).
	Net asset value	Net asset value per share	Rs 0.76 - Rs 3.54 (2023: Rs 0.97 - Rs 2.87) per share	The estimated fair value would increase/ (decrease) if discount were lower/ (higher).

A quantitative sensitivity analysis is shown below for the discount rate which are the unobservable inputs that management consider to be most significant.

Discount rate

Increase of 0.5% in discount rate would decrease fair value gain by Rs 405m (2023: Rs 172m).

Decrease of 0.5% in discount rate would increase fair value gain by Rs 444m (2023: Rs 198m).

Net asset value per share

Increase of 0.5% in net asset value would decrease fair value gain by Rs 283m (2023: Rs 171.4m).

Decrease of 0.5% in net asset value would increase fair value gain by Rs 310m (2023: Rs 197.8m).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2024 and 2023 were as follows:

	2024				2023				
Name of company	**Holding company**	**Subsidiary companies**	**Effective holding**	**Non-controlling interests**	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	%	%	%	%	%	%	%	%	
Corporate office:									
ENL Foundation	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	CSR
ENL Corporate Services Limited	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Service provider
Turbine Incubator Limited	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Business incubator (non-profit making company)
The Enabling Academy Limited	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Training institution
ENL Secretarial Services Ltd	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Service provider
ENL & Rogers Management Services Ltd	**70.00**	**17.92**	**87.92**	**12.08**	-	-	-	-	Head office
Land & investment:									
Ecoasis Energy Solutions Ltd (i)	**57.10**	**-**	**57.10**	**42.90**	50.10	-	50.10	49.90	Import and export services
Ecoasis Mechanical Works Ltd	**-**	**80.00**	**40.08**	**59.92**	-	80.00	40.08	59.92	Job Contractor
Ecoasis Technical Services Ltd	**-**	**80.00**	**40.08**	**59.92**	-	80.00	40.08	59.92	Job Contractor
ENL Corporate Ventures Limited	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Corporate venture fund
ENL Rê Limited	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Investment holding
EnVolt Ltd	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Producer of electricity
Rogers Corporate Services Ltd	**-**	**59.73**	**59.73**	**40.27**	-	59.73	59.73	40.27	Dormant
Rogers & Co Ltd	**6.73**	**53.00**	**59.73**	**40.27**	6.73	53.00	59.73	40.27	Investment holding
Rogers Consolidated Shareholding Limited	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Investment holding
Societé Reunion	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Investment holding
Tambourissa Limited	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Investment holding
Finance & technology:									
Rogers Capital Fin Ltd	**-**	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Consumer finance
Rogers Capital Credit Ltd	**-**	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Consumer finance
Rogers Capital Brokers Ltd	**-**	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Management consultancy activities(Firm)
Rogers Capital Compliance Limited	**-**	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Management consultancy activities(Firm)
Rogers Capital Nominee 2 Ltd	**-**	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital City Executives Ltd	**-**	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Outsourcing Ltd	**-**	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	IT services

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2024 and 2023 were as follows: (cont'd)

	2024				2023				
Name of company	**Holding company**	**Subsidiary companies**	**Effective holding**	**Non-controlling interests**	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	%	%	%	%	%	%	%	%	
Finance & technology: (cont'd)									
Rogers Capital Tax Specialist Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	IT services
Rogers Capital Technology Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	IT services
Rogers Capital Accounting Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Business Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Corporate Services (Singapore) Pte Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Corporate Services (Seychelles) Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Corporate Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Finance Ltd (ii)	-	-	-	-	-	-	-	-	Dormant
Rogers Capital Nominee Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Fund Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Nominee 1 Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Captive Insurance Management Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Specialist Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rcap Executives Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
River Court Nominees Limited	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Payroll Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Payroll services
Rogers Capital Trustees Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Investment Advisors Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Asset management
Rogers Capital Ltd (ii)	**14.90**	**58.17**	**49.66**	**50.34**	14.90	58.17	49.66	50.34	Investment holding
Globefin Corporate Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Globefin Nominee Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Global business
Rogers Capital Management Services Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Investment
Rogers Capital Payment Solutions Ltd	-	**100.00**	**49.66**	**50.34**	-	100.00	49.66	50.34	Payment Solutions
Tagada Limited	**65.00**	**20.91**	**85.91**	**14.09**	65.00	20.91	85.91	14.09	IT services

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2024 and 2023 were as follows: (cont'd)

	2024				2023				
Name of company	**Holding company**	**Subsidiary companies**	**Effective holding**	**Non-controlling interests**	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	%	%	%	%	%	%	%	%	
Commerce & manufacturing:									
Axess Limited	-	100.00	100.00	-	-	100.00	100.00	-	Sale and servicing of motor vehicles
Commercial Investment Property Fund Limited	-	100.00	100.00	-	-	100.00	100.00	-	Owner of properties
ENL Commercial Limited	100.00	-	100.00	-	100.00	-	100.00	-	Investment holding
Ensport Ltd	-	100.00	100.00	-	-	100.00	100.00	-	Sale of sport related goods
Grewals (Mauritius) Limited	-	100.00	100.00	-	-	100.00	100.00	-	Saw millers and timber merchants
Nabridas International Ltd	-	100.00	100.00	-	-	100.00	100.00	-	Dealer in swimming pools
Nabridas Ltd	-	100.00	100.00	-	-	100.00	100.00	-	Producer and dealer in swimming pools
Plastinax Austral Limitée	-	99.40	99.40	0.60	-	99.40	99.40	0.60	Manufacture of sunglasses
Joinery and Metal Distribution International Ltd	-	75.76	75.76	24.24	-	75.76	75.76	24.24	Distributor of aluminium products
Suntricity Company Limited	-	75.00	75.00	25.00	-	75.00	75.00	25.00	Sale of equipment and machinery
Logistics:									
Associated Container Services Ltd	-	100.00	48.17	51.83	-	100.00	48.17	51.83	Port related services
Cargo Express Madagascar S.A.R.L	-	100.00	48.04	51.96	-	100.00	48.04	51.96	Freight forwarding
Express Logistics Solutions Ltd (iv)	-	-	-	-	-	100.00	48.04	51.96	Dormant
FOM Warehouse Ltd	-	96.00	48.38	51.62	-	96.00	48.38	51.62	Port related services
Freeport Operations (Mtius)Ltd	-	100.00	47.56	52.44	-	100.00	47.56	52.44	Port related services
General Cargo Services Limited		98.50	47.30	52.70		98.50	47.30	52.70	Port related services
Gencargo (Transport) Limited	-	100.00	48.04	51.96	-	100.00	48.04	51.96	Transport services
Global Air Cargo Services Ltd	-	50.00	24.02	75.98	-	50.00	24.02	75.98	Freight forwarding
Logistics Solution Ltd	-	99.00	48.17	51.83	-	99.00	48.17	51.83	Investment holding
MTL Logistics & Distributions Ltd	-	100.00	39.15	60.85	-	100.00	39.15	60.85	Transport company
P.A.P.O.L.C.S. Ltd	-	80.00	23.07	76.93	-	80.00	23.07	76.93	Stevedoring
Papol Holding Limited	-	60.00	28.80	71.20	-	60.00	28.80	71.20	Investment holding
Rogers International Distribution Services Madagascar S.A.R.L.U	-	100.00	41.03	58.97	-	100.00	48.04	51.96	Freight Forwarding
Rogers Logistics International Ltd	-	100.00	48.04	51.96	-	100.00	59.73	40.27	Freight forwarding

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2024 and 2023 were as follows: (cont'd)

	2024				2023				
Name of company	**Holding company**	**Subsidiary companies**	**Effective holding**	**Non-controlling interests**	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	%	%	%	%	%	%	%	%	
Logistics: (cont'd)									
Rogers Logistics Investment Holding Ltd	-	100.00	59.73	40.27	-	100.00	48.04	51.96	Investment holding
Rogers Logistics Services Company Ltd	-	100.00	48.04	51.96	-	100.00	32.98	67.02	Freight forwarding
Rogers Shipping Ltd	-	100.00	32.98	67.02	-	100.00	32.98	67.02	Freight forwarding
Rogers Shipping Pte Ltd	-	51.00	24.51	75.49	-	51.00	24.51	75.49	Shipping agency
Rongai Workshop & Transport Limited	-	100.00	47.31	52.69	-	100.00	32.98	67.02	Transport services
Southern Marine & Co Ltd	-	100.00	32.98	67.02	-	70.00	33.63	66.37	Shipping services
Sukpak Ltd	-	70.00	33.63	66.37	-	70.00	33.63	66.37	Packing of special sugars
Rennel Limited	-	100.00	100.00	-	-	100.00	100.00	-	Courier service
Transworld International Ltd	-	100.00	39.56	60.44	-	100.00	39.56	60.44	Dormant
Velogic Express Reunion	-	100.00	48.04	51.96	-	100.00	48.04	51.96	Courier
Velogic Garage Services Ltd	-	100.00	48.17	51.83	-	100.00	48.17	51.83	Transport company
Velogic Haulage Services Ltd	-	100.00	48.17	51.83	-	100.00	48.17	51.83	Transport services
Velogic Holding Company Ltd	-	80.44	48.04	51.96	-	80.44	48.04	51.96	Investment holding
Velogic India Private Ltd	-	100.00	48.04	51.96	-	100.00	48.04	51.96	Freight forwarding
Velogic Ltd (iv)	-	100.00	48.04	51.96	-	100.00	48.04	51.96	Freight forwarding
Velogic Sea Frigo R'Frigo S.A	-	100.00	48.04	51.96	-	100.00	48.04	51.96	Freight forwarding
VK Logistics Ltd	-	100.00	48.04	51.96	-	100.00	48.04	51.96	Investment holding
Hospitality:									
Adnarev Ltd	-	100.00	41.02	58.98	-	100.00	41.02	58.98	Hotel
Ario (Seychelles) Ltd	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
BEAVIA Kenya Limited	-	70.00	41.81	58.19	-	70.00	41.81	58.19	Travel agency
Bel Ombre Seashells Co Ltd	-	100.00	41.03	58.97	-	100.00	41.03	58.97	Seashell museum
Blue Alizé Ltd (viii)	-	-	-	-	-	80.00	32.81	67.19	Catamaran sightseeing tours
Blue Sky Madagascar SARLU	-	100.00	59.73	40.27	-	100.00	59.73	40.27	Travel agency
Bluesky Mayotte S.A.R.L (v)	-	-	-	-	-	100.00	59.73	40.27	Travel agency
BookSimply Ltd	-	100.00	41.03	58.97	-	100.00	41.03	58.97	Reservation of leisure activities

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2024 and 2023 were as follows: (cont'd)

	2024				2023				
Name of company	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	%	%	%	%	%	%	%	%	
Hospitality: (cont'd)									
BS Travel Management Limitada	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
BS Travel Management Ltd	-	100.00	59.73	40.27	-	100.00	59.73	40.27	Travel agency
BS Travel Mayotte	-	100.00	59.73	40.27	-	100.00	59.73	40.27	Travel agency
Croisières Australes Ltée (viii)	-	-	-	-	-	100.00	41.02	58.98	Catamaran sightseeing tours
DOMC Ltd	-	51.00	20.92	79.08	-	51.00	20.92	79.08	Leisure
Cap D'Abondance Ltd (iii)	-	-	-	-	-	100.00	41.02	58.98	Leisure
Heritage Events Company Limited	-	100.00	41.02	58.98	-	100.00	41.02	58.98	Investment holding
Heritage Golf Club Ltd	-	100.00	59.73	40.27	-	100.00	59.73	40.27	Golf course
Heritage Golf Management Ltd	-	75.00	30.80	69.20	-	75.00	30.80	69.20	Golf management
Hotels Operations Company Ltd (iii)	-	-	-	-	-	100.00	41.02	58.98	Hotels operations
Restaurants Operations Company Ltd (iii)	-	-	-	-	-	100.00	41.02	58.98	Restaurants operations
Island Holidays	-	100.00	59.73	40.27	-	100.00	59.73	40.27	Online tour operating
Islandian SARL	-	90.50	37.15	62.85	-	90.50	37.15	62.85	Online tour operating
Plaisance Air Transport Services Ltd	-	100.00	59.73	40.27	-	100.00	59.73	40.27	Warehousing
Rogers Aviation (Mauritius) Ltd	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Comores S.A.R.L	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation France S.A.R.L	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Holding Company Ltd	-	100.00	59.73	40.27	-	100.00	59.73	40.27	Investment holding
Rogers Aviation International Ltd (vii)	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Kenya Ltd	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Madagascar S.A.R.L	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Mayotte S.A.R.L	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Mozambique Limitada	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
Case Noyale Ltée (i)	-	61.71	36.86	63.14	-	53.60	22.30	77.70	Agriculture and leisure
Rogers Aviation Reunion S.A.R.L	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Senegal S.A.R.L	-	100.00	59.73	40.27	-	100.00	59.73	40.27	GSA of airlines, travel agency and tour operator

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2024 and 2023 were as follows: (cont'd)

	2024				2023				
Name of company	**Holding company**	**Subsidiary companies**	**Effective holding**	**Non-controlling interests**	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	%	%	%	%	%	%	%	%	
Hospitality: (cont'd)									
Rogers Aviation South Africa (PTY) Ltd	-	**100.00**	**59.73**	**40.27**	-	100.00	59.73	40.27	GSA of airlines
Rogers Hospitality Group Ltd	-	**100.00**	**59.73**	**40.27**	-	100.00	59.73	40.27	Reservation of leisure activities
Rogers Hospitality Management Co Ltd	-	**100.00**	**41.03**	**58.97**	-	100.00	41.03	58.97	Management company
Rogers Hospitality Operations Ltd (iii)	-	**72.90**	**29.91**	**70.09**		72.90	29.91	70.09	Hotel
Rogers Hospitality Property Fund Ltd	-	**100.00**	**41.03**	**58.97**	-	100.00	41.03	58.97	Seashell museum
Rogers Hospitality Training Ltd	-	**100.00**	**41.03**	**58.97**	-	100.00	41.03	58.97	Training
Run Tourisme	-	**100.00**	**41.03**	**58.97**	-	100.00	41.03	58.97	Travel Agency
Seven Colours Spa Ltd (iii)	-	-	-	-	-	100.00	41.03	58.97	Management services
Sports-Event Management Operation Co Ltd	-	**100.00**	**27.71**	**72.29**	-	100.00	27.71	72.29	Leisure
Sweetwater Ltd	-	**70.60**	**28.97**	**71.03**	-	70.60	28.97	71.03	Leisure
Transcontinent S.A.R.L	-	**70.80**	**42.29**	**57.71**	-	70.80	42.29	57.71	Travel agency
Veranda Tamarin Ltd	-	**48.60**	**29.03**	**70.97**	-	48.60	29.03	70.97	Hotel
VLH Training Ltd	-	**100.00**	**42.35**	**57.65**	-	100.00	42.35	57.65	Management services
Bagatelle Hotel Operations Company Limited	-	**100.00**	**41.02**	**58.98**	-	100.00	41.02	58.98	Provision of hotel and hospitality services
CCC LAH Limited (i) & (iii)	-	-	-	-	-	86.20	41.02	58.98	Restaurant operator
Holiday Aviation Pty Limited	-	**100.00**	**41.03**	**58.97**		100.00	41.03	58.97	GSA of airlines
Holiday Holdings International Pty Limited (vii)	-	**100.00**	**41.03**	**58.97**	-	-	-	-	GSA of airlines
Seafood Basket Limited (iii)	-	-	-	-	-	100.00	41.02	58.98	Restaurant operator
Agribusiness:									
Agrex Limited	-	**100.00**	**100.00**	-	-	100.00	100.00	-	Sale of agro-supply products
Agrïa Limited (formerly Cie. Sucrière de Bel Ombre Ltd) (i)	-	**61.71**	**36.86**	**63.14**	-	53.50	22.26	77.81	Agriculture & investment
ENL Agri Ltd	**100.00**	-	**100.00**	-	100.00	-	100.00	-	Agricultural activities
Enquickfix Limited	-	**100.00**	**100.00**	-	-	100.00	100.00	-	Dormant
ESP Cleaning Ltd		**100.00**	**100.00**	-		100.00	100.00	-	Cleaning services
ESP Landscapers Ltd	-	**100.00**	**100.00**	-	-	100.00	100.00	-	Landscaping services
Field Good Fresh Foods Limited	-	**100.00**	**100.00**	-	-	100.00	100.00	-	Packaging and non-specialised wholesale trade
Mon Desert Alma Sugar Milling Company Limited	-	**80.00**	**80.00**	**20.00**	-	80.00	80.00	20.00	Agricultural activities
SB Cattle Ltd	**100.00**	-	**100.00**	-	100.00	-	100.00	-	Farming

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2024 and 2023 were as follows: (cont'd)

	2024				2023				
Name of company	**Holding company**	**Subsidiary companies**	**Effective holding**	**Non-controlling interests**	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	%	%	%	%	%	%	%	%	
Real estate:									
Ascencia Limited	**24.90**	**36.14**	**46.45**	**53.55**	24.90	36.14	46.45	53.55	Property Fund
EnAtt Ltd (i)	**-**	**73.90**	**73.90**	**26.10**	19.71	37.10	56.81	43.20	Property and asset management
ENL Property Limited	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Property development services
Foresite Property Holding Ltd	**-**	**100.00**	**59.73**	**40.27**	-	100.00	59.73	40.27	Property
FPHL Infra Ltd	**-**	**80.27**	**80.27**	**19.73**	-	80.27	80.27	19.73	Dormant
Les Villas de Bel Ombre Amenities Ltd	**-**	**100.00**	**13.35**	**86.65**	-	100.00	13.35	86.65	Construction of sports complex and beach club for IRS home owners association
Les Villas de Bel Ombre Ltée	**40.00**	**60.00**	**53.35**	**46.65**	40.00	60.00	53.35	46.65	Construction and sale of villas
Moka City Limited	**-**	**63.67**	**63.67**	**36.33**	-	63.67	63.67	36.33	Land and property developer
Moka Smart City Management Ltd	**-**	**63.67**	**63.67**	**36.33**	-	63.67	63.67	36.33	Land and property developer
Motor Traders Ltd	**-**	**100.00**	**59.73**	**40.27**	-	100.00	59.73	40.27	Property
Reliance Facilities Ltd	**-**	**-**	**-**	**-**	-	-	-	-	Dormant
Reliance Security Services Ltd	**-**	**-**	**-**	**-**	-	-	-	-	Dormant
Reliance Systems Ltd	**-**	**-**	**-**	**-**	-	-	-	-	Dormant
S&W Synergy Limited	**34.88**	**53.49**	**68.94**	**31.06**	34.88	53.49	68.94	31.06	Management of sports complex
Savannah Land Development Ltd	**-**	**100.00**	**100.00**	**-**	-	100.00	100.00	-	Land and property developer
Savannah Properties Ltd	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Land and property developer
Savannah Smart City Limited (vi)	**-**	**100.00**	**100.00**	**-**	-	100.00	100.00	-	Land and property developer
Societé Du Courlis	**100.00**	**-**	**100.00**	**-**	100.00	-	100.00	-	Rental of bungalows
South West Tourism Development Co. Ltd	**-**	**68.90**	**41.12**	**58.88**	-	68.90	41.12	58.88	Investment holding
Oficea Company Limited	**1.99**	**77.55**	**79.54**	**20.46**	1.99	77.55	79.54	20.46	Rental of offices
Villas Valriche Resorts Ltd	**-**	**100.00**	**32.19**	**67.81**	-	100.00	32.19	67.81	Rental pool management company
Courchamps Properties Limited	**-**	**100.00**	**100.00**	**-**	-	100.00	100.00	-	Property
ENL Residentiel Limited (previously known as Moka Residentiel Limited)	**-**	**100.00**	**100.00**	**-**	-	100.00	100.00	-	Property

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2024 and 2023 were as follows: (cont'd)

	2024				2023				
Name of company	**Holding company**	**Subsidiary companies**	**Effective holding**	**Non-controlling interests**	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	%	**%**	**%**	**%**	%	%	%	%	
Real estate: (cont'd)									
Terroirs Mauricien Ltd	**-**	**100.00**	**22.28**	**77.72**	-	100.00	22.28	77.72	Sale of agricultural products
Telfair Apartments Limited	**-**	**100.00**	**67.00**	**33.00**	-	100.00	67.00	33.00	Property
Sygeco Limited (i)	**-**	**100.00**	**100.00**	**-**	75.00	-	75.00	25.00	Provision of syndic services
La Place du Village Limited	**-**	**100.00**	**100.00**	**-**	-	100.00	100.00	-	Restaurant operator
Ti Pouce Limited	**-**	**100.00**	**100.00**	**-**	-	100.00	100.00	-	Child day-care activities/Kindergarten
Savannah International School Ltd (vi) & (ix)	**-**	**65.00**	**65.00**	**35.00**	-	-	-	-	Education

Ordinary shares are issued by the above subsidiaries and their statutory reporting date is June 30, 2024. For subsidiary companies which have an effective holding % of less than 50%, refer to note 4.1 on judgement for more details.

Bank borrowings are secured on some of the group's investments. Refer to note 21 for further details.

(i) Change in shareholding did not result in change in control for these subsidiaries.

(ii) On April 30, 2023, Rogers Capital Ltd, a subsidiary company, disposed 51% stake in Rogers Capital Finance Limited while retaining 49% stake in the latter. This transaction has resulted in a change status of RCFL from investment in subsidiary to investment in associated company. Refer to note 43 for more details.

(iii) On July 1, 2023, Rogers Hospitality Operations Ltd, a subsidiary company, amalgamated with its wholly-owned subsidiaries companies, namely CCC LAH Limited, Seafood Basket Limited, Cap D'Abondance Ltd, Hotels Operations Company Ltd, Restaurants Operations Company Ltd and Seven Colours Spa Ltd, with the surviving company being Rogers Hospitality Operations Ltd. The transaction has no impact on the group.

(iv) On July 1, 2023, Velogic Ltd, a subsidiary company, amalgamated with its wholly owned subsidiary company, namely Express Logistics Solutions Ltd with the surviving company being Velogic Ltd. The transaction has no impact on the group.

(v) On July 17, 2023, the sole shareholder of the company decided to dissolve the company Bluesky Mayotte without liquidation in accordance with the provisions of article 1844-5, paragraph 3, of the Code civil.

(vi) During the year, Savannah Smart City Ltd acquired an additonal 35% of shares in Savannah International School Limited increasing the stakeholding from 30% to 65% thus acquiring control.

(vii) On March 8, 2024, Rogers Aviation International Limited, a subsidiary company, acquired 100% shares in Holiday Holdings International Pty Limited. Refer to note 43A(b).

(viii) On February 15, 2024 and June 30, 2024, the group disposed of its effective shareholding in Croisières Australes Ltée (100%) and Blue Alizé Ltd (100%). Refer to 43A(c).

(ix) New subsidiary during the year; refer to notes 32 and 43A for more details.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(g) The above subsidiary companies are incorporated and operate in Mauritius, except for:

	Country of incorporation/ Place of business
Aviation Promotion Group South Africa (Pty) Ltd	South Africa
Ario (Seychelles) Ltd	Republic of Seychelles
Border Air Ltd	Republic of South Africa
BS Madagascar SARLU	Republic of Malagasy
BS Travel Management Limitada	Republic of Mozambique
BEAVIA Kenya Limited	Republic of Kenya
Blue Sky Réunion SAS	Reunion Island
Cargo Express Madagascar S.A.R.L.	Republic of Malagasy
Gencargo (Transport) Limited	Republic of Kenya
General Cargo Services Limited	Republic of Kenya
Holiday Aviation Pty Limited	South Africa
Holiday Holdings International Pty Limited	South Africa
Islandian S.A.R.L	Reunion Island
Rogers Aviation Comores S.A.R.L.	Republic of Comores
Rogers Aviation France S.A.R.L.	Reunion Island
Rogers Aviation Kenya Ltd	Republic of Kenya
Rogers Aviation Madagascar S.A.R.L.	Republic of Malagasy
Rogers Aviation Mayotte S.A.R.L.	Mayotte
Rogers Aviation Mozambique Limitada	Republic of Mozambique
Rogers Aviation Reunion S.A.R.L.	Reunion Island
Rogers Aviation Senegal S.A.R.L.	Republic of Senegal
Rogers Aviation South Africa (Pty) Ltd	Republic of South Africa
Rogers International Distribution Services Limitada	Republic of Mozambique
Rogers International Distribution Services Madagascar S.A.R.L.U	Republic of Malagasy
Rogers Shipping Pte Ltd	Republic of Singapore
Rongai Workshop & Transport Limited	Republic of Kenya
Transcontinent S.A.R.L.	Republic of Malagasy
Velogic Express Reunion	Reunion Island
Velogic India Private Ltd	Republic of India
Velogic Sea Frigo RTrigo SA	Reunion Island

(h) During the financial year June 2024, the group effected the following changes in proportion of effective ownership interests in subsidiaries that do not result in a loss of control. The net impact of these changes in shareholding resulted in a decrease of Rs 106m (2023: an increase of Rs 36.6m) in revaluation reserves and retained earnings and a decrease of Rs 308.7m (2023: an increase of Rs 12m) in non-controlling interests.

(i) **<u>Year ended June 30, 2024</u>**

Real Estate and Agribusiness

Acquisition of 4.8% stake in Agrïa Limited

During the financial year 2024, Rogers and Company Limited acquired 4.83% stake in Agria Limited from its non-controlling interests for a total consideration of Rs 44m. This has resulted in consolidating Agria Limited using an effective stake of 42.09% instead of 37.26% and Rogers Hospitality Operations Ltd using an effective holding of 69.01% instead of 68.68%. The net impact of these changes in shareholding resulted in an increase of Rs 93m on retained earnings and a decrease of Rs 145m on non-controlling interests.

Acquisition of 9.4%% stake in Case Noyale Limitee

During 2024, Rogers and Company Limited acquired 9.41% stake in Case Noyale Limitée for a total consideration of Rs 134m from its non-controlling interests. This has resulted in consolidating Case Noyale Limitée using an effective stake of 46.74% instead of 37.35%. The net impact of these changes in shareholding resulted in a decrease of Rs 9m on retained earnings and a decrease of Rs 125m on non-controlling interests.

Rogers Hospitality

Change of shareholding in Heritage Golf Management Ltd

During the financial year 2024, Rogers Hospitality Operations Ltd 24.14% of its direct shareholding to an external party for a total consideration for Rs 0.7m. This has resulted in consolidating Heritage Golf Management Ltd using an effective stake of 34.93% instead of 51.51%. The net impact of these changes in shareholding resulted in an increase of Rs 1m on retained earnings and a decrease of Rs 1m on non-controlling interests.

Acquisition of additional interest in EnAtt Ltd

On February 16, 2024, the group acquired an additional 17.09% interest in the voting shares of EnAtt Ltd, increasing its ownership interest to 73.90%. Refer to note 43A for more details.

(j) **<u>Year ended June 30, 2023</u>**

Hospitality

Acquisition of the remaining 13.79% stake in CCC LAH Limited

On October 19, 2022, Rogers Hospitality Operations Limited, a subsidiary company acquired the remaining 13.79% stake in CCC LAH Limited for a total consideration of Rs 6m. This has resulted in consolidating CCC LAH Limited using an effective stake of 68.68% instead of 59.21%. The net impact of these changes in shareholding resulted in a decrease of Rs 2m on retained earnings and a decrease of Rs 2m on non-controlling interests.

Corporate

Disposal of 0.58% stake in Velogic Holding Company Ltd ("Velogic")

On October 7, 2022 and October 11, 2022, Rogers Logistics Investment Holding Ltd, a subsidiary company, disposed 0.56% stake and 0.02% stake in Velogic Holding Company Limited respectively for a total consideration of Rs 13.9m.This has resulted in consolidating Velogic using an effective stake of 80.44% compared to 81.02% in 2022.The net impact of these changes in shareholding resulted in an increase of Rs 6m on retained earnings and an increase of Rs 9m in non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(j) **Year ended June 30, 2023 (cont'd)**

Corporate (cont'd)

Disposal of 0.58% stake in Velogic Holding Company Ltd ("Velogic") (cont'd)

(i) **NON-CONTROLLING INTERESTS**	**2024**	2023
	Rs'000	Rs'000
At June 30,	**18,721,697**	17,618,997

(ii) **Subsidiary companies with material non-controlling interests**

Details of subsidiary companies that have non-controlling interests that are material to the entity are given below:

	Profit allocated to non-controlling shareholders	Accumulated non-controlling interests at June 30,
2024	Rs'000	Rs'000
Rogers & Co Ltd	**1,153,800**	**19,276,830**
2023		
Rogers & Co Ltd	1,542,686	18,123,030

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(k) **Summarised financial information on subsidiaries with material non-controlling interests**

(i) Summarised statement of financial position and statement of profit or loss and other comprehensive income:

	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit for the year	Other comprehensive income for the year	Total comprehensive income for the year	Dividend paid to non-controlling shareholders
2024	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Rogers & Co Ltd	**8,125,200**	**43,821,600**	**8,543,930**	**14,092,000**	**12,991,800**	**3,704,500**	**397,600**	**4,102,100**	**452,500**
2023									
Rogers & Co Ltd	6,457,820	40,454,200	5,716,550	15,194,800	11,920,700	2,420,000	1,891,500	4,311,500	370,700

(ii) Summarised cash flow information:

	Operating activities	Investing activities	Financing activities	Net increase in cash and cash equivalents
2024	Rs'000	Rs'000	Rs'000	Rs'000
Rogers & Co Ltd	**3,540,400**	**(538,700)**	**(1,933,300)**	**1,068,400**
2023				
Rogers & Co Ltd	2,864,980	(1,423,100)	(1,308,900)	132,980

The summarised financial information provided above is inclusive of intra-group transactions.

(l) **Critical accounting estimates**

Fair value of securities not quoted on an active market

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

Control on subsidiary companies

For subsidiary companies which have an effective holding % of less than 50%, refer to note 4(a)(i) on judgement for more details.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

9. INVESTMENTS IN ASSOCIATED COMPANIES

(a) Accounting policy

Separate financial statements of the investor

Investments in associated companies are carried at fair value.

Consolidated financial statements

An associated company is an entity over which the group has significant influence but not control or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associated companies are accounted for under the equity method.

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

Any excess of the cost of acquisition over the group's share of the net fair value of the associated company's identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill and is included in the carrying amount of the investment. Any excess of the group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition is included in profit or loss.

Goodwill arising on the acquisition of a jointly controlled entity or an associate is included with the carrying amount of the jointly controlled entity or associate and tested annually for impairment.

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

The results of associated companies acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of their acquisition or up to the date of their disposal.

Unrealised profits are eliminated to the extent of the group's interests in the associated company. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Where necessary, appropriate adjustments are made to the financial statements of associated companies to bring the accounting policies used in line with those adopted by the group.

If the ownership in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(b) THE GROUP

	2024	Restated 2023
	Rs'000	Rs'000
At July 1,		
- as previously reported	11,016,067	10,197,339
- effect of prior year adjustments (note 48)	181,695	122,480
- as restated	11,197,762	10,319,819
Additions*	4,900	158,716
Disposal	(8,600)	-
Share of results of associated companies	2,343,959	1,627,937
Share of other comprehensive income of associated companies	271,235	(220,128)
Dividend	(498,595)	(264,491)
Movements in non distributable reserves**	435	(424,091)
At June 30,	13,311,096	11,197,762

* Additions for financial year 2023 relates to acquisition of 49% shares of Rogers Capital Finance Ltd which was previously a subsidiary company. Refer to note 49 for more details.

** Movement in non distributable reserves comprise of specific adjustments made in one associated company with regards to its statutory requirements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

9. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(c) The group's interests in its associated companies are as follows:

			2024			2023			
			Proportion of ownership interest			Proportion of ownership interest			
	Year end	Country of incorporation	Holding company	Subsidiary companies	Effective holding	Holding company	Subsidiary companies	Effective holding	Principal activity
			%	%	%	%	%	%	
Société Helicophanta	Dec 31,	Mauritius	**-**	**25.40**	**15.17**	-	25.40	15.17	Breeding and export of primates
Société CTEG	June 30,	Mauritius	**8.74**	**17.49**	**19.18**	8.70	17.50	18.29	Tertiary education
Management and Development Company Limited	June 30,	Mauritius	**-**	**34.98**	**39.00**	-	34.98	39.00	Investment holding
Société Amstramdram	June 30,	Mauritius	**-**	**48.98**	**48.98**	-	48.98	48.98	Investment holding
Savannah International School Ltd (i)	June 30,	Mauritius	**-**	**-**	**-**	-	30.00	30.00	Education
Emerald (Mauritius) Ltd	June 30,	Mauritius	**49.00**	**-**	**49.00**	50.00	-	50.00	Dormant
Formation Recrutement et Conseil en Informatique Limitee	June 30,	Mauritius	**-**	**47.14**	**47.14**	-	47.14	47.14	Provider of IT services
Interex S.A.	June 30,	Madagascar	**-**	**50.00**	**50.00**	-	50.00	50.00	Courier services
Mauritian Commodities and Allied Services Company Ltd	Sep 30,	Mauritius	**-**	**25.60**	**15.29**	-	25.60	15.29	Coal supplier
Retail Lab Ltd	June 30,	Mauritius	**-**	**50.00**	**28.40**	-	50.00	28.40	Marketing activities
Sainte Marie Crushing Plant Ltd	June 30,	Mauritius	**-**	**8.80**	**5.26**	-	8.80	5.26	Manufacture and sale of building materials
Superdist Ltd	Dec 31,	Mauritius	**-**	**45.00**	**45.00**	-	45.00	45.00	IT hardware wholesaler
Superdist SARL	Dec 31,	Madagascar	**-**	**45.00**	**45.00**	-	45.00	45.00	IT hardware wholesaler
Building & Civil Engineering Co. Ltd	June 30,	Mauritius	**-**	**30.00**	**30.00**	-	30.00	30.00	Construction
B.R.E Ltd	June 30,	Mauritius	**-**	**29.79**	**29.79**	-	29.79	29.79	Property
Footfive Limited	June 30,	Mauritius	**-**	**25.00**	**25.00**	-	25.00	25.00	Rental of gymnasium
Le Morne Development Corporation Ltd	Sep 30,	Mauritius	**-**	**20.00**	**11.95**	-	20.00	11.95	Property
Semaris Limited	June 30,	Mauritius	**15.24**	**22.90**	**28.92**	15.24	22.90	28.98	Property
Air Cargo Service Madagascar Ltd	Dec 31,	Madagascar	**-**	**50.00**	**29.87**	-	50.00	29.87	Ground handling services
Blue Connect Ltd	Sep 30,	Mauritius	**-**	**30.00**	**17.92**	-	30.00	17.92	Business process outsourcing outsourcing
Lagoona Cruise Ltd	June 30,	Mauritius	**-**	**33.00**	**19.71**	-	33.00	19.71	Boat cruises activities
Mozambique Airport Handling Services Limitada	Sep 30,	Mozambique	**-**	**29.00**	**17.32**	-	29.00	17.32	Ground handling services
New Mauritius Hotels Limited	June 30,	Mauritius	**15.25**	**22.93**	**28.95**	15.24	22.90	28.92	Hospitality
Société Pur Blanca	Sep 30,	Mauritius	**-**	**49.00**	**29.27**	-	49.00	29.27	Investment
Swan Financial Solutions Ltd	Dec 31,	Mauritius	**-**	**20.00**	**11.95**	-	20.00	11.95	Insurance
Swan General Ltd	Dec 31,	Mauritius	**-**	**29.40**	**17.56**	-	29.40	17.56	Insurance
Rogers Capital Finance Limited	June 30,	Mauritius	**-**	**49.00**	**29.27**	-	49.00	29.27	Leasing businesses
The Mall of Limassol (ML) LTD	Dec 31,	Cyprus	**-**	**20.00**	**3.94**	-	20.00	3.94	Development and ownership of the mall

(i) Change in status of Savannah International School Ltd from investments in associated company to investments in subsidiary company. Refer to note 43B(b) for more details.

The above associates have been accounted for using the equity method.

For associated companies having different reporting date, management accounts have been prepared at June 30, 2024. The financial information of Swan used for equity accounting is for the 12 months ended March 31, 2024 and March 31, 2023.

Bank borrowings are secured on some of the group's assets. Please refer to note 21 for further details.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

9. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(d) **Summarised financial information in respect of the group's principal associated companies is set out below:**

	Year end	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenues	Profit/(loss) for the year	Other comprehensive (loss)/income for the year	Total comprehensive income/(loss) for the year
2024		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Société CTEG	June 30,	141,959	556,213	107,090	70,125	284,741	38,290	(3,944)	34,346
Formation Recrutement & Conseil en Informatique Limitée	June 30,	295,081	84,542	248,185	37,332	1,147,589	66,074	-	66,074
Management and Development Company Limited	June 30,	7,754,010	15,085,160	5,124,499	4,074,853	19,727,552	1,415,855	248,625	1,664,480
New Mauritius Hotels Limited	June 30,	4,489,800	39,109,900	16,628,200	17,709,300	15,408,300	2,204,700	171,300	2,376,000
Semaris Limited	June 30,	5,204,000	2,392,000	1,669,200	2,502,200	608,100	(121,200)	7,500	(113,700)
Superdist Limited	June 30,	335,651	13,196	221,624	6,127	1,017,340	47,170	-	47,170
Swan General Ltd	Dec 31,	14,257,300	54,836,000	3,897,600	59,207,200	5,887,900	548,800	309,900	858,700
Société Helicophanta	Dec 31,	5,961,500	3,046,600	2,161,800	1,969,500	3,152,400	3,096,500	136,000	3,232,500
2023									
Société CTEG	June 30,	138,250	574,587	105,171	72,712	272,222	41,200	60,703	101,903
Formation Recrutement & Conseil en Informatique Limitée	June 30,	328,550	49,907	290,448	29,608	816,643	36,743	-	36,743
Management and Development Company Limited	June 30,	7,375,285	14,083,560	5,128,449	4,102,000	19,706,157	670,582	442,486	1,113,068
New Mauritius Hotels Limited	June 30,	4,402,250	37,796,906	9,833,809	21,354,588	14,083,520	2,118,591	(806,700)	1,311,891
Semaris Limited	June 30,	5,234,171	2,253,804	1,499,119	2,462,755	265,490	(130,212)	98,378	(31,834)
Superdist Limited	June 30,	286,377	9,298	175,020	7,168	900,070	32,954	551	33,505
Swan General Ltd	Dec 31,	11,723,800	52,101,200	1,383,700	56,635,700	8,674,900	724,300	(489,100)	235,200
Société Helicophanta (Restated)	Dec 31,	1,854,400	2,357,600	317,700	1,495,100	2,288,100	1,147,000	81,600	1,228,600

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

9. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(e) **Reconciliation of summarised financial information to the carrying amount recognised in the financial statements in respect of the material associates is set out below:**

	Opening net assets at July 1,	Profit/(loss) for the year	Dividends paid	Other comprehensive (loss)/income for the year	(Transfer)/ change in ownership	Closing net assets at June 30,	Ownership interest	Interest in associates	Goodwill	Carrying value
2024	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**		**Rs'000**	**%**	**Rs'000**	**Rs'000**	**Rs'000**
Société CTEG	**508,660**	**38,290**	**(46,000)**	**(3,944)**	**-**	**497,007**	**19.18**	**95,348**	**-**	**95,348**
Formation Recrutement & Conseil en Informatique Limitée	**58,401**	**66,074**	**(60,000)**	**-**	**-**	**64,475**	**47.14**	**30,394**	**-**	**30,394**
Management and Development Company Limited	**8,599,875**	**1,415,855**	**(150,000)**	**248,625**	**-**	**10,114,355**	**39.00**	**3,944,598**	**-**	**3,944,598**
New Mauritius Hotels Limited	**7,160,519**	**2,204,700**	**(274,491)**	**171,300**	**-**	**9,262,028**	**28.95**	**2,680,995**	**3,900**	**2,680,995**
Semaris Limited	**3,542,295**	**(121,200)**	**-**	**7,500**	**-**	**3,428,595**	**38.20**	**1,309,723**	**-**	**1,309,723**
Superdist Limited	**113,487**	**47,170**	**(40,000)**	**-**	**-**	**120,657**	**45.00**	**54,296**	**-**	**54,296**
Swan General Ltd	**5,067,300**	**548,800**	**-**	**309,900**	**62,500**	**5,988,500**	**29.47**	**1,764,811**	**676,800**	**2,441,611**
Société Helicophanta	**2,399,200**	**3,096,500**	**(754,900)**	**136,000**	**-**	**4,876,800**	**25.38**	**1,237,732**	**10,100**	**1,247,832**
2023										
Société CTEG	434,857	41,200	(28,100)	60,703	-	508,660	18.29	93,034	-	93,034
Formation Recrutement & Conseil en Informatique Limitée	86,658	36,743	(65,000)	-	-	58,401	47.14	27,530	-	27,530
Management and Development Company Limited	7,586,807	670,582	(100,000)	442,486	-	8,599,875	39.00	3,353,951	-	3,353,951
New Mauritius Hotels Limited	6,968,652	2,118,591	-	(806,700)	(1,120,024)	7,160,519	38.20	2,735,318	3,900	2,739,218
Semaris Limited	3,574,129	(130,212)	-	98,378	-	3,542,295	38.20	1,353,157	-	1,353,157
Superdist Limited	79,982	32,954	-	551	-	113,487	45.00	51,069	-	51,069
Swan General Ltd	4,952,003	724,300	(119,903)	(489,100)	-	5,067,300	29.47	1,493,333	676,800	2,170,133
Société Helicophanta (Restated)	1,613,786	1,147,000	(445,109)	81,600	1,923	2,399,200	25.38	608,917	-	608,917

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

9. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(f) **Aggregate information of associated companies which are not individually material is as follows:**

		Restated
	2024	2023
	Rs'000	Rs'000
Carrying amount of interests	**1,559,144**	1,637,954
Share of profit	**224,176**	126,580
Share of other comprehensive income	**(19,179)**	(52,099)
Share of total comprehensive income	**204,998**	74,481

(g) The group's investments in associates include the investment in Swan General Limited ("Swan") amounting to Rs 2.4 billion and accounted for using the equity method. The group's share of profit and other comprehensive income from associates include Swan's share of profit for the year and other comprehensive income amounting to Rs 0.203 billion and Rs 0.015 billion respectively. The financial statements used for the equity accounting of Swan were the unaudited accounts of the associate, prepared using IFRS 4 for its Insurance Contracts for the year ended March 31, 2024. During the year, IFRS 17 Insurance Contracts became effective for financial periods beginning on or after January 1, 2023 and Swan would therefore be required to adopt the new standard. This has caused considerable delays in finalising the financial statements of the associate. In January 2024, the Financial Services Commission ("FSC"), which is the insurance regulator in Mauritius, granted an extension to insurance companies for filing their financial statements to August 31, 2024. In August 2024, the FSC granted a further extension to file their financial statements until December 31, 2024. The management of Swan has indicated to the management of ENL Limited that it would not be in a position to provide its audited financial statements as at March 31, 2024 for ENL group reporting purposes before September 30, 2024. The directors of the company believe that delaying the issuance of its audited financial statements will not provide substantial benefits to its shareholders given that the delays could potentially extend further.

The key differences between IFRS 4 and IFRS 17 are summarised in the table below:

IFRS 4	**IFRS 7**
Profit recognition at the start of the contract.	Upfront revenue recognition is not permitted. Mandatory early recognition of losses on onerous contracts.
Revenue includes premium and may include an investment component.	Revenue excludes any investment component and represents the reduction of the liabilities held as the entity provides insurance service and respective risk is released.
Reinsurance is calculated on a net basis.	Reinsurance is calculated separately.
Change in value of market variables goes through P&L.	Change in value of market variables may go through P&L or OCI.
Disclosures help users understand amounts in the insurer's financial statements.	Disclosures are more detailed and granular.
Discretion in determining separation of components.	Separation of components is required only if distinct.

As at the reporting date, Management of Swan was not able to provide any estimates of the likely impact that IFRS 17 would have on their results and financial position and of any adjustments that could result from the audit of their financial statements.

(h) THE COMPANY

(i) **2024**

	Level 2	**Level 3**	**Total**
	Rs'000	**Rs'000**	**Rs'000**
At July 1	**897,900**	**307,500**	**1,205,400**
Fair value adjustment	**193,500**	**(10,700)**	**182,800**
At June 30,	**1,091,400**	**296,800**	**1,388,200**

(ii) 2023

	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000
At July 1	862,300	355,500	1,217,800
Fair value adjustment	35,600	(48,000)	(12,400)
At June 30,	897,900	307,500	1,205,400

(i) The value of the securities was determined at June 30, 2024 by qualified independent professional valuers based on capitalised earnings. In assessing the fair value of the securities, assumptions have been made on the basis of market conditions existing at the end of each reporting date.

Investments included in level 1 comprise of quoted equity investments valued at their closing market prices. If all significant inputs required to fair value an investment 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 investment is included in level 3.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

9. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(j) THE COMPANY

Summarised financial information in respect of the company's principal associated companies is set out below:

	Year end	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit/(loss) for the year	Other comprehensive income for the year	Total comprehensive income for the year
2024		**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Société CTEG	**June 30,**	**141,959**	**556,213**	**107,090**	**70,125**	**284,741**	**38,290**	**(3,944)**	**34,346**
New Mauritius Hotels Limited	**June 30,**	**4,489,800**	**39,109,900**	**16,628,200**	**17,709,300**	**15,408,300**	**2,204,700**	**171,300**	**2,376,000**
Semaris Limited	**June 30,**	**5,204,000**	**2,392,000**	**1,669,200**	**2,502,200**	**608,100**	**(121,200)**	**7,500**	**(113,700)**
2023									
Société CTEG	June 30,	138,250	574,587	105,171	72,712	272,222	41,200	60,703	101,903
New Mauritius Hotels Limited	June 30,	4,402,250	37,796,906	9,833,809	21,354,588	14,083,520	2,118,591	(806,700)	1,311,891
Semaris Limited	June 30,	5,234,171	2,253,804	1,499,119	2,462,755	265,490	(130,212)	98,378	(31,834)

Note:

Emerald (Mtius) Ltd, Green Create Nutra Limited and Sun Souvenir Ltd are dormant associated companies.

The table below sets out information about significant unobservable inputs used at June 30, 2024 and 2023 in measuring financial instruments categorised as level 3 in the fair value hierarchy.

	Valuation technique	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
2024				
Société CTEG	Adjusted market multiple	Expected value/EBITDA	6.5x	The expected fair value will increase/(decrease) by Rs 0.9m, if the adjusted market multiple will be higher or lower by 1%.
2023				
Société CTEG	Adjusted market multiple	Expected value/EBITDA	7.71x	The expected fair value will increase/(decrease) by Rs 0.9m, if the adjusted market multiple will be higher or lower by 1%.

(k) **Critical accounting estimates**

Significant judgements and assumptions are made in determining whether an entity has significant influence over another entity. In considering the classification, management considers whether control exists, the nature and structure of the relationship and other facts and circumstances. Refer to note 4(i) for more details.

Fair value of securities not quoted on an active market

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

10. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

(a) **Accounting policy**

Consolidated financial statements

Jointly controlled entities are joint venture whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. It is the contractually agreed sharing of control of an arrangement which exists only when decisions about relevant activities require unanimous consent of the parties sharing control.

Investments in jointly controlled entities are accounted for under the equity method of accounting. Equity accounting involves recognising on the statement of comprehensive income the group's share of the jointly controlled entities' profit or loss and other comprehensive income for the year. The group's interests in the jointly controlled entities' are carried on the statement of financial position at an amount that reflects its share of the net assets of the entity. Goodwill is included within the carrying amount of the jointly controlled entity and tested yearly for impairment.

The results of jointly controlled entities acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of their acquisition or up to the date of their disposal.

Unrealised profits are eliminated to the extent of the group's interest in the jointly controlled entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Where necessary, appropriate adjustments are made to the financial statements of jointly controlled entities to bring the accounting policies used in line with those adopted by the group.

(b) THE GROUP

	2024	2023
	Rs'000	Rs'000
At July 1,	**37,583**	40,783
Share of loss for the year	**(2,000)**	(3,800)
Share of other comprehensive income for the year	**-**	600
Dividend	**(1,200)**	-
At June 30,	**34,383**	37,583

(c) The group's interests in its unquoted jointly controlled entities are as follows:

			2024			2023 Proportion of ownership interest			
	Year end	**Country of incorporation**	**Holding company**	**Subsidiary companies**	**Effective holding**	Holding company	Subsidiary companies	Effective holding	Principal activity
			%	**%**	**%**	%	%	%	
Jacotet Bay Ltd	June 30,	Mauritius	**-**	**50.00**	**11.18**	-	50.00	11.18	Property
FMVV Immobilier Ltee	June 30,	Mauritius	**-**	**50.00**	**11.18**	-	50.00	11.18	Property

The above jointly controlled entities are private companies and there is no quoted market price available for these shares. For jointly controlled entities having different reporting date, management accounts have been prepared at June 30, 2024.

The group consolidates the above named companies as jointly controlled entities despite effectively holding less than 50% as its subsidiary company namely Les Villas de Bel Ombre Limitee holds jointly controlled arrangements along with third parties in these companies.

Bank borrowings are secured on some of the group's assets. Please refer to note 21 for further details.

(d) **Critical accounting estimates**

Significant judgements and assumptions are made in determining whether an entity has joint control and the type of joint arrangement. In considering the classification, management considers whether control exists, the nature and structure of the relationship and other facts and circumstances.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

11. INVESTMENTS IN FINANCIAL ASSETS

(a) **Accounting policy**

Financial assets

The group classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired.

(i) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading and for which the group has made an irrevocable election to classify in this category. These are strategic investments and the group considers this classification to be more relevant. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. Upon disposal any balance within fair value reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve. Transfers between levels of the fair value hierarchy, are deemed to have occurred at the beginning of the reporting period.

(ii) Financial assets at fair value through profit or loss

The group classifies the following financial assets at fair value through profit or loss (FVPL):

- equity investments that are held for trading; and
- equity investments for which the group has not elected to recognise fair value gains and losses through other comprehensive income.

Financial assets classified at fair value through profit or loss are subsequently carried at fair value with all unrealised gains and losses arising from changes in fair value being recognised in profit or loss.

Initial measurement

Purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Investments are initially measured at cost inclusive of transaction costs except for financial assets at fair value through profit or loss whereby transaction costs are expensed.

Subsequent measurement

Financial assets are subsequently carried at fair value. The fair value of some quoted investments are based on current bid prices. If the market for the financial asset is not active (and for unlisted securities), the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, adjusted net asset value, capitalised earnings method, dividend yield method and market prices refined to reflect the issuer's specific circumstances.

Derecognition

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

(b) **FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

(i) Equity investments at fair value through other comprehensive income:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**615,721**	578,211	**90,613**	106,475
Additions	**48,487**	75,172	**7,745**	-
Disposals*	**(2,400)**	(13,400)	**-**	(700)
Change in fair value	**135,728**	(22,125)	**(16,600)**	(15,162)
Capital reduction	**-**	(2,137)	**-**	-
Acquisition of group companies (note 43A(b))	**13,500**	-	**-**	-
At June 30,	**811,036**	615,721	**81,758**	90,613

(ii) Fair value through other comprehensive income financial assets include the following:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
Quoted/level 1:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
- Tropical Paradise Co Ltd (Ordinary shares)	**48,000**	64,787	**48,000**	64,787
- Tropical Paradise Co Ltd (Preference shares)	**17,000**	16,813	**17,000**	16,813
- Others	**4,253**	13,553	**38**	38
	69,253	95,153	**65,038**	81,638
Unquoted/level 3:				
- Luminar Ventures AB	**71,100**	75,700	**-**	-
- Omnisient PTY Ltd	**251,500**	103,600	**-**	-
- CONNECKT4	**112,782**	82,000	**-**	-
- Peach Bots Proprietary Limited	**51,200**	43,800	**-**	-
- ETERNUM Ltd	**17,700**	43,600	**-**	-
- Reuniwatt	**46,700**	45,600	**-**	-
- Central Depository and Settlement Ltd	**89,100**	111,800	**-**	-
- Societe CTEG	**67,900**	-	**-**	-
- Others	**33,801**	14,468	**16,720**	8,975
	741,783	520,568	**16,720**	8,975
Total	**811,036**	615,721	**81,758**	90,613

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

11. INVESTMENTS IN FINANCIAL ASSETS (CONT'D)

(b) **FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)**

The fair value hierarchy for financial assets fair value for other comprehensive income is as below:

THE GROUP	Level 1	Level 3	Total
	Rs'000	Rs'000	Rs'000
2024			
At July 1,	95,153	520,568	**615,721**
Additions	-	48,487	**48,487**
Disposals*	-	(2,400)	**(2,400)**
Fair value adjustments	(25,900)	161,628	**135,728**
Capital reduction	-	13,500	**13,500**
At June 30,	**69,253**	**741,783**	**811,036**

* Disposals include redemption of shares.

	Level 1	Level 3	Total
2023	Rs'000	Rs'000	Rs'000
At July 1,	122,315	455,896	578,211
Additions	-	75,172	75,172
Disposals*	(400)	(13,000)	(13,400)
Fair value adjustments	(26,762)	4,637	(22,125)
Capital reduction	-	(2,137)	(2,137)
At June 30,	95,153	520,568	615,721

THE COMPANY	Level 1	Level 3	Total
	Rs'000	Rs'000	Rs'000
2024			
At July 1,	81,638	8,975	**90,613**
Additions	-	7,745	**7,745**
Fair value adjustments	(16,600)	-	**(16,600)**
At June 30,	**65,038**	**16,720**	**81,758**

2023			
At July 1,	96,800	9,675	106,475
Disposals	-	(700)	(700)
Fair value adjustments	(15,162)	-	(15,162)
At June 30,	81,638	8,975	90,613

* Disposals include redemption of shares.

There were no transfers between levels 1 and 3 during the year.

(iii) Financial assets measured at fair value through other comprehensive income include the group's strategic equity investments not held for trading. The group has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because this is considered to be more appropriate for these strategic investments.

(iv) The fair value of the securities was determined at June 30, 2024 by qualified independent professional valuers. The listed securities were valued based on market prices. The fair value of the unquoted securities is assessed using valuation techniques, namely earnings basis, dividend basis or net asset value.

Fair value hierarchy

The following table shows financial instrument recognised at fair value, analysed between those whose fair value is based on:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

11. INVESTMENTS IN FINANCIAL ASSETS (CONT'D)

(b) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

Fair value hierarchy (cont'd)

The group and the company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The table below sets out information about significant unobservable inputs used at June 30, 2024 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

THE GROUP	Valuation technique 2024	Valuation technique 2023	Unobservable inputs	Multiple	Sensitivity to changes in significant unobservable inputs
Central Depository and Settlement Ltd	Adjusted market multiple	Adjusted market multiple	Expected value/ EBITDA	9.0x (2023: 16.2x)	The expected fair value will increase/(decrease) by Rs 0.3m (2023: Rs 0.6m), if the adjusted market multiple will be higher or lower by 1%.

(c) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

(i) The carrying amounts of the financial assets at fair value through profit or loss are classified as follows:

THE GROUP	Official market	DEM listed	Unquoted	Total
2024	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At July 1,	30,780	7,750	2,502	**41,032**
Change in fair value	1,925	(1,642)	-	**283**
At June 30,	**32,705**	**6,108**	**2,502**	**41,315**
2023				
At July 1,	39,101	20,399	2,270	61,770
Additions	-	-	232	232
Change in fair value	(8,321)	(12,649)	-	(w20,970)
At June 30,	30,780	7,750	2,502	41,032

THE COMPANY	Official market	DEM listed	Unquoted	Total
2024	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At July 1,	30,780	7,750	2,502	**41,032**
Change in fair value	1,925	(1,642)	-	**283**
At June 30,	**32,705**	**6,108**	**2,502**	**41,315**
2023				
At July 1,	39,101	20,399	2,270	61,770
Additions	-	-	232	232
Change in fair value	(8,321)	(12,649)	-	(20,970)
At June 30,	30,780	7,750	2,502	41,032

(ii) THE GROUP

	2024		
	Level 1	**Level 3**	**Total**
	Rs'000	**Rs'000**	**Rs'000**
Financial assets at fair value through profit or loss	**38,813**	**2,502**	**41,315**

THE GROUP

	2023		
	Level 1	Level 3	Total
	Rs'000	Rs'000	Rs'000
Financial assets at fair value through profit or loss	38,530	2,502	41,032

THE COMPANY

	2024		
	Level 1	**Level 3**	**Total**
	Rs'000	**Rs'000**	**Rs'000**
Financial assets at fair value through profit or loss	**38,813**	**2,502**	**41,315**

THE COMPANY

	2023		
	Level 1	Level 3	Total
	Rs'000	Rs'000	Rs'000
Financial assets at fair value through profit or loss	38,530	2,502	41,032

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

11. INVESTMENTS IN FINANCIAL ASSETS (CONT'D)

(c) **FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (CONT'D)**

(iii) The table below shows changes in level 3 instruments for the year ended June 30, 2024 and 2023:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**2,502**	2,270	**2,502**	2,270
Additions	**-**	232	**-**	232
At June 30,	**2,502**	2,502	**2,502**	2,502

(iv) The fair value of the securities was determined by qualified independent professional valuers at the end of the reporting period. Unquoted investments were valued using various methods of valuation and assumptions based on adjusted earnings and adjusted net assets. Listed investments were valued at closing market prices.

(v) Financial assets at fair value through profit or loss are denominated in Mauritian rupees.

(d) The carrying amount of the financial assets represent the maximum credit exposure.

(e) **Critical accounting estimates**

Fair value of securities not quoted on an active market

The group has elected to value its investment in securities not quoted in an active market using valuation techniques namely earnings, net asset value or discounted cash flows as appropriate. The group would exercise judgements and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

12. OTHER FINANCIAL ASSETS AT AMORTISED COST

(a) **Accounting policy**

Other financial assets at amortised costs include those assets held with a view of collecting contractual cash flows and contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transactions costs that are directly attributable to their acquisition or issue, are subsequently carried at amortised cost using the effective interest rate method less any provision from impairment.

Other receivables generally arise from transactions outside the usual operating activities of the group. For some of the loans, interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

In assessing whether the credit risk on financial assets at amortised cost has increased significantly since initial recognition, the group compares the risk of default occurring on the financial instruments at the reporting date with the risk of default occurring on the financial instrument at the date of initial recognition. In making this assessment, the group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The group manages its financial assets at amortised cost by considering the purpose of their advances, the financial position and forecasted cash flows of the counterparties.

The group recognises an allowance for expected credit losses (ECLs) on receivables classified as financial assets at amortised cost under the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash received from the operations of the borrowers.

A financial asset at amortised costs is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets at amortised costs written off may still be subject to enforcement activities under the group's recovery procedures. Any recoveries made are recognised in the Statements of Profit or Loss.

The group does not expect any default from the financial assets at amortised cost and is certain of the counterparties' ability to pay their debt as they become due in the normal course of business and/or in any adverse economic and business conditions. Consequently, the probability of default is therefore negligible and the group has not accounted for any impairment loss as deemed immaterial.

(b)

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
Non-current	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Loans to subsidiary companies	**-**	-	**1,837,570**	1,837,569
Loans to other companies - unsecured	**105,970**	74,500	**-**	-
Loans to other companies - secured	**249**	249	**249**	249
	106,219	74,749	**1,837,819**	1,837,818
Current				
Loans to associated company	**9,702**	9,693	**9,702**	9,693
Other receivables	**2,105,136**	1,787,832	**87,471**	62,125
Investment in treasury bills	**249,074**	-	**-**	-
Less : Loss allowance on other receivables (see note (f))	**(10,264)**	(6,316)	**(10,264)**	(15,552)
	2,353,648	1,791,209	**86,909**	56,266
	2,459,867	1,865,958	**1,924,728**	1,894,084

During the year, the group has written off a receivable from external parties for an amount of Rs 93.5m.

The group has made an impairment by considering the previous repayment behaviours and assessing the future cash flow forecasts covering the contractual period of the loan. Following this assessment, loss allowance of Rs 10.3m (2023: Rs 6.3m) for the group and Rs 10.3m (2023: Rs 15.6m) for the company respectively was accounted for on the other receivables balance.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

12. OTHER FINANCIAL ASSETS AT AMORTISED COST (CONT'D)

(c) Loans to other companies are repayable by instalments after more than one year, and carry interest at the rate of 2.30% - 3.15%. The carrying amount of such loans receivables approximate their fair values as the loans are contracted on market-related terms.

(d) Non-current loans to subsidiary companies are repayable by June 2026 and carry interest at the rate of 6.25%.

Current loans to associated company are repayable on demand and are interest free. The carrying amount of such loans approximate their fair values.

(e) Other receivables

Other receivables include amount dues from non-group entities and advance payment with authorities arising in the ordinary course of business. The carrying amount of such other receivables approximate their fair values.

(f) Impairment and risk exposure

The loss allowance for the financial assets at amortised cost as at June 30, 2024 reconciles to the opening loss allowance on July 1, 2023 and to the closing loss allowance as at June 30, 2024. This relates to specific provision against long outstanding other receivables.

THE GROUP	2024	2023
	Other receivables	
	Rs'000	Rs'000
Loss allowance at July 1,	**6,316**	15,508
Allowance recognised/(reversed) in profit or loss during the year	**3,948**	(9,192)
Loss allowance at June 30,	**10,264**	6,316

The expected credit loss (ECL) provision amounting to Rs 10.3m (2023: Rs 15.6m) relates to credit impaired assets which are classified under Stage 3.

THE COMPANY	Related parties	Other receivables	Total
2024	**Rs'000**	**Rs'000**	**Rs'000**
Loss allowance at July 1,	**9,673**	**5,879**	**15,552**
Allowance reversed in profit or loss during the year	**-**	**(5,288)**	**(5,288)**
Loss allowance at June 30,	**9,673**	**591**	**10,264**
2023			
Loss allowance at July 1,	9,673	5,835	15,508
Allowance recognised in profit or loss during the year	-	44	44
Loss allowance at June 30,	9,673	5,879	15,552

(g) Financial assets at amortised cost are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Mauritian Rupee	**2,459,867**	1,865,958	**1,924,728**	1,894,084

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

13. LOANS AND ADVANCES

(a) **Accounting policy**

Loans and advances comprises of loans and advances towards hire purchase and consumer finance and other secured and unsecured loans.

(i) Recognition and initial measurement

The group initially recognises loans and advances towards hire purchase and consumer finance agreement ('CFA') on the date the goods and or assets are delivered, and for other loans and advances on the date on which they are originated.

At initial recognition, the group measures a financial asset at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statements of profit or loss.

(ii) Classification and subsequent measurement

Amortised cost and effective interest rate

The amortised cost is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance). The calculation does not consider credit losses and includes transaction costs, that are integral to the effective interest rate, such as processing fees.

When the group revises the estimates of future cash flows, the carrying amount of the respective financial asset is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in statements of profit or loss.

Business model assessment

The group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile;
- how the performance of the portfolio is evaluated and reported to the group's management;
- the risks that affect the performance of the business model, the financial assets held within that business model and its strategy for how those risks are managed; and
- the frequency, volume and timing of sale in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the group's stated objective for managing the financial assets is achieved and how cash flows are realised.

The group has determined that it has one business model which includes held to collect business model.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms; and
- terms that limit the group's claim to cash flows from specified assets (e.g. non-recourse loans).

Subsequent measurement

Financial assets at amortised cost; these assets are subsequently measured at amortised cost using the effective interest method. Interest income and any impairment losses are recognised in the statements of profit or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

(iii) Derecognition

Financial assets

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in statement of profit or loss.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the group is recognised as a separate asset or liability.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Standards, or for gains and losses arising from a group of similar transactions such as in the group's trading activity.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

13. LOANS AND ADVANCES (CONT'D)

(a) **Accounting policy (cont'd)**

(v) Impairment of loans and advances

The group recognises loss allowances for expected credit losses (''ECL'') on the following financial instruments.

- loans and advances towards hire purchase and consumer finance; and
- other secured and unsecured loans and advances.

The group recognises loss allowances for expected credit losses (ECL) on its loans and advances at an amount equal to lifetime ECL, or 12 month ECL based on the staging of the financial assets. Financial instruments allocated to 'Stage 1' have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired; financial assets which are considered to have experienced a significant increase in credit risk, but are not credit-impaired are in 'Stage 2'; and financial assets for which there is objective evidence of impairment or considered to be in default or otherwise credit impaired are in 'Stage 3'.

The group performs assessments at the end of each reporting period to classify financial assets in their respective stage, based on all readily available information at the time of assessment. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment the group considers quantitative and qualitative information based on the group's historical experience, credit risk assessment and forward-looking information.

The assessment of significant credit deterioration Is key In determining when to move from measuring an allowance based on 12-month ECLs to one that is based on lifetime ECLs (i.e., transfer from Stage 1 to Stage 2). If contractual payments are more than 34 days past due, the credit risk is deemed to have increased significantly since initial recognition. Financial assets are classified as 'Stage 3' where they are determined to be credit impaired, which generally matches the IFRS 9 definition of default. This includes exposures that are at least 95 days past due and where the obligor is unlikely to pay and without recourse against available collateral (for secured loans only).

The staging are principally assessed based on the number of outstanding days which is as follows:

Stage 1: 0-34 days

Stage 2: 35-94 days

Stage 3: 95 days and above

The presumed 30 - 90 days backstop has been rebutted to align with the 5 days of grace period that are given to clients to settle their overdue balance.

Overview of ECL principles and Calculation of ECL

The group applies the IFRS 9 general approach to measure expected credit losses which uses a 12 month and a lifetime expected loss allowance for loans and advances towards other credit agreements. The expected credit losses under the 'general approach' can best be described using the following formula: Probability of Default (''PD'') x Loss Given Default (''LGD'') x Exposure at Default (''EAD'').

The Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal whether scheduled by contract, or expected drawdowns on committed facilities.

Loss given default ("LGD") is defined as the likely loss intensity in case of a counterparty default. It provides an estimation of the exposure that cannot be recovered in a default event and therefore captures the severity of a loss. Conceptually, LGD estimates are independent of a customer's probability of default. The LGD models ensure that the main drivers for losses (i.e., different levels and quality of collateralization and customer or product types or seniority of facility) are reflected in specific LGD factors. In the group's LGD models, collateral type specific LGD parameters are assigned to the collateralized exposure (collateral value after application of haircuts). LGD is applicable only for secured loans.

The impairment requirements apply on financial assets measured at amortised cost are in line with the mechanics below :

- Stage 1: The 12-month ECL is calculated as the portion of Lifetime ECLs ("LTECLs") that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The group calculates the 12-month ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the group records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs lifetime of the instrument. These expected default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.
- Stage 3: For loans considered credit-impaired, the company recognises the lifetime ECL for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Both Lifetime ECLs and 12-month ECLs are calculated on a collective basis, depending on the nature of the underlying portfolio of financial instruments, which is on the basis of their product types. The expected loss rates are based on the group's historical credit losses based on the pattern of movement of financial assets. An additional loss allowance for financial assets is recognised when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of financial asset. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the financial assets.

ECL are a probability-weighted estimate of credit losses. They are measured as the present value of the difference between the contractual cash flows that are due to the group if the commitment is drawn down and the cash flows that the group expects to receive.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

13. LOANS AND ADVANCES (CONT'D)

(a) **Accounting policy (cont'd)**

(v) Impairment of loans and advances (cont'd)

Write-offs

Loans are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are recognised when cash is received and are included in 'impairment losses on financial instruments' in the statements of profit or loss.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the group's procedures for recovery of amounts due.

(b) **Gross investment**

2024	Finance leases	Hire purchase and consumer finance agreement	Other loans and advances	Total
THE GROUP	Rs'000	Rs'000	Rs'000	Rs'000
Within one year	-	390,700	70,400	461,100
After one year and before two years	-	241,900	42,500	284,400
After two years and before five years	-	100,600	40,900	141,500
After five years	-	-	4,000	4,000
Loans and advances before allowance for impairment	-	733,200	157,800	891,000
Allowance for credit impairment*	-	(21,500)	(16,000)	(37,500)
Loans and advances at June 30,	-	711,700	141,800	853,500
Representing:				
Current	-	369,300	53,400	422,700
Non-current	-	342,400	88,400	430,800
Loans and advances at June 30,	-	711,700	141,800	853,500

2023	Finance leases	Hire purchase and consumer finance agreement	Other loans and advances	Total
Within one year	-	290,900	81,200	372,100
After one year and before two years	-	170,300	45,300	215,600
After two years and before five years	-	72,600	35,600	108,200
Loans and advances before allowance for impairment	-	533,800	162,100	695,900
Allowance for credit impairment*	-	(33,200)	(29,300)	(62,500)
Loans and advances at June 30,	-	500,600	132,800	633,400
Representing:				
Current	-	248,500	51,800	300,300
Non-current	-	252,100	81,000	333,100
Loans and advances at June 30,	-	500,600	132,800	633,400

* Allowance for credit impairment stated in brackets represents loss allowance.

(c) **Loans and advances may be analysed as follows:**

2024	Finance leases	Hire purchase and consumer finance agreement	Other loans and advances	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Remaining term to maturity				
Not later than one year	-	103,500	21,400	124,900
After one year and before two years	-	297,500	37,000	334,500
After two years and before five years	-	332,200	88,200	420,400
After five years	-	-	11,200	11,200
Loans and advances at June 30,	-	733,200	157,800	891,000

2023	Finance leases	Hire purchase and consumer finance agreement	Other loans and advances	Total
Not later than one year	-	105,400	19,400	124,800
After one year and before two years	-	171,500	52,700	224,200
After two years and before five years	-	256,900	90,000	346,900
Loans and advances at June 30,	-	533,800	162,100	695,900

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

13. LOANS AND ADVANCES (CONT'D)

(d) **Allowance for credit impairment**

2024	Finance leases	Hire purchase and consumer finance agreement	Other loans and advances	Total
Portfolio provision	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,	-	(33,200)	(29,300)	**(62,500)**
Allowance for credit impairment for the year*	-	(5,500)	-	**(5,500)**
Reversal of allowance for credit impairment	-	-	1,200	**1,200**
Assets written off	-	17,200	12,100	**29,300**
At June 30,	**-**	**(21,500)**	**(16,000)**	**(37,500)**
2023				
At July 1,	(26,400)	(258,400)	(8,700)	(293,500)
Allowance for credit impairment for the year*	-	-	(24,100)	(24,100)
Reversal of allowance for credit impairment	20,800	54,100	-	74,900
Assets written off	-	171,100	3,500	174,600
On deconsolidation of subsidiaries	5,600	-	-	5,600
At June 30,	-	(33,200)	(29,300)	(62,500)

* Allowance for credit impairment stated in brackets represents loss allowance.

(e) At reporting date, the analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lease receivables, hire purchase receivables and loans receivable from customers is as follows:

	Stage 1	Stage 2	Stage 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Gross carrying amount on loans and advances				
At July 1, 2022	1,933,800	128,600	435,400	2,497,800
New assets originated or purchased	1,394,600	-	-	1,394,600
Assets derecognised or repaid (excluding write offs)	(883,100)	(45,100)	(84,000)	(1,012,200)
Assets written off	-	-	(255,200)	(255,200)
Transfers to Stage 1	90,600	(68,900)	(21,700)	-
Transfers to Stage 2	(103,300)	117,600	(14,300)	-
Transfers to Stage 3	(28,900)	(33,600)	62,500	-
On deconsolidation of subsidiaries	(1,806,800)	(76,600)	(45,700)	(1,929,100)
At June 30, 2023	596,900	22,000	77,000	695,900
New assets originated or purchased	769,200	-	-	**769,200**
Assets derecognised or repaid (excluding write offs)	(505,800)	(12,300)	(26,700)	**(544,800)**
Assets written off	-	-	(29,300)	**(29,300)**
Transfers to Stage 1	6,000	(3,900)	(2,100)	**-**
Transfers to Stage 2	(25,200)	25,900	(700)	**-**
Transfers to Stage 3	(27,600)	(5,600)	33,200	**-**
At June 30, 2024	**813,500**	**26,100**	**51,400**	**891,000**
Expected credit loss				
At July 1, 2022	26,400	8,700	258,400	293,500
New assets originated or purchased	9,800	-	-	9,800
Assets derecognised or repaid (excluding write offs)	(3,500)	(800)	(40,900)	(45,200)
Assets written off	-	-	(174,600)	(174,600)
Transfer to Stage 1	13,700	(5,700)	(8,000)	-
Transfer to Stage 2	(2,200)	5,900	(3,700)	-
Transfer to Stage 3	(1,200)	(4,500)	5,700	-
Changes to models and inputs used for ECL calculations	(27,600)	800	11,400	(15,400)
On deconsolidation of subsidiaries	(1,900)	(200)	(3,500)	(5,600)
At June 30, 2023	13,500	4,200	44,800	62,500
New assets originated or purchased	5,200	-	-	**5,200**
Assets derecognised or repaid (excluding write offs)	(2,700)	(700)	(8,400)	**(11,800)**
Assets written off	-	-	(29,300)	**(29,300)**
Transfer to Stage 1	4,200	(1,600)	(2,600)	**-**
Transfer to Stage 2	(600)	1,300	(700)	**-**
Transfer to Stage 3	(800)	(1,400)	2,200	**-**
Changes to models and inputs used for ECL calculations	(13,200)	900	23,200	**10,900**
At June 30, 2024	**5,600**	**2,700**	**29,200**	**37,500**
Net carrying amount at June 30, 2024	**807,900**	**23,400**	**22,200**	**853,500**
Net carrying amount at June 30, 2023	583,400	17,800	32,200	633,400

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YEAR ENDED JUNE 30, 2024

13. LOANS AND ADVANCES (CONT'D)

(f) **Amount arising from ECL**

ECL at June 30, 2024	Stage 1	Stage 2	Stage 3	Total
Loans and advances towards hire purchase and consumer finance agreement				
Expected loss rate (%)	0.6%	8.6%	53.7%	2.9%
Gross carrying amount (Rs m)	684.0	19.8	29.4	733.2
Expected allowance for impairment (Rs m)	3.9	1.7	15.8	21.4
Other loans and advances				
Expected loss rate (%)	1.3%	15.9%	60.9%	10.2%
Gross carrying amount (Rs m)	129.5	6.3	22.0	157.8
Expected allowance for impairment (Rs m)	1.7	1.0	13.4	16.1

ECL at June 30, 2023	Stage 1	Stage 2	Stage 3	Total
Loans and advances towards hire purchase and consumer finance agreement				
Expected loss rate (%)	1.5%	16.2%	66.0%	6.2%
Gross carrying amount (Rs m)	485.0	13.6	35.6	534.2
Expected allowance for impairment (Rs m)	7.5	2.2	23.5	33.2
Other loans and advances				
Expected loss rate (%)	5.4%	23.8%	51.0%	18.1%
Gross carrying amount (Rs m)	111.9	8.4	41.8	162.1
Expected allowance for impairment (Rs m)	6.0	2.0	21.3	29.3

A +/- 5% variation in average loss rate as at June 30, 2024 would result in +/- Rs 1.9m effect on post tax profit (2023: +/- Rs 3.1m). The analysis assumes that all other variables, remain constant.

(g) **Critical accounting estimates**

Significant accounting judgements and estimates

The measurement of expected credit loss allowance for Loans and advances is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviours (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is detailed below. A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for measurement of ECL;
- Establishing multiple economic scenarios by using different cases for the value of index;
- An important consideration in the impairment model in IFRS 9 is the use of forward-looking information in the models; and
- Determining the assumed lifetime of products.

The ECL models set up by the group are driven by internal and external data and this required significant judgements and estimates in relation to the determination of forward-looking information defining elements of a significant increase in credit risk and staging of financial instruments.

The consequent impact on the group is uncertain, thereby increasing the degree of judgement required to be exercised in calculating ECL:

- Models used to calculate ECL are inherently complex and judgement is applied in determining the appropriateness of the ECL model;
- A number of inputs, assumptions are made by the group concerning the values of inputs to the models and how the inputs correlate with one another; including the incorporation of the current macro-economic scenario through the forward-looking information; and
- Evidence of significant increase in credit risk and hence the relevant staging and credit worthiness of the group's clients.

Incorporation of forward-looking information

The group incorporates forward-looking information into the measurement of ECL. The cyclical component of Mauritius GDP growth (derived through the smoothing technique, the Hodrick-Prescott filter) is used to proxy the credit cycle index. This credit cycle index is linked to the group's ECL calculations through the well-known Vasicek Single Factor Model. By using forecasts of Mauritius GDP Growth, a forecasted credit cycle index can be derived and used to adjust default rates used in ECL calculations such that these rates reflect the impact of forward-looking information into the measurement of ECL.

The group formulates three economic scenarios:

(i) a baseline case with 80% weightage, (ii) an upside case with 10% weightage and (iii) a downside case with 10% weightage. The baseline scenario are figures obtained directly from the IMF WEO Database forecasts and or Mauritius Budget Estimates. Standard deviation shocks are applied to the baseline forecasts to allow for a plausible range of forecasts for the macroeconomic variable. A normal distribution is assumed and the 5th percentile case and 95th percentile case are assumed as downside and upside case scenario respectively. The group then calculates a scenario probability weighted PD which is applied to the ECL model.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

13. LOANS AND ADVANCES (CONT'D)

(g) **Critical accounting estimates (cont'd)**

Collateral held

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of the loans and advances. The collateral provides additional security for secured loans and it is in forms of immovable assets. The fair values of the collaterals are assessed only when the loans are credit impaired.

Credit quality analysis

The group has witnessed a major decrease in its ECL for the current year. The average loss rate for June 30, 2024 is 4.2% (2023: 8.3%).

The gross amount of each category of loans and advances represent the maximum exposure for credit risk as shown in note 13(b).

14. INVENTORIES

(a) **Accounting policy**

Inventories and work in progress are valued at the lower of cost or net realisable value. Cost is determined on a weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business less the costs to completion and applicable variable selling expenses.

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV).

Principally, this is residential property that the group develops and intends to sell before, or on completion of development.

Cost incurred in bringing each property to its present location and condition includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for development; and
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale.

When an inventory property is sold, the carrying amount of the property is recognised as an expense in the period in which the related revenue is recognised. The carrying amount of inventory property recognised in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

(b) **THE GROUP**

	2024	2023
	Rs'000	Rs'000
Raw materials, consumables and spare parts	658,160	581,783
Stock of land (includes amount transferred from investment properties (note 6))	2,430,381	1,979,731
Work in progress	80,479	52,357
Finished goods	1,309,088	1,222,123
Goods in transit	390,419	469,494
	4,868,527	4,305,488

(c) The cost of inventories recognised as expense and included in cost of sales amounted to Rs 6,618m (2023: Rs 4,582m).

(d) Inventories have been reduced by Rs 4.5m (2023: decrease of Rs 5.6m) as a result of the write-down to net realisable value.

(e) Bank borrowings are secured by floating charges on part of the inventories of the group.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

15. CONSUMABLE BIOLOGICAL ASSETS

(a) **Accounting policy**

Consumable biological assets comprising the standing cane valuation, deer, palm trees and others are measured at fair value less costs to sell, which is the present value of the expected net cash flows discounted at the relevant market determined pre-tax rate (palm trees: 9.55% (2023: 9.82%), nursery: 19.69% - 27.69% (2023: 20.82% - 28.82%) and standing canes 9.83% (2023: 12.14%).

(b) THE GROUP

	Potatoes	Standing cane	Palm trees	Nursery	Deer farming	Cattle	Total
(i) **2024**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At July 1,	8,283	314,761	20,539	37,872	47,600	674	**429,729**
Fair value movement	-	(18,753)	5,816	(15,170)	17,000	(475)	**(11,582)**
Movement in cost of sales	5,284	-	-	-	-	-	**5,284**
At June 30,	**5,284**	**296,008**	**26,355**	**22,702**	**64,600**	**199**	**423,431**
(ii) 2023							
At July 1,	9,225	261,173	21,249	35,492	33,865	1,621	362,625
Fair value movement	-	53,588	(710)	2,380	13,735	(947)	68,046
Movement in cost of sales	(942)	-	-	-	-	-	(942)
At June 30,	8,283	314,761	20,539	37,872	47,600	674	429,729

Consumable biological assets are stated at their fair values and relate to the value of standing canes, deer farming, nursery plants and palm trees. Any increase/(decrease) in fair value movements of consumable biological assets is accounted in the statements of profit or loss.

The fair value measurements have been categorised as level 3 fair value based on the inputs to the valuation techniques used.

At June 30, 2024, standing canes comprised of approximately 3,501 hectares of sugar cane under plantation (2023: 3,723 hectares). During the year, the group harvested approximately 217,031 tonnes of cane (2023: 177,910 tonnes of cane), which has a fair value less costs to sell of Rs 213,644,015 (2023: Rs 217,336,896) at the date of harvest.

There were no transfers from IAS 41 to IAS 2 during the year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

15. CONSUMABLE BIOLOGICAL ASSETS (CONT'D)

(c) **Valuation techniques and significant unobservable inputs**

	Activities	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Standing cane	Cultivation and harvesting of sugarcane and sale to Mauritius Sugar Syndicate ("MSS")	Discounted cash flows: The valuation model considers the present value of the net cash flows expected to be generated by sugarcane plantation.	Estimated future price of Sugar per tonne- Rs 36,000 (2023: Rs 33,000) Extraction rate per tonne 9.75% (2023: 7.89%) Discount rate 9.83% (2023: 12.14%)	The estimated fair value would increase/(decrease) if: – Expected price of sugar per tonne were higher/(lower) – Extraction rate per tonne were higher/(lower) – Discount rate were lower/(higher)
Palms	Cultivation and sale of palms	Discounted cash flows: The valuation model considers the present value of the net cash flows expected to be generated by Palm over the next 5 years.	Estimated average price of palms- Rs 405 - Rs 600 per palm tree (2023: Rs 275 - Rs 371) Discount rate 9.55% (2023: 9.82%)	The estimated fair value would increase/(decrease) if: – Expected average price of palm tree were higher/(lower).
Plants	Cultivation and sale of plants	Net Realisable Value	Future selling price of different type of plants. Discount rate 19.69% - 27.69% (2023: 20.82% - 28.82%)	The estimated fair value would increase/(decrease) if: – Expected selling price of different types of plants were higher/(lower).
Grass	Cultivation and sale of grass	Net Realisable Value	Estimated selling price - Rs nil (2023: Rs 120) Estimated costs - Rs nil (2023: Rs 57)	The estimated fair value would increase/(decrease) if: – Expected selling price were higher/(lower) Costs were lower/(higher).
Deer	Rearing of deers for sale of meat and hunting activities	Net Realisable Value	Average weight of deer- 45 kg for local breed (2023: 35 kg and 40 kg for local breed) Average price of deer per kg- Rs 280 (2023: Rs 235)	The estimated fair value would increase/(decrease) if: – Average weight per deer were higher/(lower) – Average price higher/(lower).

(d) **Critical accounting estimates**

Consumable biological assets

The fair value of consumable biological assets has been arrived at by discounting the present value of the expected net cash flows at the relevant market determined pre-tax rate. For standing canes, the expected cash flows have been computed by estimating the expected crop and the sugar extraction rate and the forecasts of sugar prices which will prevail in the coming year. The harvesting costs and other direct expenses are based on yearly budgets. Other biological assets are fair valued at their Net Realisable Value.

For other consumable biological assets, the expected cash flows have been computed on the basis of expected sale prices and the expected cost of maintenance.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

16. TRADE AND OTHER RECEIVABLES

(a) **Accounting policy**

Trade receivables are recognised initially at fair value and subsequently measured at amortised costs using the effective interest method, less credit expected loss allowance.

The group is applying the simplified to measure ECL which uses a lifetime expected loss allowance for all trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The trade receivables have been divided into uninsured and insured. For insured receivables, the group considers insurance proceeds as an integral part of the impairment assessment of the receivables. The expected cash flows from the insurance cover are included when measuring ECL of the receivables to the extent that the expected losses are covered by the insurance cover. The uninsured receivables are the balances where the group has no collateral.

The expected loss rates are based on the group's historical credit losses based on the pattern of movement of receivables over a period of three years before the reporting date. An additional loss allowance for receivables is recognised when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivable. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the gross domestic product ("GDP") as the key macroeconomic factors in the countries where the group operates.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive. Trade and other receivables generally have a short duration and do not carry a contractual interest rate. Therefore, they are measured on initial recognition at the transaction price. Accordingly, the effective interest rate for receivables is zero and discounting of expected cash shortfalls to reflect the time value of money is not required when measuring ECL.

In case of the customers having credit ratings with external agencies, the default rate issued by such agencies is used as the ECL rate. Hence, such customers are removed from the ageing analysis and ECL is calculated separately as per external credit ratings.

The group has an established credit policy under which new customers are analysed individually for credit worthiness for each business activity before the group's standard payment, delivery terms and conditions are offered. Customers that fail to meet the group's benchmark creditworthiness may transact with the group upon lodging of a bank guarantee as a security document or on a strictly prepaid (cleared funds) only basis.

(b)

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Trade receivables	**3,480,426**	2,550,183	**11,282**	4,541
Less provision for impairment*	**(368,307)**	(322,148)	**(154)**	(178)
Carrying value of trade receivables	**3,112,119**	2,228,035	**11,128**	4,363

* Amount for provision for impairment stated in brackets above represents a loss allowance.

The carrying amount of the trade receivables is considered as a reasonable approximation of fair value given the short-term nature of the receivables.

(i) *Impairment of trade receivables*

The group uses the simplified approach to calculate for its ECL. Management has segregated the receivables book between a performing book (PB) and non-performing book (NPB) and have used inferred proxies for the probability of default (PD) based on relevant jurisdictional sovereign Moody's ratings. An LGD (loss given default) proxy of 22% - 62% (2023: 22% - 62%) was used for counterparties which is representative of the corporate client's exposure.

For other subsidiaries, the trade and other receivables have been divided into insured and uninsured. For insured receivables, the subsidiaries have exercised the policy choice of considering insurance cover as an integral part of the receivables. The expected cash flows from the insurance cover are included when measuring ECL of the receivables to the extent that the expected losses are covered by the insurance cover. The uninsured receivables are the balance where the subsidiaries have no collaterals.

The expected loss rates are based on the subsidiaries' historical credit losses based on the pattern of movement of receivables over a period of three years before the reporting date. An additional loss allowance for receivables is recognised when there is objective evidence that the subsidiaries will not be able to collect all amounts due according to the original terms of the receivable. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customer to settle the receivables. These subsidiaries have identified the gross domestic product (GDP) as the key macroeconomic factors in the sectors in which they operate.

In case of customers having credit ratings with external agencies, the default rate issued by such agencies is used as the ECL rate. Hence, such customers are removed from the ageing and ECL is calculated separately as per external credit ratings.

The loss allowance as at June 30, 2024 and 2023 was determined as follows for trade receivables:

THE GROUP	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
At June 30, 2024	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Simplified approach					
Expected loss rate	4%	7%	15%	59%	
Gross carrying amount - trade receivables	2,708,957	280,473	93,378	397,618	**3,480,426**
Specific ECL allowance	(12,000)	(2,500)	(800)	(71,500)	**(86,800)**
General ECL allowance	(91,304)	(15,885)	(12,815)	(161,503)	**(281,507)**
Loss allowance	**(103,304)**	**(18,385)**	**(13,615)**	**(233,003)**	**(368,307)**
At June 30, 2023					
Simplified approach					
Expected loss rate	5%	5%	7%	32%	
Gross carrying amount - trade receivables	1,417,969	303,679	142,088	686,447	2,550,183
Specific ECL allowance	(9,100)	(200)	-	(59,900)	(69,200)
General ECL allowance	(63,702)	(16,126)	(10,454)	(162,666)	(252,948)
Loss allowance	(72,802)	(16,326)	(10,454)	(222,566)	(322,148)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

16. TRADE AND OTHER RECEIVABLES (CONT'D)

(i) Impairment of trade receivables (cont'd)

The loss allowance as at June 30, 2024 and 2023 was determined as follows for trade receivables: (cont'd)

THE COMPANY

At June 30, 2024	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
Simplified approach	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Expected loss rate	**0%**	**0%**	**0%**	**2%**	
Gross carrying amount - trade receivables	**4,835**	**80**	**44**	**6,323**	**11,282**
General ECL allowance	**-**	**-**	**-**	**(154)**	**(154)**

THE COMPANY

At June 30, 2023	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Simplified approach	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected loss rate	2%	14%	0%	4%	
Gross carrying amount - trade receivables	402	44	234	3,861	4,541
General ECL allowance	(10)	(6)	(1)	(161)	(178)

Trade receivables past due more than 90 days were credit impaired.

The closing loss allowances for trade receivables as at June 30, 2024 and 2023 reconcile to the opening loss allowances as follows:

	THE GROUP		
2024	**Specific provision**	**General provision**	**Total provision**
	Rs'000	**Rs'000**	**Rs'000**
At July 1, 2023	69,200	252,948	**322,148**
Loss allowance recognised in profit or loss during the year	29,100	28,287	**57,387**
Write off against loss allowance	(4,400)	(1,317)	**(5,717)**
Unused amount reversed	-	(13,311)	**(13,311)**
On deconsolidation of subsidiaries	-	100	**100**
Translation difference	2,800	4,900	**7,700**
At June 30, 2024	**96,700**	**271,607**	**368,307**

	THE GROUP		
2023	Specific provision	General provision	Total provision
	Rs'000	Rs'000	Rs'000
At July 1, 2022	74,300	264,048	338,348
Loss allowance recognised in profit or loss during the year	10,100	8,745	18,845
Write off against loss allowance	(15,400)	(20,634)	(36,034)
Unused amount reversed	-	(5,211)	(5,211)
Acquisition of subsidiaries	-	11,000	11,000
On deconsolidation of subsidiaries	(1,900)	(5,000)	(6,900)
Translation difference	2,100	-	2,100
At June 30, 2023	69,200	252,948	322,148

	THE COMPANY	
	2024	2023
General provision	**Rs'000**	Rs'000
At July 1,	**178**	190
Unused amount reversed	**(24)**	(12)
At June 30,	**154**	178

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

(d) **Critical accounting estimates**

The loss allowances for financial assets are based on assumptions about risks of default and expected loss rates. The group uses judgement in making these assumptions and selecting inputs to impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

17. ASSETS RELATED TO CONTRACTS WITH CUSTOMERS

(a) **Accounting policy**

Contract assets

A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the services. Upon completion of the services and acceptance by the customers, the amount recognised as contract assets is reclassified to trade receivables. A contract asset is subject to impairment assessment and its loss allowance is measured at an amount equal to lifetime Expected Credit Losses (ECL).

The group is applying the simplified approach to measure Expected Credit Losses (ECL) which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due.

The contract assets have been divided into uninsured and insured. For insured receivables, the group considers insurance proceeds as an integral part of the impairment assessment of the receivables. The expected cash flows from the insurance cover are included when measuring ECL of the receivables to the extent that the expected losses are covered by the insurance cover. The uninsured receivables are the balances where the group has no collateral.

The group considers its contract assets to be in default when contractual payments are past due the approved credit period depending on the business environment in which it operates. The group also considers a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

The expected loss rates are based on the group's historical credit losses based on the pattern of movement of receivables over a period of three years before the reporting date. An additional loss allowance for receivables is recognised when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivable. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the gross domestic product (GDP) as the key macroeconomic factors in the countries where the group operates.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive. Contract assets generally have a short duration and do not carry a contractual interest rate. Therefore, they are measured on initial recognition at the transaction price. Accordingly, the effective interest rate for receivables is zero and discounting of expected cash shortfalls to reflect the time value of money is not required when measuring expected credit losses.

In case of the customers having credit ratings with external agencies, the default rate issued by such agencies is used as the ECL rate. Hence, such customers are removed from the ageing analysis and ECL is calculated separately as per external credit ratings.

The group has an established credit policy under which new customers are analysed individually for credit worthiness for each business activity before the group's standard payment, delivery terms and conditions are offered. Customers that fail to meet the group's benchmark creditworthiness may transact with the group upon lodging of a bank guarantee as a security document or on a strictly prepaid (cleared funds) only basis.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets written off may still be subject to enforcement activities under the group's recovery procedures. Any recoveries made are recognised in Statements of profit or loss.

When assessing whether a receivable is in default include, the group considers the following factors:

- the balance remaining due for more than 360 days;
- the debtor is unlikely to pay its obligation in full without recourse to actions such as disposing its assets; and
- the financial position indicating that debtors is in financial difficulty.

The contract assets primarily relate to the group`s rights to consideration for work completed but not yet billed at the reporting date on construction contracts.

(b) **THE GROUP**

	2024	2023
	Rs'000	Rs'000
At July 1,	**137,719**	124,119
Amounts included in contract assets that was recognised as revenue during the year	**(41,673)**	(48,025)
Excess of revenue recognised over amounts invoiced	**174,083**	165,525
Loss allowance reversed/(recognised)	**4,800**	(2,800)
Transfer to trade receivables	**(133,800)**	(103,900)
Translation difference	**4,500**	2,800
At June 30,	**145,629**	137,719

At June 30, 2024 and 2023, the carrying value of contract assets have been analysed as follows:

THE GROUP

At June 30, 2024	**Not past due**	**Current**	**More than 30 days* past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Expected loss rate	3.0%	2.4%	5.0%	4.4%	6.3%	
Gross carrying amount						
- contract assets	99,200	23,730	7,184	1,909	18,806	**150,829**
Specific ECL allowance	-	-	-	-	-	**-**
General ECL allowance	(3,000)	(575)	(361)	(84)	(1,180)	**(5,200)**
Loss allowance	**(3,000)**	**(575)**	**(361)**	**(84)**	**(1,180)**	**(5,200)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

17. ASSETS RELATED TO CONTRACTS WITH CUSTOMERS (CONT'D)

(b) At June 30, 2024 and 2023, the carrying value of contract assets have been analysed as follows: (cont'd)

THE GROUP

At June 30, 2023	Not past due	Current	More than 30 days* past due	More than 60 days past due	More than 90 days past due	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected loss rate	1.3%	0.5%	1.1%	2.4%	19.1%	
Gross carrying amount						
- contract assets	93,500	18,420	18,151	4,151	6,297	140,519
Specific ECL allowance	(1,200)	-	(100)	-	(1,100)	(2,400)
General ECL allowance	-	(100)	(100)	(100)	(100)	(400)
Loss allowance	(1,200)	(100)	(200)	(100)	(1,200)	(2,800)

* At June 30, 2024, no specific provision has been included in expected credit loss allowance (2023: Rs 2.4m).

Contract assets past due more than 360 days were credit impaired. Given the nature of the group's contract assets, the ageing of a balance beyond 90 days does not necessarily indicate a credit default of the counterparty. Based on the group's experience, these balances are not considered impaired until they exceed 360 days. Accordingly, the group has rebutted the presumption that a balance is impaired if it is past due by more than 90 days.

Loss allowances for contract assets are:

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
At July 1,	**2,800**	6,600
Increase in loss allowances recognised in profit or loss during the year	**5,200**	2,800
Reversal of provision for bad debts no longer required	**(3,000)**	(6,800)
Translation difference	**200**	200
At June 30,	**5,200**	2,800

(c) **Critical accounting estimates**

The loss allowances for financial assets are based on assumptions about risks of default and expected loss rates. The group uses judgement in making these assumptions and selecting inputs to impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

18. AMOUNTS RECEIVABLE FROM GROUP COMPANIES

(a) **Accounting policy**

Amounts receivable from group companies include trade receivables, loans and advances and other receivables which are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method, less provision for impairment.

Impairment provisions for such trade receivables, loans and advances and other receivables are recognised based on the simplified approach within IFRS 9 using the lifetime ECL. The company recognises an allowance for expected credit losses (''ECLs'') on loans classified as financial assets at amortised cost under the general approach. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables.

To measure ECL, such trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. For such trade and other receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the statement of profit or loss and other comprehensive income. On confirmation that such trade and other receivables will not be collectable, the gross carrying value of the asset is written off against the associated provision.

(b) THE COMPANY

	2024	2023
	Rs'000	Rs'000
Trade receivables	**87,312**	85,979
Less provision for impairment	**(4,918)**	(4,192)
Trade receivables- net	**82,394**	81,787
Other receivables (c)	**377,092**	242,016
Less provision for impairment	**(14,097)**	(10,033)
Other receivables- net	**362,995**	231,983
	445,389	313,770

(c) Other receivables comprise mainly of loans, advances, interest and dividend receivable from group companies.

THE COMPANY

	Other receivables		
	Loans	**Others**	**Total**
2024	**Rs'000**	**Rs'000**	**Rs'000**
Subsidiary companies	**-**	**362,995**	**362,995**
2023			
Subsidiary companies	47,000	184,983	231,983

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

18. AMOUNTS RECEIVABLE FROM GROUP COMPANIES (CONT'D)

(d) *Impairment of amount receivable from group companies*

The company recognises an allowance for expected credit losses (''ECLs'') on loans classified as financial assets at amortised cost under the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash received from the operations of the borrowers.

Management has segregated the receivables book between a performing book (PB) and non-performing book (NPB) and have used inferred proxies for the probability of default (PD) based on relevant jurisdictional sovereign Moody's ratings. An LGD (loss given default) proxy of 22% - 62% (2023: 22% - 62%) was used for counterparties which is representative of the corporate client's exposure.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
At June 30, 2024	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Expected loss rate	**0%**	**0%**	**0%**	**25%**	
Gross carrying amount	**361,200**	**19,958**	**8,154**	**75,092**	**464,404**
Loss allowance	**-**	**-**	**-**	**(19,015)**	**(19,015)**
At June 30, 2023					
Expected loss rate	0%	2%	1%	11%	
Gross carrying amount	179,999	13,001	10,972	124,023	327,995
Loss allowance	(478)	(253)	(59)	(13,435)	(14,225)

The closing loss allowances as at June 30, 2024 and 2023 reconcile to the opening loss allowances as follows:

THE COMPANY	2024	2023
	Rs'000	Rs'000
At July 1,	**(14,225)**	(13,490)
Loss allowance recognised in profit or loss during the year	**(4,790)**	(735)
At June 30,	**(19,015)**	(14,225)

At June 30, 2024, amounts receivable from group companies were impaired by Rs 19,015,000 (2023: Rs 14,225,000). The carrying amount of receivables from group companies approximate their fair value.

(e) Amounts receivable from group companies are denominated in Mauritian rupees.

(f) 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.

(g) **Critical accounting estimates**

The loss allowances for financial assets are based on assumptions about risks of default and expected loss rates. The group uses judgement in making these assumptions and selecting inputs to impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

19. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

(a) **Accounting policy**

Non-current assets classified as held for sale relate to land earmarked for future sale, development projects and investment earmarked for sale during the coming year. They are measured at the lower of carrying amount and fair value less costs to sell if the carrying amount is recovered principally through sales. This condition is regarded as met only when the sales are highly probable and the asset is available for immediate sale in their present condition.

When the group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met regardless of whether the group will retain a non-controlling interest in its former subsidiary after the sale.

(b) **Non-current assets classified as held for sale**

	THE GROUP	
	2024	2023
Disclosed as follows:	**Rs'000**	Rs'000
Land classified as held for sale (note (i))	**154,730**	154,730

(i) **Assets classified as held for sale**

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
At July 1,	**154,730**	-
Transfer from property, plant and equipment (note 5(b)(ii))*	**-**	154,730
At June 30,	**154,730**	154,730

* These assets have been classified as non-current assets held for sale as management remains committed to its plan to sell the asset within the next financial year. These have been fair valued at June 30, 2023 by independent valuer, and was reassessed by the directors for the year ended June 30, 2024.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

20. STATED CAPITAL

(a) **Accounting policy**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new share are shown in equity as deduction, net of tax, from proceeds. Where the company purchases its equity stated capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. When such shares are subsequently reissued, any net consideration received, is included in equity attributable to the company's equity holders.

(b) THE GROUP AND THE COMPANY

	2024		2023	
	Number of shares	**Rs'000**	Number of shares	Rs'000
At July 1, & June 30,	**1,074,996,326**	**3,607,987**	1,074,996,326	3,607,987

The stated capital as at the reporting date is made up as follows:

	2024		2023	
	Number of shares	**Rs'000**	Number of shares	Rs'000
Ordinary A shares	**374,996,326**	**3,607,987**	374,996,326	3,607,987
Restricted redeemable shares	**700,000,000**	**0.10**	700,000,000	0.10
	1,074,996,326	**3,607,987**	1,074,996,326	3,607,987

The above shares have no par value.

(c) *Ordinary A shares*

An ordinary A share confers on the holder the following rights:

- the right to vote at meetings of shareholders;
- subject to the rights of any other class of shares, the right to an equal share in dividend and other distributions made by the company; and
- subject to the rights of any other class of shares, the right to an equal share in the distribution of the surplus assets of the company on its liquidation.

(d) *Restricted redeemable shares (RRS)*

A restricted redeemable share has no economic rights but confers on the holder the following rights:

- the right to vote at meetings of shareholders;
- subject to the rights of any other class of shares, no right to dividend and other distributions made by the company;
- no right to be transferred except with the consent of the holders of at least 75% of the shares of that class; and
- the right to participate in a bonus issue of any class of shares having voting rights so that on an issue of bonus shares such number of RRS be allotted to the holder of RRS in order that the proportion of RRS compared to shares having voting rights are maintained and not varied.

There is no contractual obligation to deliver cash or any financial obligation to the holder as these are redeemable at the option of the company.

(e) **TREASURY SHARES**

THE GROUP AND THE COMPANY	2024		2023	
	Number of shares	**Rs'000**	Number of shares	Rs'000
At July 1, and June 30,	**7,560,362**	**250,000**	7,560,362	250,000

The reserves of the company's treasury shares comprise the cost of the company's shares held by the group. At June 30, 2024, the group held 7,560,362 of the company's shares (2023: 7,560,362).

21. BORROWINGS

(a) **Accounting policy**

Borrowings are recognised initially at fair value being their issue proceeds net of direct issue costs. Borrowings are subsequently measured at amortised cost using the effective interest rate which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried on the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption as well as any interest or coupon payable while the liability is outstanding.

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

The group presents lease liabilities related to right of use assets in 'borrowings' in the Statements of Financial Position.

Lease liabilities related to right of use assets are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate.

The group has lease contracts for various items of land, building, plant and equipment and motor vehicles used in its operations. Leases of land generally have lease terms between 1.4 to 66 years, buildings have lease terms between 1.9 to 19 years, while plant, equipment and motor vehicles have lease terms between 1.4 to 10 years. The group's obligations under its leases are secured by the lessor's title to leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the group are reasonably certain not to terminate early.

Lease liabilities related to right of use assets are subsequently measured at amortised cost using the effective interest method. Lease liabilities are subject to remeasurement if there is a change in future lease payments arising from a change in an index or rate, if there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee, or if the group changes its assessment of whether it will exercise a purchase, extension or termination option. Upon remeasurement, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The group has elected not to recognises right of use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The group recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

21. BORROWINGS (CONT'D)

(a) **Accounting policy (cont'd)**

Leases - Estimating the incremental borrowing rate

The group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Debentures

Debentures are recognised initially at fair value being the issue proceeds net of transaction costs incurred. Debentures are subsequently stated at amortised cost. Debentures are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

Liabilities at fair value through profit or loss

Financial liabilities in this category are those that are not held for trading and have been designated at fair value through profit or loss as they contain an embedded derivative. These are recorded in the statement of financial position at fair value.

Changes in fair value are recorded in profit and loss. Interest incurred on financial liabilities designated at FVPL is accrued in interest expense.

Valuation process

The group determines the policies and procedures for the fair valuation of the redeemable convertible bond. The process involves the selection of appropriate methodology, gathering of market knowledge, development of assumptions and specific information. The fair value of the instrument has been broken down into four components, bonds, performance return, call option and put option.

The fair value of the Bond and Performance Return was determined using the discounted cash flow approach. The projected cashflows from the Bond and the Performance Return was discounted using the Mauritian Rupees Risk Free Curve which was interpolated using the Nelson Svensson Siegel (NSS) Model. A credit spread was then assigned to the underlying and added to the risk free rates or discounting purposes.

The fair value of the call and put option is dependent on the value of the share price of the underlying. In calculating the value of the options at respective time intervals, parameters such as the probability of the share price of the underlying going up or down and risk free rate/credit risk adjusted risk free rate have been estimated. The fair value of the asset or liability is calculated as the sum of the fair value of the bond, performance return, put option minus fair value of call option.

(b)

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
(i) **Non-current**	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Secured fixed and variable rate notes (note (c))	**4,074,277**	4,822,715	**-**	-
Debentures (note (d))	**946,905**	1,010,105	**-**	-
Bond notes (note (e))	**6,073,562**	3,784,526	**6,073,562**	3,784,526
Bank loans (note (g))	**12,722,322**	10,842,216	**2,241,623**	2,509,456
Lease liabilities (notes (f) and (h))	**1,044,189**	972,888	**4,104**	2,985
Loans from other companies	**2,900**	-	**-**	-
Redeemable notes (note (i))	**4,745,100**	4,743,000	**-**	-
Convertible bonds (note (j))	**232,300**	257,200	**-**	-
Liabilities at fair value through profit or loss (note (k))	**318,000**	313,700	**-**	-
	30,159,555	26,746,350	**8,319,289**	6,296,967
Current				
Bank overdrafts	**691,313**	1,721,183	**771**	-
Bank loans (note (g))	**2,314,354**	1,451,225	**267,739**	267,584
Secured floating rate notes (note (c))	**1,000,000**	-	**-**	-
Debentures (note (d))	**63,200**	52,700	**-**	-
Bond notes (note (e))	**74,018**	1,478,051	**74,018**	1,478,051
Lease liabilities (notes (f) and (h))	**344,590**	239,023	**-**	6,136
Shareholders' loans	**-**	7,250	**-**	-
Loans from other companies (note (l))	**65,000**	80,200	**-**	-
	4,552,475	5,029,632	**342,528**	1,751,771
Total borrowings	**34,712,030**	31,775,982	**8,661,817**	8,048,738

(ii) **Pledges**	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Secured fixed and variable rate notes				
Secured by first rank fixed charges in respect of immovable property of a subsidiary	**1,882,977**	1,344,115	**-**	-
Secured by fixed charges by way of pledge of shares	**2,000,000**	1,500,000	**-**	-
Secured by floating charges on the assets of the group	**1,191,300**	290,000	**-**	-
Secured by fixed and floating charges on the assets of the group	**-**	1,688,600	**-**	-
	5,074,277	4,822,715	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

21. BORROWINGS (CONT'D)

(ii) **Pledges (cont'd)**

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Debentures				
Secured by floating charges on the assets of the group	**63,200**	115,900	**-**	-
Unsecured	**946,905**	946,905	**-**	-
	1,010,105	1,062,805	**-**	-
Bond notes				
Secured by fixed charges on property	**4,683,820**	3,798,817	**4,683,820**	3,798,817
Secured by fixed charges by way of pledge of shares	**1,463,760**	1,463,760	**1,463,760**	1,463,760
	6,147,580	5,262,577	**6,147,580**	5,262,577
Bank and other loans				
Secured by fixed charges on property	**5,030,087**	4,677,497	**2,481,141**	2,745,190
Secured by fixed charges by way of pledge of shares	**695,466**	638,685	**-**	-
Secured by floating charges on the assets of the group	**9,123,722**	6,907,753	**28,221**	31,802
Unsecured	**187,401**	69,506	**-**	48
	15,036,676	12,293,441	**2,509,362**	2,777,040
Lease liabilities				
Secured by fixed charges on leased assets of the group	**489,924**	343,860	**-**	911
Secured by floating charges on the assets of the group	**-**	22,200	**-**	-
Unsecured	**898,855**	845,851	**4,104**	8,210
	1,388,779	1,211,911	**4,104**	9,121

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Shareholders' loans				
Unsecured	**-**	7,250	**-**	-
	-	7,250	**-**	-
Loans from other companies				
Unsecured	**67,900**	80,200	**-**	-
	67,900	80,200	**-**	-
Redeemable notes				
Secured by floating charges on the assets of the group	**4,745,100**	4,743,000	**-**	-
	4,745,100	4,743,000	**-**	-
Convertible bonds				
Secured by floating charges on the assets of the group	**232,300**	257,200	**-**	-
	232,300	257,200	**-**	-
Bank overdraft				
Secured by floating charges on the assets of the group	**449,599**	1,620,783	**-**	-
Unsecured	**241,714**	100,400	**-**	-
	691,313	1,721,183	**-**	-
Liabilities at fair value through profit or loss				
Unsecured	**318,000**	313,700	**-**	-
	318,000	313,700	**-**	-
Total borrowings	**34,712,030**	31,775,982	**8,661,046**	8,048,738

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

21. BORROWINGS (CONT'D)

(c) Secured fixed and variable rate notes

On March 16, 2015, a subsidiary company issued 30,000 secured floating rate notes on a private placement as follows:

Note description	Maturity	Interest rate
Tranche A (10,000 notes at Rs 50,000 per note)	Already matured	Reference Bank of Mauritius key rate + 1.35% p.a
Tranche B (10,000 notes at Rs 50,000 per note)	Already matured	Reference Bank of Mauritius key rate + 1.85% p.a
Tranche C (10,000 notes at Rs 50,000 per note)	March 16, 2025	Reference Bank of Mauritius key rate + 2.35% p.a

These notes are secured by a floating charge over all the assets of the subsidiaries being financed.

On November 29, 2019, a subsidiary issued a mixture of 1.5m secured floating and fixed rate notes and on May 05, 2020, 0.5m secured floating rate notes on private placement as follows:

Note description	Maturity	Interest rate
Tranche 3 Years (0.50m notes at Rs 1,000 per note)	Already matured	Reference Bank of Mauritius key rate + 0.65% p.a
Tranche 5 Years (0.25m notes at Rs 1,000 per note)	November 29, 2024	Reference Bank of Mauritius key rate + 0.95% p.a
Tranche 5 Years (0.25m notes at Rs 1,000 per note)	November 29, 2024	Fixed rate 4.90% p.a
Tranche 7 Years (0.25m notes at Rs 1,000 per note)	November 29, 2026	Reference Bank of Mauritius key rate + 1.30% p.a
Tranche 7 Years (0.25m notes at Rs 1,000 per note)	November 29, 2026	Fixed rate 5.25% p.a
Tranche 10 Years (0.50m notes at Rs 1,000 per note)	November 05, 2030	Reference Bank of Mauritius key rate + 1.70% p.a

These notes are secured by pledge of shares.

In 2021, a subsidiary company issued 1,500 bonds at a nominal price of Rs 1m per bond (2023: Rs 1m) out of an approved bond programme of Rs 2.5bn.

Note description	Maturity	Interest rate
Tranche 7 Years (262 notes at Rs 1m per note)	December 29, 2027	Blended rate 3.70% p.a
Tranche 10 Years (538 notes at Rs 1m per note)	December, 29 2030	Blended rate 3.89% p.a
Tranche 15 Years (700 notes at Rs 1m per note)	December 29, 2035	Blended rate 4.31% p.a

These notes are secured by floating charges over assets of the group.

Another subsidiary company has issued secured floating rate notes which are repayable on January 12, 2027. The notes bear interest rates of Repo + 2-3% per annum.

The notes are secured by:

- A first rank fixed charge in respect of each immovable property of the subsidiary;
- An assignment of all rent and other receivables arising or that may arise under the lease agreements; and
- A shortfall undertaking by the group.

(d) Debentures

A subsidiary company has in issue 17,556,676 redeemable bonds at an issue price of Rs 12.00 each, totalling Rs 210.7m. Salient features of the debentures are as follows:

A coupon rate of 6.0% per annum in respect of each financial year over 10 consecutive years, will be paid to bondholders out of the profits of the entity. This will be paid in priority to dividends payable to Class A ordinary shareholders and preference shareholders. Coupon payment shall be paid in June of each financial year.

Debenture holders will not have the right to receive notice of, or attend, or vote on a poll at the shareholders' meetings of the entity.

Debentures shall be redeemed automatically on the 30th June of every financial year over 5 consecutive years starting June 30, 2021 without paying any additional fee.

Another subsidiary of the group issued new debentures amounting to Rs 150m in prior year. These debentures will mature on September 30, 2026 and bear interest at 6% per annum.

The outstanding balance of debentures payable at June 30, 2024 amounted to Rs 1,010m (2023: Rs 1,063m).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

21. BORROWINGS (CONT'D)

(e) **Bond notes**

The company has issued Rs 3.5bn of fixed and floating interest rates and tenors as follows:

- Secured fixed rate notes of Rs 2.22bn, with tenors between 5 to 10 years and bearing interest rate between 5.5% and 6.30%.
- Secured floating rate notes of Rs 1.28bn, with tenors between 5 to 10 years and bearing interest rate of key rate + 1.3% and + 1.85%.

Interest is paid semi-annually in arrears in July and January of each year starting July 31, 2019.

The notes are secured partly by a fixed charge on land and partly by a pledge of listed securities owned either directly or indirectly by the company.

The maturity of non-current bond notes is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs'000	Rs'000	Rs'000	Rs'000
– after one year and before two years	927,710	-	927,710	-
– after two years and before five years	354,099	1,354,000	354,099	1,354,000
– after five years	4,791,753	2,430,526	4,791,753	2,430,526
	6,073,562	3,784,526	6,073,562	3,784,526

(f) Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

(g) **Bank loans**

Bank loans are secured and bear interest rates as disclosed per note 21(m). The maturity of non-current borrowings is as follows (excluding bond notes and lease liabilities):

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs'000	Rs'000	Rs'000	Rs'000
– after one year and before two years	2,162,382	2,321,441	267,900	267,787
– after two years and before five years	11,849,226	6,241,999	491,956	759,857
– after five years	9,030,196	13,425,496	1,481,767	1,481,812
	23,041,804	21,988,936	2,241,623	2,509,456

During the year, convenants imposed by ABC Banking Corporation Ltd have been breached by Rogers Capital Ltd and Rs 26.4m (2023: Rs 94.9m) has been reclassified from non - current to current liabilities. However, after year end, condonation letter has been obtained from the bank.

(h) **Lease liabilities**

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,	1,211,911	1,125,708	9,121	15,317
Additions	480,831	305,172	-	-
Effect of remeasurement	(3,100)	11,200	-	-
Interest expense	14,497	10,445	667	(203)
Lease payment	(314,801)	(241,317)	(5,684)	(5,993)
Exchange difference	6,300	35,012	-	-
Disposal of subsidiaries	-	(32,000)	-	-
Termination of lease	(6,859)	(2,309)	-	-
At June 30,	1,388,779	1,211,911	4,104	9,121
Analysed as follows:				
Current	344,590	239,023	-	6,136
Non-current	1,044,189	972,888	4,104	2,985
	1,388,779	1,211,911	4,104	9,121
The gross payments of lease liabilities is analysed as follows:				
– not later than one year	367,938	285,349	-	5,803
– after one year and before two years	351,961	350,783	402	181
– after two years and before five years	543,569	498,526	630	561
– after five years	230,862	160,065	11,793	10,584
Total lease liabilities	1,494,330	1,294,723	12,825	17,129
Less interest	(105,551)	(82,812)	(8,721)	(8,008)
Discounted lease liabilities	1,388,779	1,211,911	4,104	9,121

- **Amounts recognised in profit or loss**

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs'000	Rs'000	Rs'000	Rs'000
Leases under IFRS 16				
Interest on lease liabilities	63,434	51,653	388	699
Variable lease payments not included in the measurement of lease liabilities	800	700	-	-
Expenses relating to short-term leases	54,900	33,800	-	-
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	51,000	38,200	-	-
• **Amounts recognised in statement of cash flows**				
Total cash outflow for leases	314,801	241,317	5,684	5,993

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YEAR ENDED JUNE 30, 2024

21. BORROWINGS (CONT'D)

(h) **Lease liabilities (cont'd)**

The group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

On long term lease contracts extending over periods of 60 to 99 years, the group cannot make an assessment of whether it will renew these leases at this stage.

(i) **Redeemable notes**

During the financial year 2023, Ascencia Limited, a subsidiary company has issued 4,760 notes at a nominal issue price of Rs 1m per note and total amounting to Rs 4.8bn. Salient features of the notes are as follows:

- The blended interest rate is 3.82% and interest is paid bi-annually. The interest rate shall also vary according to the loan rating.
- Note holders will not have the right to receive notice of, or attend, or vote on a poll at the shareholders' meetings of the company.
- The notes can be redeemed by the issuer at anytime after the 5th anniversary.
- The average tenor of the notes in issue is 9.3 years and will be redeemed in bullet at maturity.

(j) **Convertible bonds**

During the financial year 2023, Veranda Tamarin Ltd, a subsidiary company, entered into a bond agreement with the Mauritius Investment Corporation Ltd (''MIC''), a company set up by the Bank of Mauritius, to provide financial support to companies heavily impacted by COVID-19. The agreement stipulates that VLH Ltd will issue convertible bonds in favour of MIC amounting to Rs 100m. During the year, issue of 10 secured redeemable convertible bonds with a nominal value of Rs 10m per bond were issued, raising a total of Rs 100m and bearing interest rate of 3.5% per annum and a maturity of 8 years. The bonds are regarded as compound financial instruments and have an equity portion (Rs 78.6m) and a liability component (Rs 20.1m).

During the financial year 2023, an issue of 70 secured redeemable convertible bonds with a nominal value of Rs 10m per bond were issued, raising a total of Rs 700m and bearing interest rate of 3.3% per annum and a maturity of 7 years. The bonds are regarded as compound financial instruments and have an equity portion (Rs 566.6m) and a liability component (Rs 133.4m).

During the financial year 2021, VLH Ltd, a subsidiary company, entered into a bond agreement with the Mauritius Investment Corporation Ltd (''MIC''), a company set up by the Bank of Mauritius, to provide financial support to companies heavily impacted by COVID-19. The agreement stipulates that VLH Ltd will issue convertible bonds in favour of MIC amounting to Rs 1,300m. On June 28, 2021, a first issue of 60 secured redeemable convertible bonds with a nominal value of Rs 10m per bond were issued, raising a total of Rs 600m and bearing interest rate of 3.2% per annum and a maturity of 9 years. The bonds are regarded as compound financial instruments and have an equity portion (Rs 467.4m) and a liability component (Rs 127.2m).

(k) **Liabilities at fair value through profit or loss**

Non-current	THE GROUP	
	2024	2023
	Rs'000	Rs'000
At July 1,	**313,700**	325,000
Additions	**4,300**	-
Amount recognised in profit or loss	**-**	(11,300)
At June 30,	**318,000**	313,700

Financial liabilities are classified under level 3 of the fair value hierarchy.

	Valuation technique 2024 & 2023	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
Redeemable convertible bonds	DCF and option pricing	Credit Spread	2024: 2% - 2.5% (2023: 2% - 2.5%)	The expected fair value will increase/ (decrease) by Rs 7.1m and Rs 6.8m (2023: Rs 7.1m and Rs 6.8m), if the credit spread will be higher or lower by 0.5%.

(l) **Loans from other companies**

These loans are secured by floating charges on the assets of the borrowing companies.

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YEAR ENDED JUNE 30, 2024

21. BORROWINGS (CONT'D)

(m) The effective interest rates at the end of the reporting period were as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	%	%	**%**	%
Secured variable rate notes	**key+0.65-3.00**	key+0.65-3.00	**-**	-
Bank overdrafts	**1-14**	4.1-7.75	**6.75-7.05**	6.75
Bank loans	**1-14**	1-14	**6.15-6.8**	5.40-6.75
Bond notes	**4.90-6.70**	3.55-6.3	**4.90-6.70**	4.90-6.70
Loans from other companies	**4**	4	**-**	-
Debentures	**6**	6	**-**	-
Lease liabilities	**1-10.8**	1-9.8	**5.60-6.25**	5.60-6.25
Loans from other companies	**4**	4	**-**	-

(n) The exposure of the group's borrowings to the interest rate changes and the contractual repricing dates are disclosed above.

(o) The carrying amounts of borrowings are not materially different from their fair value.

(p) **Critical accounting estimates**

Determining the lease term of contracts with renewal and termination options - group as lessee

The group determines the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, that is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the group reassesses the lease term if there is a significant event or change in circumstances within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Liabilities at fair value through profit or loss

The fair value of financial instruments is the price that would be paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of EBITDA growth rate, discount factor including credit spread, volatility and return on share price.

22. DEFERRED INCOME TAXES

(a) **Accounting policy**

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

For the purpose of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amount of such properties is presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment properties are depreciable and are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale.

(b) Deferred income taxes are calculated on all temporary differences under the liability method at 17% (2023: 17%).

There is a legally enforceable right to offset deferred tax assets against deferred tax liabilities when the deferred income taxes relate to the same fiscal authority on the entity. The following amounts are shown on the statement of financial position.

Deferred tax assets on tax losses carried forward are recognised only to the extent that realisation of the related tax benefit is probable. The recoverability of tax losses is limited to a period of five years from the relevant year of assessment except for losses attributable to annual allowances claimed in respect of capital expenditure.

At the end of the reporting period, the group and the company had unused tax losses of Rs 2,339m and Rs 1,740m respectively (2023: Rs 2,090m and Rs 1,582m respectively) available for offset against future profits. A deferred tax asset of Rs 14.1m (2023: Rs 9.1m) has been recognised by the group in respect of part of these losses. No deferred tax asset has been recognised in respect of remaining losses due to the unpredictability of future profit streams. The tax losses expire on a rolling basis over 5 years except for losses attributable to annual allowances claimed in respect of capital expenditure.

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Deferred tax assets	**179,222**	217,300	**64,834**	69,002
Deferred tax liabilities	**(1,772,743)**	(1,512,524)	**-**	-
Net deferred tax (liabilities)/assets	**(1,593,521)**	(1,295,224)	**64,834**	69,002

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

22. DEFERRED INCOME TAXES (CONT'D)

(c) The movement in the deferred income tax account is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**(1,295,224)**	(786,237)	**69,002**	73,749
On deconsolidation of subsidiaries (note 43A(A)(c))	**(700)**	(44,100)	**-**	-
Acquisition of subsidiary (note 43A(A)(b))	**(2,770)**	299	**-**	-
Charged to profit or loss	**(220,424)**	(171,859)	**(7,351)**	(5,060)
(Charged)/credited to other comprehensive	**(74,403)**	(293,327)	**3,183**	313
At June 30,	**(1,593,521)**	(1,295,224)	**64,834**	69,002

(d) The movement in deferred income tax assets and liabilities during the year is as follows:

THE GROUP

(i) **2024**

	At July 1,	Reclassification	On deconsolidation of subsidiaries	Acquisition of subsidiary	(Charged)/ credited to profit or loss	(Charged)/ credited to other comprehensive income	At June 30,
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Accelerated tax depreciation	(601,040)	(19,300)	300	(2,770)	(134,942)	(44,906)	**(802,658)**
Asset revaluations	(521,164)	(300)	-	-	1,631	(43,600)	**(563,433)**
Impairment/fair value	(367,387)	18,000	(1,000)	-	(48,200)	(300)	**(398,887)**
Straightlining of rental income	(34,667)	-	-	-	10,313	-	**(24,354)**
Extended warranty	11,733	-	-	-	4,856	-	**16,589**
Tax losses	(55,543)	1,600	-	-	(36,145)	-	**(90,088)**
Lease liabilities	51,334	-	-	-	841	-	**52,175**
Employee benefits liabilities	214,043	-	-	-	(18,628)	14,403	**209,818**
Estimated credit losses	7,467	-	-	-	(150)	-	**7,317**
Deferred tax (liabilities)/assets	**(1,295,224)**	**-**	**(700)**	**(2,770)**	**(220,424)**	**(74,403)**	**(1,593,521)**

(ii) 2023

	At July 1,	Reclassification	On deconsolidation of subsidiaries	Acquisition of subsidiary	(Charged)/ credited to profit or loss	(Charged)/ credited to other comprehensive income	At June 30,
Accelerated tax depreciation	(433,231)	-	1,700	(435)	(169,005)	(69)	(601,040)
Asset revaluations	(222,725)	-	-	-	1,861	(300,300)	(521,164)
Impairment/fair value	(340,087)	-	(21,500)	-	(5,800)	-	(367,387)
Straightlining of rental income	(40,352)	-	-	-	5,685	-	(34,667)
Extended warranty	10,320	-	-	-	1,413	-	11,733
Tax losses	(25,754)	-	(24,300)	734	(6,223)	-	(55,543)
Lease liabilities	53,582	-	-	-	(2,248)	-	51,334
Employee benefits liabilities	204,667	-	-	-	2,334	7,042	214,043
Estimated credit losses	7,343	-	-	-	124	-	7,467
Deferred tax (liabilities)/assets	(786,237)	-	(44,100)	299	(171,859)	(293,327)	(1,295,224)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

22. DEFERRED INCOME TAXES (CONT'D)

(e) THE COMPANY

2024	At July 1,	Credited/ (charged) to profit or loss	Credited to other comprehensive income	At June 30,
	Rs'000	Rs'000	Rs'000	Rs'000
Asset revaluations	(1,994)	1,158	-	(836)
Accelerated tax depreciation	6,706	(629)	-	6,077
Estimated credit losses	5,093	(89)	-	5,004
Employee benefits liabilities	59,197	(7,791)	3,183	54,589
Deferred tax assets/(liabilities)	**69,002**	**(7,351)**	**3,183**	**64,834**

2023				
Asset revaluations	(836)	(1,158)	-	(1,994)
Accelerated tax depreciation	8,705	(1,999)	-	6,706
Estimated credit losses	4,962	131	-	5,093
Employee benefits liabilities	60,918	(2,034)	313	59,197
Deferred tax assets/(liabilities)	73,749	(5,060)	313	69,002

(f) **Critical accounting estimates**

Deferred tax on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties, the directors have reviewed the group's investment property portfolio and have concluded that none of the properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time rather than through sale. As a result, the group has not recognised deferred tax on changes in the fair value of its investment properties as the group is not subject to capital gains tax on disposal of its investment properties.

23. DEFERRED RENT ASSETS

Accounting policy

Deferred rent assets arise from the straightlining of rental income.

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**6,382**	4,183	**6,382**	4,183
Movement	**2,249**	2,199	**2,249**	2,199
At June 30,	**8,631**	6,382	**8,631**	6,382

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

24. DEFERRED INCOME

(a) **Accounting policy**

The deferred income arises as a result of the capital grants received by AFD following their capital expenditure incurred on plant and machinery. This deferred income will be released to other income on the lifetime of the asset. Deferred income released to other income during the year amounts to Rs 668,000 (2023: Rs 666,000).

(b)

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
Arising from (Agence Francaise de Développement (AFD)) grant	**16,424**	10,903

	2024	2023
	Rs'000	Rs'000
At July 1,	**10,903**	11,569
Acquisition through business combination (note 43A(b))	**6,189**	-
Income recognised	**(668)**	(666)
At June 30,	**16,424**	10,903

25. EMPLOYEE BENEFITS LIABILITIES/(ASSETS)

	THE GROUP		THE COMPANY	
Items of employees benefits include:	**2024**	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Employee benefits assets	**(37,200)**	(25,000)	**-**	-
Retirement benefit obligations (see note (A))	**1,053,426**	1,081,507	**318,262**	345,516
Provision for vacation leaves (see note (B))	**52,663**	28,400	**2,851**	2,700
	1,106,089	1,109,907	**321,113**	348,216

(A) **Retirement benefit obligations**

(a) **Accounting policy**

Defined benefit plans

A defined benefit plan is a pension plan that defines an amount of pension that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. Some subsidiaries of the group contribute to defined benefit plans for certain employees. The cost of providing benefits is determined using the projected unit credit method so as to spread the regular cost over the service lives of employees in accordance with the advice of actuaries. The liability recognised on the statement of financial position is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The assets of the plan are invested in the deposit administration policy, a pooled insurance product for group Pension Schemes, underwritten by Swan Life. It is a long-term investment policy which aims to provide a smooth progression of returns from one year to the next without regular fluctuations associated with asset-linked investments.

The assessment of these obligations is carried out annually by an independent firm of consulting actuaries using the unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using rates of government bonds.

Re-measurement of the net defined benefit liability, which comprises actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur and will not be reclassified to profit or loss in subsequent periods.

The group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss. Service costs, comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements, are recognised immediately in profit or loss.

The deficit standing in the defined benefit plans are funded over a period of time by way of additional contributions computed by the actuaries and agreed with the Regulator. This deficit is monitored by the actuaries and adjusted accordingly in the event of significant changes in the deficit level.

Contributions to the National Pension Scheme and the group's defined contribution pension plans are expensed to the statements of profit or loss in the year in which they fall due.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

25. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(a) Accounting policy (cont'd)

Defined contribution plans

A defined contribution plan is a pension plan under which a company pays fixed contributions into a separate entity. There is no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Some subsidiaries operate a defined contribution plan for all qualifying employees. Payments to defined contribution retirement plans are recognised as an expense when employees have rendered services that entitle them to the contributions. Some subsidiary companies operate defined contribution retirement plans with no worse off guarantees provided for certain employees.

Some of the subsidiary companies operate defined contribution schemes with the Sugar Industry Pension Fund.

Following an agreement with the Sugar Industry Staff Employee's Association where a pension is provided on retirement, the scheme operates as a defined benefit scheme.

The group also runs a defined contribution plan, the Rogers Pension Fund (RPF), to which have been transferred the pension benefits of all employees who were members of a self-administered defined benefit superannuation fund (DBSF). These employees, subject to them contributing regularly to the RPF, have been given the guarantee by their respective employers that their benefits at the age of sixty, under the RPF would not be less than the benefits provided under the ex DBSF. The potential liability under the above guarantee is funded by additional employers' contributions and has been included in the provision made for retirement benefit obligations.

Retirement gratuity

For employees who are not covered (or who are insufficiently covered by the above pensions plans), the net present value of gratuity on retirement payable under the Workers Rights Act 2019(WRA) is calculated by a qualified actuary and provided for. The obligations arising under this item are not funded.

Contributions to the Contribution Sociale Généralisée and the group's defined contribution pension plan are expensed to the statements of profit or loss in the year in which they fall due.

There has been a change in the WRA in the computation of gratuity or lump sum under sections 95, 95A, 96, 99 and 100. The notional calculation of daily rate of pay for a full-time worker and part-time worker is now on the basis of 26 days in a month. This change has impacted on the past service costs.

(b) Amounts recognised on the statements of financial position

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Employee benefits assets (note c)	**(37,200)**	(25,000)	**-**	-
	(37,200)	(25,000)	**-**	-
Defined pension schemes (note (d)(ii))	**515,411**	540,827	**244,601**	262,769
Other post retirement benefits (note (e)(i))	**538,015**	540,680	**73,661**	82,747
	1,053,426	1,081,507	**318,262**	345,516
Analysed as follows:				
Non-current assets	**(37,200)**	(25,000)	**-**	-
Non-current liabilities	**1,053,426**	1,081,507	**318,262**	345,516
Amounts charged to profit or loss:				
– Defined pension benefits (note (d)(vi))	**85,523**	5,199	**70,795**	12,307
– Other post retirement benefits (note (e)(iv))	**2,447**	147,654	**4,335**	13,018
	87,970	152,853	**75,130**	25,325
Amount charged/(credited) to other comprehensive income:				
– Defined pension benefits (note (d)(vii))	**48,012**	(2,723)	**23,853**	(5,278)
– Other post retirement benefits (note (e)(v))	**82,221**	20,546	**(5,131)**	13,933
	130,233	17,823	**18,722**	8,655

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

25. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(c) **Employee benefits assets - Defined pension benefits**

(i) The amounts recognised on the statements of financial position are as follows:

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
Present value of funded obligations	**2,924,100**	2,500,900
Fair value of plan assets	**(2,977,000)**	(2,622,500)
Excess of fair value of plan assets over present value of funded obligations	**(52,900)**	(121,600)
Impact of minimum funding requirement/asset ceiling	**15,700**	96,600
Asset in the statements of financial position	**(37,200)**	(25,000)

(ii) The movement in asset recognised on the statements of financial position is as follows:

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
At July 1,	**(25,000)**	(36,200)
Charged to profit or loss	**3,400**	4,100
(Credited)/charged to other comprehensive income	**(13,700)**	9,100
Contributions paid	**(1,900)**	(2,000)
At June 30,	**(37,200)**	(25,000)

(iii) The movement in the fair value of plan assets during the year is as follows:

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
At July 1,	**2,622,500**	2,549,000
Interest income	**141,200**	117,200
Employer contributions	**1,900**	2,000
Benefits paid	**(190,400)**	(219,900)
Return on plan assets excluding interest income	**401,800**	174,200
At June 30,	**2,977,000**	2,622,500

(iv) The movement in the defined benefit obligations during the year is as follows:

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
At July 1,	**2,500,900**	2,450,500
Current service cost	**4,800**	5,900
Interest expense	**134,400**	112,400
Benefits paid	**(190,400)**	(219,900)
Liability experience losses	**167,100**	291,600
Liability losses/(gains) due to change in financial assumptions	**307,300**	(139,600)
At June 30,	**2,924,100**	2,500,900

(v) Reconciliation of the effect of the asset ceiling:

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
At July 1,	**96,600**	62,300
Charged to profit or loss	**5,400**	3,000
(Credited)/charged to other comprehensive income	**(86,300)**	31,300
At June 30,	**15,700**	96,600

(vi) The amounts recognised in profit or loss are as follows:

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
Current service cost	**4,800**	5,900
Interest income	**(1,400)**	(1,800)
	3,400	4,100

(vii) The amounts recognised in other comprehensive income are as follows:

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
Return on plan assets excluding interest income	**(401,800)**	(174,200)
Liability experience losses	**167,100**	291,600
Liability losses/(gains) due to change in financial assumptions	**307,300**	(139,600)
Change in effect of asset ceiling	**(86,300)**	31,300
	(13,700)	9,100

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

25. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) **Retirement benefit obligations (cont'd)**

(c) **Employee benefits assets - Defined pension benefits (cont'd)**

(viii) The allocation of the plan assets at the end of the reporting period is as follows:

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
Equity - Overseas quoted	**803,800**	629,600
Equity - Local quoted	**833,600**	839,300
Debt - Overseas unquoted	**565,600**	419,100
Debt - Local unquoted	**476,300**	550,900
Property - Local	**59,500**	52,400
Cash and cash equivalents	**238,200**	131,200
	2,977,000	2,622,500

(ix) The principal assumptions used for accounting purposes of the actuarial valuations were as follows:

	THE GROUP	
	2024	2023
	%	%
Discount rate	**5.40**	5.58
Future salary increases	**3.50**	3.0

(x) *Sensitivity analysis on defined benefit obligations at end of the reporting period:*

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
Decrease due to 1% increase in discount rate	**167,300**	154,100
Increase due to 1% decrease in discount rate	**195,500**	182,500

The sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. The results are particularly sensitive to a change in discount rate due to the nature of the liabilities being the difference between a minimum defined benefit ("DB") liability and the projected defined contribution ("DC") liabilities, the latter being Rs 175.9m as at April 30, 2024 (2023: Rs 175.9m). Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

The sensitivity have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligation has been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined contribution as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(xi) The group expects to pay Rs 2.0m (2024: Rs 2.1m) as contributions for the year ended June 30, 2025.

(xii) The weighted average duration of the defined benefit obligation is 8.5 years (2023: 9.7 years) for the group at the end of the reporting period.

(d) **Retirement benefit obligation - Defined pension benefits**

(i) The group operates defined benefit pension plans for some of its subsidiary companies. They provide for a pension at retirement and benefit on death or disablement in service before retirement. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligations were carried out at June 30, 2024.

(ii) The amounts recognised on the statements of financial position are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Present value of funded obligations	**1,250,687**	1,280,259	**410,928**	469,405
Present value of unfunded defined benefit obligations	**26,854**	20,023	**-**	-
Fair value of plan assets	**(762,130)**	(759,455)	**(166,327)**	(206,636)
Deficit of funded plans	**515,411**	540,827	**244,601**	262,769

(iii) The movement in liability recognised on the statements of financial position is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**540,827**	619,374	**262,769**	291,418
(note 43A(A)(b)) Acquisition through business combination	**23**	-	**-**	-
Charged to profit or loss	**85,523**	5,199	**70,795**	12,307
Charged/(credited) to other comprehensive income	**48,012**	(2,723)	**23,853**	(5,278)
Contributions paid	**(158,974)**	(81,023)	**(112,816)**	(35,678)
At June 30,	**515,411**	540,827	**244,601**	262,769

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

25. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) **Retirement benefit obligations (cont'd)**

(d) **Retirement benefit obligation - Defined pension benefits (cont'd)**

(iv) The movement in the defined benefit obligations during the year is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**1,300,282**	1,400,554	**469,405**	483,840
Acquisition through business combination (note 43A(A)(b))	**44**	-	**-**	-
Current service cost	**20,973**	21,598	**824**	928
Past service cost	**36,806**	(17,054)	**55,979**	-
Settlement loss	**-**	(22,100)	**-**	-
Interest cost	**63,383**	47,959	**19,957**	13,465
Actuarial losses/(gains)	**23,520**	11,439	**(2,051)**	(2,880)
Employee contributions	**(191)**	(188)	**9**	12
Liability gains/(losses) due to change in financial assumptions	**15,547**	(72,866)	**5,311**	(18,824)
Liability losses due to change in demographic assumptions	**4,200**	1,300	**-**	-
Benefits paid	**(206,256)**	(102,520)	**(162,044)**	(28,805)
Liability experience losses	**19,233**	32,160	**23,538**	21,669
At June 30,	**1,277,541**	1,300,282	**410,928**	469,405

(v) The movement in the fair value of plan assets during the year is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**(759,455)**	(781,180)	**(206,636)**	(192,422)
Acquisition through business combination (note 43A(A)(b))	**(21)**	-	**-**	-
Employer contributions	**(158,974)**	(81,023)	**(112,816)**	(35,678)
Employee contributions	**191**	188	**(9)**	(12)
Scheme expenses	**3,457**	835	**2,826**	516
Interest income	**(39,444)**	(29,040)	**(8,858)**	(4,260)
Cost of insuring risk benefits	**348**	3,001	**67**	1,658
Benefits paid	**206,256**	102,520	**162,044**	28,805
Actuarial (gains)/losses	**(14,488)**	25,244	**(2,945)**	(5,243)
At June 30,	**(762,130)**	(759,455)	**(166,327)**	(206,636)

(vi) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Current service cost	**20,973**	21,598	**824**	928
Past service cost	**36,806**	(17,054)	**55,979**	-
Cost of insuring risk benefits	**348**	3,001	**67**	1,658
Interest cost	**23,939**	18,919	**11,099**	9,205
Settlement loss	**-**	(22,100)	**-**	-
Scheme expenses	**3,457**	835	**2,826**	516
Total included in employee benefit expense (note 34(b))	**85,523**	5,199	**70,795**	12,307

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

25. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) **Retirement benefit obligations (cont'd)**

(d) **Retirement benefit obligation - Defined pension benefits (cont'd)**

(vii) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
(Gains)/losses on pension scheme assets	**(13,302)**	17,505	**(2,513)**	(6,425)
Liability experience losses	**35,691**	77,167	**20,926**	33,235
Liability losses/(gains) due to change in financial assumptions	**15,547**	(72,866)	**5,311**	(18,824)
Liability losses due to change in demographic assumptions	**4,200**	1,300	**-**	-
Return on plan assets	**(1,181)**	7,739	**(433)**	1,182
Changes in assumptions underlying the present value of the scheme	**7,057**	(33,568)	**562**	(14,446)
Actuarial losses/(gains) recognised in other comprehensive income	**48,012**	(2,723)	**23,853**	(5,278)

(viii) The principal assumptions used for accounting purposes of the actuarial valuations were as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	%	%	**%**	%
Discount rate	**3.6-5.4**	1.1-6.7	**3.6-5.1**	4.7-5.4
Expected return on plan assets	**-**	5.0	**-**	5.0
Future salary increases	**3.5**	3.0-4.29	**3.5**	4.3

(ix) The allocation of the plan assets at the end of the reporting period is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	%	%	**%**	%
Qualifying insurance policies*	**21.16**	19.68	**-**	-
Local equities	**18.53**	21.40	**24.00**	27.00
Overseas equities	**19.98**	18.56	**27.00**	24.00
Debt	**18.60**	21.47	**26.00**	25.00
Property	**16.02**	14.60	**19.00**	19.00
Cash and cash equivalents	**5.58**	4.16	**4.00**	5.00
Investment funds	**0.13**	0.13	**-**	-
	100.00	100.00	**100.00**	100.00

* Some of the assets of the plan are invested in the deposit administration policy underwritten by Swan Life. The deposit administration policy is a pooled insurance product for group pension schemes. It is a long-term investment policy which aims to provide a smooth progression of returns from one year to the next without regular fluctuations associated with asset-linked investments such as equity funds. Moreover, the deposit administration policy offers a minimum guaranteed return of 4%.

The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

(x) Sensitivity analysis on defined benefit obligations at end of the reporting period:

	THE GROUP	THE COMPANY
June 30, 2024	**Rs'000**	**Rs'000**
Decrease due to 1% increase in discount rate	**69,511**	**18,028**
Increase due to 1% decrease in discount rate	**76,152**	**20,475**
Increase in Defined Benefit Obligation due to 1% increase in future long-term salary assumptions	**24,593**	**2,163**
Decrease in Defined Benefit Obligation due to 1% decrease in future long-term salary assumptions	**21,835**	**1,953**
June 30, 2023		
Decrease due to 1% increase in discount rate	66,390	17,474
Increase due to 1% decrease in discount rate	75,008	19,878
Increase in Defined Benefit Obligation due to 1% increase in future long-term salary assumptions	23,290	1,516
Decrease in Defined Benefit Obligation due to 1% decrease in future long-term salary assumptions	20,568	1,359

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

25. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) **Retirement benefit obligations (cont'd)**

(d) **Retirement benefit obligation - Defined pension benefits (cont'd)**

(x) The sensitivity analysis has been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligations have been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(xi) The defined pension plans expose the group to actuarial risks such as longevity risk, salary risk, interest risk and market (investment) risk.

Longevity risk

The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk

The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Market (investment risk)

The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Longevity and salary risks are applicable to defined benefit plan only.

(xii) The group expects to pay Rs 56m (2024: Rs 87m) respectively as contributions to their post-employment benefit plans for the year ended June 30, 2025.

(xiii) The weighted average duration of the defined benefit obligation is between 1 and 22 years (2023: 1 and 23 years) for the group at the end of the reporting period.

(e) **Other post retirement benefits**

Other post retirement benefits comprise of gratuity on retirement payable under the Workers' Rights Act 2019 and other benefits.

(i) The amounts recognised on the statements of financial position are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Present value of unfunded obligations	**538,015**	540,680	**73,661**	82,747

(ii) The movement in liability recognised on the statements of financial position is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**540,680**	418,615	**82,747**	64,499
Charged to profit or loss	**2,447**	147,654	**4,335**	13,018
Charged/(credited) to other comprehensive income	**82,221**	20,546	**(5,131)**	13,933
Employer contributions	**(87,333)**	(37,535)	**(8,290)**	(8,703)
Transfer to defined pension benefits	**-**	(8,600)	**-**	-
At June 30,	**538,015**	540,680	**73,661**	82,747

(iii) The movement in the defined benefit obligations during the year is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**540,680**	418,615	**82,747**	64,499
Effect of curtailments/settlements	**-**	(200)	**-**	-
Current service cost	**35,264**	33,902	**1,944**	1,679
Past service cost and gains and losses on settlements	**(63,873)**	96,886	**(1,466)**	9,676
Interest expense	**23,737**	17,068	**3,857**	1,663
Actuarial losses/(gains)	**11,922**	22,770	**(9,791)**	8,547
Liability experience losses	**41,748**	32,585	**3,738**	6,347
Liability losses/(gains) due to change in financial assumptions	**44,070**	(38,421)	**922**	(961)
Liability losses due to change in demographic assumptions	**(8,200)**	3,610	**-**	-
Benefits paid	**(87,333)**	(37,535)	**(8,290)**	(8,703)
Transfer to defined pension benefits	**-**	(8,600)	**-**	-
At June 30,	**538,015**	540,680	**73,661**	82,747

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

25. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) **Retirement benefit obligations (cont'd)**

(e) **Other post retirement benefits (cont'd)**

(iv) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Current service cost	**35,264**	33,902	**1,944**	1,679
Effect of curtailments/settlements	**7,319**	(200)	**-**	-
Past service cost	**(63,873)**	96,884	**(1,466)**	9,676
Interest expense	**23,737**	17,068	**3,857**	1,663
Total included in employee benefit expense (note 34(b))	**2,447**	147,654	**4,335**	13,018

(v) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Liability experience losses	**44,442**	41,902	**3,857**	4,141
Liability (gains)/losses due to change in demographic assumptions	**(8,200)**	3,610	**-**	-
Liability gains due to change in financial assumptions	**30,738**	(11,454)	**(9,079)**	9,773
Loss on pension scheme assets	**939**	244	**-**	-
Changes in assumptions underlying the present value of the scheme	**14,302**	(13,756)	**91**	19
Actuarial losses recognised in other comprehensive income	**82,221**	20,546	**(5,131)**	13,933

(vi) The principal assumptions used for the purposes of the actuarial valuations were as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	%	%	**%**	%
Discount rate	**4.40-5.40**	5.0-7.2	**4.4-4.8**	4.8-5.2
Future long term salary increase	**2.5-3.5**	2.5-4.29	**3.3-3.5**	3.3-4.3
Future guaranteed pension increase	**1.0-3.20**	2.0	**2.0**	2.0

(vii) Sensitivity analysis on defined benefit obligations at end of the reporting period:

	THE GROUP	THE COMPANY
June 30, 2024	**Rs'000**	**Rs'000**
Decrease due to 1% increase in discount rate	**72,004**	**2,990**
Increase due to 1% decrease in discount rate	**74,468**	**3,317**
Increase due to 1% increase in future long-term salary assumptions	**16,145**	**963**
Decrease due to 1% decrease in future long-term salary assumptions	**13,517**	**809**
June 30, 2023		
Decrease due to 1% increase in discount rate	58,602	2,650
Increase due to 1% decrease in discount rate	75,110	2,915
Increase due to 1% increase in future long-term salary assumptions	37,558	24,443
Decrease due to 1% decrease in future long-term salary assumptions	36,302	25,239

(viii) The weighted average duration of the defined benefit obligation is between 2 and 30 years (2023: 3 and 29 years) for the group at the end of the reporting period.

(B) **Provision for vacation leaves**

(a) **Accounting policy**

Vacation leave and other compensated absences with similar characteristics are accrued as a liability, as stipulated under long term benefits in IAS 19, as these benefits are earned by eligible employees based on past service and it is probable that the employer will compensate these employees for the benefits through paid time off or cash payments.

The assessment of this provision is carried out annually by management for eligible employees. Such employees are those who fall under the definition of a worker under The Workers' Rights Act 2019 and have covered a qualifying period of service.

The liability is measured using forecasted salary rates of the workers at the time of entitlement, which is then reduced by the average staff turnover applicable to the company. The present value of the vacation leave provision is determined by discounting the estimated future cash flows using rates of government bonds.

(b) The movement in the liability during the year is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**28,400**	23,657	**2,700**	2,419
Amount incurred/(released) during the year	**366**	(133)	**-**	-
Charge for the year	**23,897**	4,876	**151**	281
At June 30,	**52,663**	28,400	**2,851**	2,700

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YEAR ENDED JUNE 30, 2024

25. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(B) **Provision for vacation leaves (cont'd)**

(c) The principal assumptions used for the purpose of computing the provision were as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	%	%	**%**	%
Discount rate	**3.6-5.30**	2.1-5.0	**4.2**	4.9
Staff turnover	**1.0-53.9**	2.0-56.0	**14**	10
Future long term salary increase	**2.0-4.0**	2.0-3.3	**3.5**	3.3

(d) Sensitivity analysis on provision for vacation leaves at end of the reporting period:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Change by 1% in discount rate	**280**	89	**1**	1
Change by 1% in staff turnover	**345**	202	**1**	1
Change by 1% in future long-term salary assumptions	**315**	244	**2**	1

(e) **Critical accounting estimates**

Pension benefits

The present value of the pension obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The group determines the appropriate discount rate at the end of each year. This is the interest rate used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

Provision for vacation leaves

The present value of the provision for vacation leaves depend on a number of factors that are determined using a number of assumptions, which includes the discount rate. Any change in these assumptions will impact the carrying amount of the provision.

The group determines the appropriate discount rate at the end of each year. This is the interest rate used to determine the present value of the cost of the vacation leave. In determining the appropriate discount rate, the group considers the interest rates of high-quality corporate bonds that have maturity approximating the terms of the related provision.

26. OTHER LONG TERM PAYABLES

Accounting policy

Other long term payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. These relate to those payables which will be repaid after 12 months.

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Acquisition of land conversion rights	**-**	76,780	**-**	17,046

27. TRADE AND OTHER PAYABLES

(a) **Accounting policy**

Trade and other payables

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

The company grants an additional warranty coverage after expiry of the standard warranty provides by the car manufacturer for certain brand makes.

Provisions are recognised when the group 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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Repairs

The actual level of repairs under such claims incurred are charged against the initial provision made.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

27. TRADE AND OTHER PAYABLES (CONT'D)

(a) **Accounting policy (cont'd)**

Reversal of unused amount

The provision for deferred warranty is reversed on a straight line basis over the additional warranty period granted by the company. The unused amount of deferred warranty provision after charging actual repairs is reversed accordingly. At end of the additional warranty coverage term, the release of the deferred warranty is terminated concurrently.

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) Warranty

The company grants an additional warranty coverage after expiry of the standard warranty provided by the car manufacturer for certain brand makes.

(i) Provision

A provision for warranties is recognised for future expected warranty claims at time of sale of the vehicle to cover the additional warranty period. The provision for the deferred warranties is generally estimated based on the following:

- model and types of vehicles;
- historical data of claims made;
- past experience of the level of repairs done; and
- external factors (international freight evolution, changes in rate of foreign currency and inflation).

(ii) Discounting of provision

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Provisions are therefore discounted using weighted average interest rate based on the Company's current funding facilities.

(b)

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Trade payables	**4,151,525**	2,593,886	**9,355**	11,005
Other payables and accruals	**2,005,673**	2,980,510	**80,300**	83,185
	6,157,198	5,574,396	**89,655**	94,190

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

Other payables include unearned merchant discount, unearned insurance, provision for warranty and retention of payment to contractors for construction of villas.

Accruals consist of expenses accrued in the normal course of business.

(c)

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
Provisions	**364,000**	333,600

Provisions consist mainly of provisions made for bonuses, vacation leaves and travelling allowances.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

28. LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

(a) **Accounting policy**

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the group has received full or partial consideration from the customer. In cases where the customer pays consideration before the group transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognised as revenue when the group performs under the contract, that is, transfers control of the related goods or services to the customer. The group also derives income from sales of land options. A land option gives the customer the option to buy a property in the future against an upfront payment. The proceeds are treated as a contract liability as no performance obligation is delivered at that time until the customer buys the land or the option period expires. The contract liabilities relate to advance consideration received from customers for which revenue is recognised over time.

(b)

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**1,039,517**	1,000,414	**10,921**	33,980
Amounts included in contract liabilities that was recognised as revenue during the year	**(522,027)**	(672,667)	**(10,921)**	(25,205)
Cash received in advance of performance and not recognised as revenue during the year	**480,345**	708,670	**-**	2,146
Exchange difference	**4,700**	3,100	**-**	-
At June 30,	**1,002,535**	1,039,517	**-**	10,921
Analysed as follows:				
Non-current	**289,800**	272,900	**-**	-
Current	**712,735**	766,617	**-**	10,921
	1,002,535	1,039,517	**-**	10,921

Contract liabilities include advances received for port services, advance payment from customers, deposits from guest, packing, shipping and freight forwarding services for which performance obligations were not yet satisfied at end of the reporting period.

29. AMOUNTS PAYABLE TO GROUP COMPANIES

(a) **Accounting policy**

Amounts payable to group companies are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(b)	**2024**	2023
THE COMPANY	**Rs'000**	Rs'000
Subsidiary companies	**18,062**	143,757

Amounts payable to group companies are unsecured, interest free, repayable on demand, denominated in Mauritian Rupees and their carrying amounts approximate their fair values.

30. REVENUE

(a) **Accounting policy**

Revenue from contracts with customers

Performance obligations and timing of revenue recognition

The group derives most of its revenue from selling goods and services. Revenue is recognised at a point in time when control of the goods or services rendered are actually transferred to the customer. This is generally when the goods are delivered to the customer or services provided. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question. Revenue generated from the sale of goods and sale of services defined above are recognised either at a point in time or on an over time basis depending on when the control of the goods or services rendered is actually transferred to the customer. This is generally when the goods or services are delivered to the customer.

A subsidiary has entered into contracts with customers for the construction of apartments and duplexes and sale to customers on the basis of "Vente En État Future D'Achèvement (VEFA)". The transaction price is included in the agreement and payment is to be effected based on the relevant milestones achieved. As per the terms of the contract, the units/villas being sold to the customer has no other alternative use and the company has a right to payment for performance to date. Control passes on to the customer as and when construction progresses and hence, revenue is recognised over time.

Other than revenue from sale of villas or provision of landscaping services, all revenue generated from the sale of goods and services are recognised at a point in time.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

30. REVENUE (CONT'D)

(a) **Accounting policy (cont'd)**

Revenue from contracts with customers (cont'd)

Revenue from the sale of inventory property

Some subsidiaries enter into contracts with customers to sell property that are either completed or under development.

(i) Completed inventory property

The sale of completed property constitutes a single performance obligation and the group has determined that this is satisfied at the point in time when control transfers. For unconditional exchange of contracts, this generally occurs when legal title transfers to the customer. For conditional exchanges, this generally occurs when all significant conditions are satisfied.

(ii) Inventory property under development

The group considers whether there are promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. For contracts relating to the sale of property under development, the group is responsible for the overall management of the project and identifies various goods and services to be provided, including design work, procurement of materials, site preparation and foundation pouring, framing and plastering, mechanical and electrical work, installation of fixtures (e.g. windows, doors, cabinery, etc.) and finishing work. The group accounts for these items as a single performance obligation because it provides a significant service of integrating the goods and services (the inputs) into the completed property (the combined output) which the customer has contracted to buy. The over time recognition criteria would typically be measured using the output method by reference to the milestones/value of work certified by the valuer to the satisfaction of the performance obligation.

A subsidiary provides landscaping services to clients, with revenue recognised on an over time basis. The subsidiary recognises revenue based on stage of completion of the project, and certified by internal or external quantity surveyors.

A subsidiary is engaged in the sale of motor vehicles, parts and accessories is recognized at the point in time. It provides warranties which require the company to either replace or mend a defective product during the warranty period if the goods sold fail to comply with agreed-upon specifications. For warranties where the customer does not have the option to purchase separately and which do not provide a service in addition to the assurance that the product complies with agreed-upon specifications, the warranties are not accounted for as a separate performance obligation and hence no revenue is allocated to them separately. Instead, a provision is made for the costs of satisfying the warranties in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. It also sells maintenance contracts to customers. Revenue from these contracts are recognized over the contract period. A contract liability is recognized for payments made before service is offered.

Determining the transaction price

The group's revenue is mostly derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Each contract has a fixed price which is correspondingly allocated to performance obligations.

Other revenues earned by the group are recognised on the following bases:

(i) Rental income

Rental income is recognised on a straight line basis over the lease term.

(ii) The recognition of sugar and molasses proceeds is based on total production of the crop year. Bagasse proceeds are accounted for in the year in which it is received. Sugar prices are based on the recommendations made to all sugar companies by the Mauritius Chamber of Agriculture after consultation with the Mauritius Sugar Syndicate.

(iii) Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Earnings from finance leases are recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial assets. If the assets are no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

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

(v) Management fees are recognised when the control of services is transferred to the customer at an amount that reflects the condition to which the group expects to be entitled in exchange of those services.

(vi) Fees and commissions

Discounts received from merchants on financing of credit agreements are initially recognised and presented in other liabilities in the statements of financial position. The release to profit or loss is recognised in fee and commission income in the statements of profit or loss. Merchant discount is recognised over the period of time in line with the credit facility provided to the customers. Otherwise, commission accrues when the service is provided and billable. Other fees and commission income are recognised as the related services are performed.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

30. REVENUE (CONT'D)

(b)

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Sales of goods (including property)	**12,504,756**	10,226,666	**-**	-
Sales of services	**8,851,916**	7,906,006	**-**	-
Sugar and agricultural diversification proceeds	**819,146**	627,592	**-**	-
Management and secretarial fees	**13,218**	11,980	**49,952**	48,993
Other revenue	**694,136**	398,407	**26,602**	23,276
Revenue from contracts with customers	**22,883,172**	19,170,651	**76,554**	72,269
Rental income	**1,058,755**	1,056,972	**75,999**	73,382
Commission	**606,994**	469,735	**-**	-
Interest income calculated using the EIR	**166,900**	136,900	**-**	-
Interest	**8,135**	5,178	**59,939**	64,196
Dividend income	**8,827**	12,370	**831,652**	243,050
	24,732,783	20,851,806	**1,044,144**	452,897

(c) **Critical accounting estimates**

Revenue recognition

Revenue is recognised over time for long-terms contracts. Management exercises judgement in determining the performance obligations. In addition, management exercises judgement in assessing whether control has been transferred to the customer before revenue is recognised.

31(a) OTHER OPERATING EXPENSES

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Sugar estate other operating expenses	**750,717**	657,717	**141,457**	83,294
Depreciation and amortisation	**906,410**	833,534	**14,166**	11,554
Selling and other expenses	**410,249**	221,027	**-**	-
	2,067,376	1,712,278	**155,623**	94,848

31(b) ADMINSTRATIVE EXPENSES

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Employee benefit expense:				
– Wages, salaries and related expense	**2,760,782**	2,584,476	**89,343**	91,075
– Pension plans and other retirement benefit costs	**791,255**	729,986	**39,147**	8,230
Telecommunication expenses	**489,974**	407,158	**-**	-
Legal and professional fees	**335,756**	280,837	**-**	-
General and other expenses*	**896,964**	917,238	**282,590**	231,517
Repairs and maintenance	**336,761**	247,216	**-**	-
	5,611,492	5,166,911	**411,080**	330,822

* Consists mainly of management fees, insurance, rental, utilities and sundry expenses.

32. SPECIFIC ITEMS

(a) Cost of sales is made up of cost of inventories, employee benefit expense, depreciation and cost of raw materials.

(b)*(i)* During the year 2024, Agrïa Limited, a subsidiary company disposed plots of land at a profit of Rs 312m.

(ii) On February 15, 2024 and June 10, 2024, Rogers Hospitality Operations Ltd, a subsidiary company, disposed 100% stake in Croisières Australes Ltée and Blue Alizée Ltd for a total consideration of Rs 41.4m and Rs 16.7m respectively. The associated company, Lagoona Cruise Limitee, held by Croisières Australes Ltée was also disposed of. This transaction resulted in a group profit on deconsolidation of Rs 41.2m.

(iii) Profit on disposal of land, investment properties and investments includes gain on sale of land to a subsidiary amounting to Rs 148m at company level in 2023.

(c) On November 30, 2022, General Cargo Services Limited, a subsidiary company, acquired a 100% stake in Rongai Workshop and Transport Limited for a consideration of Rs 62.4m. The excess of the fair valuation of net assets over the consideration price resulting from this transaction amounted to Rs 53.0m. Refer to note 43A for more details.

33. FINANCE COSTS

(a) **Accounting policy**

Finance costs comprise of interest on borrowings using the effective interest rate method or the contractual rate and accrue to the period end.

Interest received and paid on consumer finance business is part of the operating activities of the group.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

33. FINANCE COSTS (CONT'D)

(b)

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
The finance costs are on:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Consumer finance business				
Interest expense - consumer finance business	**31,100**	26,000	**-**	-
Other financing				
– Bank overdrafts	**71,965**	50,591	**5**	3
– Bank and other loans	**1,933,372**	1,556,651	**557,514**	439,224
– Lease liabilities	**63,434**	51,653	**388**	699
	2,068,771	1,658,895	**557,907**	439,926
Foreign exchange losses	**(43,093)**	(17,739)	**(1,505)**	(371)
	2,025,678	1,641,156	**556,402**	439,555
Total finance costs	**2,056,778**	1,667,156	**556,402**	439,555

34. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Profit before taxation is arrived after:				
Crediting:				
Investment income from equity investments in financial assets at fair value through profit or loss	**2,374**	4,110	**45,129**	6,117
Investment income from equity investments in financial assets at fair value through other comprehensive income held during the reporting period	**6,453**	8,200	**-**	-
Investment income from subsidiaries, jointly controlled entities and associates	**-**	-	**782,796**	236,933
Interest income	**175,035**	129,768	**59,939**	64,196
Profit on disposal of property, plant and equipment, intangible assets, investment properties and investments	**368,711**	19,222	**12,301**	168,454
Fair value gain on revaluation of investment properties and straightlining adjustment	**636,743**	990,116	**248,738**	1,119,186
Fair value gain on financial assets at fair value through profit or loss (see note 11(c)(i))	**283**	-	**283**	-
and charging:				
Depreciation on property, plant and equipment	**824,792**	714,005	**10,487**	7,258
Depreciation of right of use assets	**180,948**	173,875	**3,665**	4,296
Amortisation of intangible assets	**67,397**	78,540	**-**	-
Fair value loss on financial assets at fair value through profit or loss (see note 11(c)(i))	**-**	20,970	**-**	20,970
Employee benefit expense (see note (b) below)	**3,552,037**	3,314,462	**128,490**	99,305

(a) Excess of fair value of the share of net assets over acquisition price arise upon acquisition of associated companies.

(b) Employee benefit expense

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Wages and salaries	**3,464,067**	3,161,609	**53,360**	73,980
Pension costs:				
– defined benefit plans (note 25(A)(d)(vi))	**85,523**	5,199	**70,795**	12,307
– other post retirement benefits (note 25(A)(e)(iv))	**2,447**	147,654	**4,335**	13,018
	3,552,037	3,314,462	**128,490**	99,305

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

35. INCOME TAX

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
(a) **CHARGE**	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Current tax on the adjusted profit for the year at 17% (including CSR) (2023: 17%)	**349,755**	268,144	**-**	-
Under provision	**3,093**	18,790	**-**	-
	352,848	286,934	**-**	-
Deferred tax charge	**220,424**	166,825	**7,351**	5,060
Income tax charge	**573,272**	453,759	**7,351**	5,060

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current tax charge is based on chargeable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Every Mauritian company is required to set up a CSR fund equivalent to 2% of its chargeable income of the preceding year and the company should remit 75% of the fund respectively to the Mauritian Tax Authorities. This practice is being interpreted and CSR is classified as taxation.

Income tax liabilities for the current and prior periods are measured at the amount expected to be paid to the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period.

(b) **LIABILITY**	THE GROUP	
	2024	2023
	Rs'000	Rs'000
At July 1,	**95,404**	129,044
Acquisition of subsidiaries	**1,600**	(15,100)
Corporate Social Responsibility	**34,231**	7,327
Under provision	**3,093**	18,790
Charge for the year	**315,524**	260,817
Paid during the year	**(226,406)**	(196,495)
Effect of tax deduction at source	**(109,258)**	(108,400)
Translation difference	**(2,037)**	(579)
At June 30,	**112,151**	95,404

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

	THE GROUP		THE COMPANY	
		Restated		
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Profit before taxation from continuing operations	**4,350,992**	3,504,460	**177,547**	853,574
Profit before taxation from discontinued operations	**-**	11,300	**-**	-
Tax calculated at a rate of 17% (2023: 17%)	**739,669**	563,402	**30,183**	145,108
Tax effect of :-				
Income not subject to tax (i)	**(926,795)**	(510,145)	**(203,298)**	(269,965)
Effect of different tax rates	**-**	424	**-**	-
Expenses not deductible for tax purposes (ii)	**746,403**	360,154	**108,728**	63,230
Recognised tax losses	**-**	(5,613)	**-**	-
Utilisation of previously unrecognised tax losses	**(686)**	(17,241)	**-**	-
Tax losses for which no deferred tax asset was recognised	**26,616**	70,504	**71,738**	66,687
Over provision of income tax in previous years	**3,093**	18,790	**-**	-
Effect of tax on associated companies	**(53,609)**	(39,584)	**-**	-
Other movements (iii)	**38,581**	13,068	**-**	-
Income tax charge	**573,272**	453,759	**7,351**	5,060

(i) Income not subject to tax includes annual allowances, dividend income from resident companies, exempt interest income, profit on sale of land and buildings, reversals of impairment losses, fair value gain on investment properties.

(ii) Expenses not deductible for tax purposes include interest on leases and bad debts written off.

(iii) Other movements consist of non qualifying assets on bearer biological assets and corporate social responsibility (CSR).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

36. FAIR VALUE, REVALUATION AND OTHER RESERVES

(a) THE GROUP

(i) **June 30, 2024**

	Holding company and subsidiaries		Associated companies	
	Revaluation reserves	Fair value, capital and translation reserves	Revaluation, fair value, capital and translation reserves	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2023	17,785,216	7,746	1,322,013	**19,114,975**
Transfers	-	(16,800)	10,933	**(5,867)**
Effect of change in ownership interest not resulting in loss of control	-	(2,118)	-	**(2,118)**
Other transfers		(24,967)		**(24,967)**
Other comprehensive income for the year:				
Gain on revaluation of property, plant and equipment	551,657	-	-	**551,657**
Change in fair value of equity instruments at fair value through other comprehensive income	-	200,099	202,966	**403,065**
At June 30, 2024	**18,336,873**	**163,960**	**1,535,912**	**20,036,745**

(ii) June 30, 2023

	Holding company and subsidiaries		Associated companies	
	Revaluation reserves	Fair value, capital and translation reserves	Revaluation, fair value, capital and translation reserves	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2022	15,237,390	85,994	1,448,552	16,771,936
Transfers	(549)	(25,800)	(177,054)	(203,403)
Effect of change in ownership interest not resulting in loss of control	-	-	291	291
Other comprehensive income for the year:				
Gain on revaluation of property, plant and equipment	2,548,375	-	-	2,548,375
Change in fair value of equity instruments at fair value through other comprehensive income	-	(52,448)	50,224	(2,224)
At June 30, 2023	17,785,216	7,746	1,322,013	19,114,975

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

36. FAIR VALUE, REVALUATION AND OTHER RESERVES (CONT'D)

(b) **THE COMPANY**

	2024	2023
	Rs'000	Rs'000
Revaluation and fair value reserves		
At July 1,	14,096,797	10,120,561
Transfer from retained earnings on capital reduction	(144,861)	(26,665)
Gain on revaluation of property, plant and equipment	-	26,547
Change in fair value of equity instruments at fair value through other comprehensive income	3,117,030	3,976,354
At June 30,	17,068,966	14,096,797

Revaluation and fair value reserves

Fair value and revaluation reserves consist of the cumulative gains/losses arising from revaluation of the group's property, plant and equipment, the cumulative net change in the fair value of financial assets at fair value through other comprehensive income and the foreign currency differences arising from the translation of the financial statements of foreign operations.

37. DIVIDENDS PAYABLE

(a) **Accounting policy**

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

(b)

	2024	2023
	Rs'000	Rs'000
At July 1,	187,498	168,748
Declared during the year	412,496	374,996
Paid during the year	(393,746)	(356,246)
At June 30,	206,248	187,498

(c)

	2024	2023
Amounts recognised as distributions to equity holders during the year:		
Ordinary shares		
- Interim dividend for the year ended June 30, 2024 of		
Rs 0.55 (2023: Rs 0.50) per share	206,248	187,498
- Final dividend for the year ended June 30, 2024 of		
Rs 0.55 (2023: Rs 0.50) per share	206,248	187,498
	412,496	374,996
Dividend per share (Rs)	1.10	1.00

38. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholder of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. At the reporting date, the group did not have shares with dilutive effects in issue (2023: nil).

			THE GROUP		THE COMPANY	
			2024	2023	2024	2023
(a)	**From continuing operations**					
	Net Profit attributable to owners of the company	Rs'000	2,100,656	1,740,709	170,196	848,514
	Basic number of ordinary shares in issue ('000)		374,996	374,996	374,996	374,996
	Earnings per share	Rs	5.60	4.64	0.45	2.26
(b)	**From discontinued operations**					
	Net Profit attributable to owners of the company	Rs'000	-	3,942	-	-
	Basic number of ordinary shares in issue ('000)		374,996	374,996	-	-
	Earnings per share	Rs	-	0.01	-	-

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

39. NOTES TO THE STATEMENTS OF CASH FLOWS

Cash and cash equivalents comprise of cash in hand, amounts repayable on demand from banks and financial institutions and short term highly liquid investments which were within three months of maturity when acquired, less bank overdrafts for the purpose of Statements of Cash Flows. Interest received and paid on consumer finance business is part of the operating activities of the group. Bank overdrafts are shown within loans and borrowings in current liabilities on the Statements of Financial Position. Cash and cash equivalents are measured at amortised costs and tested for impairment.

(a) **Cash generated from operations**

	Notes	THE GROUP 2024 Rs'000	THE GROUP 2023 (Restated) Rs'000	THE COMPANY 2024 Rs'000	THE COMPANY 2023 Rs'000
Profit before taxation from continuing operations		**4,350,992**	3,504,460	**177,547**	853,574
Profit before taxation from discontinued operations		**-**	11,300	**-**	-
Adjustments for:					
Depreciation of property, plant and equipment	5(b),5(c)	**824,792**	714,005	**10,487**	7,258
Depreciation of right of use assets	5(e)	**180,948**	173,875	**3,665**	4,296
Amortisation of intangible assets	7	**67,397**	78,540	**-**	-
Interest expense	33(b)	**2,068,771**	1,658,895	**556,402**	439,555
Interest income	30(b)	**(175,035)**	(142,078)	**(59,939)**	(64,196)
Fair value gain on investment properties and straightlining adjustment	6	**(636,743)**	(990,116)	**(248,738)**	(1,119,186)
Fair value (gain)/loss on financial assets at fair value through profit or loss		**(283)**	20,970	**(283)**	20,970
Release of deferred expenditure to expenses		**13,700**	6,688	**-**	-
Profit on disposal of property, plant and equipment, intangible assets and investment properties		**(368,711)**	(44,781)	**(12,301)**	(168,453)
Impairment on financial assets and receivables	12, 13, 16, 18	**144,076**	64,700	**4,814**	768
Provision for retirement benefit obligations	25(A)	**(149,118)**	42,227	**(45,976)**	(19,056)
Payment compensation loss of office	25(A)	**(7,719)**	(5,832)	**-**	-
Provision for vacation leave	25(B)	**24,263**	4,743	**151**	281
Share of results of associated companies and jointly controlled entities, net of dividends	9(b),10(b)	**(1,843,364)**	(1,359,646)	**-**	-
Share of results of societe		**-**	-	**(555)**	(392)
Grant released		**(667)**	(667)	**-**	-
Sundry income		**(31,700)**	-	**-**	-
Release of amortised cost		**778**	485	**-**	-
Bad debts written off		**(18,876)**	14,629	**264**	278
Effect of remeasurement	5(e),21(h)	**8,551**	35,168	**-**	-
Deferred rent assets		**(2,249)**	(2,199)	**(2,249)**	(2,199)
Translation difference		**(123,245)**	(179,508)	**(1,504)**	(370)
Termination of lease		**(7,700)**	-	**-**	-
Gain on bargain purchase	32(c)	**-**	(53,000)	**-**	-
Dividend in specie		**-**	(232)	**-**	(232)
Payables write back		**-**	-	**(48)**	(25)
		4,318,858	3,552,626	**381,737**	(47,129)
Changes in working capital:					
- inventories		**2,161**	(695,628)	**-**	-
- consumable biological assets		**6,298**	(67,104)	**-**	-
- trade and other receivables		**(1,978,187)**	(3,632)	**(43,532)**	1,036
- receivable from group companies		**-**	-	**(178,700)**	(64,783)
- loans and advances		**(220,900)**	(472,200)	**-**	-
- trade and other payables		**1,108,080**	1,051,323	**(3,077)**	21,083
- payables to group companies		**-**	-	**(9,415)**	(4,820)
Cash generated from/(used in) operations		**3,236,310**	3,365,385	**147,013**	(94,613)

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

39. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(b) Major non-cash transactions

The principal non-cash transactions include the acquisition of property, plant and equipment under finance leases, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income received as consideration for sale of investments. These non-cash transactions are not significant.

(c) Cash and cash equivalents

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Bank overdrafts (note 21(b))	**(691,313)**	(1,721,183)	**(771)**	-
Cash at bank and in hand	**4,878,639**	5,725,091	**700,801**	637,353
Cash and cash equivalents	**4,187,326**	4,003,908	**700,030**	637,353

At June 30, 2024, cash and cash equivalents have been considered for impairment and impairment loss was negligible and hence not accounted for. The maximum exposure to credit risk at the reporting date for the cash at bank is its fair value.

(d) Reconciliation of liabilities arising from financing activities

THE GROUP	Secured fixed and variable rate notes	Debentures	Convertible bonds	Bank and other loans	Bond notes	Lease liabilities	Shareholders' loans	Redeemable notes	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2023	4,822,715	1,062,805	257,200	12,687,341	5,262,577	1,211,911	7,250	4,743,000	**30,054,799**
Proceeds from borrowings	251,562	-	-	8,426,741	2,974,701	-	-	-	**11,653,004**
New lease	-	-	-	-	-	480,831	-	-	**480,831**
Effect of remeasurement	-	-	-	-	-	(3,100)			**(3,100)**
Payments on borrowings	-	(52,700)	(24,900)	(5,629,921)	(2,178,051)	-	(7,250)	-	**(7,892,822)**
Principal payments on lease liabilities	-	-	-	(41,241)	-	(273,560)	-	-	**(314,801)**
Interest accrued	-	-	-	-	74,018	14,497	-	2,100	**90,615**
Amortised cost		-	-	-	14,335	-	-	-	**14,335**
Disposal of subsidiaries	-	-	-	-	-	(48,100)	-	-	**(48,100)**
Foreign exchange movements		-	-	(20,344)	-	6,300	-	-	**(14,044)**
At June 30, 2024	**5,074,277**	**1,010,105**	**232,300**	**15,422,576**	**6,147,580**	**1,388,779**	**-**	**4,745,100**	**34,020,717**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

39. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(d) **Reconciliation of liabilities arising from financing activities (cont'd)**

	Secured fixed and variable rate notes	Debentures	Convertible bonds	Bank and other loans	Bond notes	Lease liabilities	Shareholders' loans	Redeemable notes	Total
THE GROUP (CONT'D)	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2022	5,819,530	954,905	116,500	13,390,517	3,564,786	1,125,708	6,600	4,741,000	29,719,546
Proceeds from borrowings	-	150,000	140,700	5,826,042	1,652,370	-	3,950	-	7,773,062
New lease	-	-	-	-	-	334,073	-	-	334,073
Effect of remeasurement	-	-	-	-	-	18,432	-	-	18,432
Payments on borrowings	(1,000,000)	(42,100)	-	(5,052,890)	-	-	(3,300)	-	(6,098,290)
Principal payments on lease liabilities	-	-	-	-	-	(241,317)	-	-	(241,317)
Interest accrued	2,700	-	-	880	47,938	47,665	-	2,000	101,183
Amortised cost	485	-	-	(149,385)	(2,517)	-	-	-	(151,417)
Disposal of subsidiaries	-	-	-	(1,465,300)	-	(32,100)	-	-	(1,497,400)
Foreign exchange movements	-	-	-	137,477	-	(40,550)	-	-	96,927
At June 30, 2023	4,822,715	1,062,805	257,200	12,687,341	5,262,577	1,211,911	7,250	4,743,000	30,054,799

	Bank loans	**Bond notes**	**Lease liabilities**	**Total**
THE COMPANY	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At July 1, 2023	2,777,040	5,262,577	9,121	**8,048,738**
Proceeds from borrowings	-	2,472,927	-	**2,472,927**
Payments on borrowings	(267,584)	(1,557,000)	-	**(1,824,584)**
Principal payments on lease liabilities	-	-	(5,684)	**(5,684)**
Interest accrued	-	-	667	**667**
Amortised cost	(94)	(30,924)	-	**(31,018)**
At June 30, 2024	**2,509,362**	**6,147,580**	**4,104**	**8,661,046**

	Bank loans	Bond notes	Lease liabilities	Total
THE COMPANY	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2022	3,388,669	3,564,786	15,317	6,968,772
Proceeds from borrowings	-	1,652,419	-	1,652,419
Payments on borrowings	(610,902)	-	-	(610,902)
Principal payments on lease liabilities	-	-	(5,993)	(5,993)
Interest accrued	-	47,938	(203)	47,735
Amortised cost	(727)	(2,566)	-	(3,293)
At June 30, 2023	2,777,040	5,262,577	9,121	8,048,738

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

39. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(e) **Classification of cash flows arising on interest**

The finance costs/income of one of the subsidiaries, being a financial institution engaged in the consumer finance business, has been classified as operating cash flows. All other finance costs/income have been presented within investing activities given that these are not primarily derived from the principal revenue–generating activities.

40. COMMITMENTS

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Capital commitments				
Authorised by the board but not contracted for	**83,600**	161,695	**-**	44,695
Contracted for but not yet incurred	**1,188,686**	865,187	**-**	-

Capital commitments consist principally of property, plant and equipment.

41. SEGMENT INFORMATION

(a) **Accounting policy**

Segment information presented relates to operating segments that engage in business activities for which revenues are earned and expenses incurred.

The group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business unit requires different technology and marketing strategies. Operating segments that do not meet any of the quantitative thresholds of 10% reported revenue or profit or assets are included if management believes that information about these would be useful to users to better appraise financial information. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The group evaluates the performance on the basis of profit or loss from operations before tax expense. The group's customer base is highly diversified, with no individually significant customers. Other entity wide disclosures such as revenue from external customers per service/product type and extent of reliance on major customers have not disclosed due to excessive cost involved.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

41. SEGMENT INFORMATION (CONT'D)

THE GROUP	Agribusiness	Commerce & manufacturing	Real estate	Land & investment	Hospitality	Logistics	Finance & technology	Corporate office	Total
2024	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Total segment revenues	1,352,969	9,034,874	5,096,086	1,568,488	5,937,159	3,712,737	1,398,225	232,271	28,332,809
Inter-segment revenues	(158,176)	(652,535)	(1,050,317)	(1,402,560)	(18,149)	(1,351)	(95,020)	(221,918)	(3,600,026)
Revenue from external customers	1,194,793	8,382,339	4,045,769	165,928	5,919,010	3,711,386	1,303,205	10,353	24,732,783
Profit/(loss) before impairment loss and finance costs	27,064	820,075	1,451,201	(259,278)	842,488	388,642	66,607	(116,842)	3,219,957
Increase/(decrease) of loss allowance on financial assets	(2,344)	(8,179)	(118,525)	(28)	(14,000)	(15,000)	14,000	-	(144,076)
Fair value gain on financial assets at fair value through profit or loss	-	-	-	283	-	-	-		283
Fair value gain/(loss) on investment properties	-	12,360	588,332	(709)	-	-	-	-	599,983
Exceptional items	-	1,349	(9,734)	326,049	44,000	(3,100)	-	-	358,564
Share of profits less losses of associated companies and jointly controlled entities, net of tax	422,001	55,263	(33,827)	783,176	891,346	(8,000)	232,000	-	2,341,959
Finance costs including interest expense on consumer finance business	(21,183)	(174,871)	(1,019,868)	(513,505)	(164,572)	(77,920)	(53,759)	-	(2,025,678)
Profit/(loss) before taxation	425,538	705,997	857,579	335,988	1,599,262	284,622	258,848	(116,842)	4,350,992
Income tax expense	(22,117)	(138,184)	(154,478)	(6,767)	(147,100)	(73,000)	(23,000)	(8,626)	(573,272)
Profit/(loss) for the year	403,421	567,813	703,101	329,221	1,452,162	211,622	235,848	(125,468)	3,777,720
Assets	6,987,196	6,978,035	36,460,754	20,652,767	16,448,838	6,706,433	4,485,279	62,629	98,781,931
Liabilities	944,993	4,567,175	20,125,983	9,944,069	6,443,532	1,228,461	1,900,588	294,617	45,449,418
Capital expenditure	114,919	626,273	1,238,812	857,870	622,000	139,666	44,000	14,219	3,657,759
Depreciation and amortisation	113,996	185,392	58,581	35,702	377,000	187,269	96,075	19,122	1,073,137
Material items of income and expenditure:									
Fair value gain on revaluation of investment properties	-	12,360	588,332	(709)	-	-	-	-	599,983
Primary Geographic markets									
Asia	-	370,000	342,137	-	124,000	-	-	-	836,137
Europe	-	181,430	-	-	1,553,000	-	-	-	1,734,430
Africa and others	1,194,793	7,830,909	3,703,632	165,928	4,242,010	3,711,386	1,303,205	10,353	22,162,216
Revenue from primary geographic markets	1,194,793	8,382,339	4,045,769	165,928	5,919,010	3,711,386	1,303,205	10,353	24,732,783
Contract counterparties									
Individual	453,000	829,638	666,753	-	1,639,000	-	-	-	3,588,391
Corporate	741,793	7,552,701	3,379,016	165,928	4,280,010	3,711,386	1,303,205	10,353	21,144,392
Revenue by contract counter parties	1,194,793	8,382,339	4,045,769	165,928	5,919,010	3,711,386	1,303,205	10,353	24,732,783
Timing of revenue recognition									
At a point in time	881,443	8,280,239	4,045,769	165,928	3,033,810	3,711,386	1,303,205	10,353	21,432,133
Over time	313,350	102,100	-	-	2,885,200	-	-	-	3,300,650
Revenue by timing of revenue recognition	1,194,793	8,382,339	4,045,769	165,928	5,919,010	3,711,386	1,303,205	10,353	24,732,783

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

41. SEGMENT INFORMATION (CONT'D)

THE GROUP (CONT'D)	Agribusiness	Commerce & manufacturing	Real estate	Land & investment	Hospitality	Logistics	Finance & technology	Corporate office	Total
2023	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Total segment revenues	1,225,823	6,990,448	4,359,872	654,640	5,103,480	3,663,458	1,272,855	199,798	23,470,374
Inter-segment revenues	(149,413)	(536,045)	(1,063,616)	(551,532)	(38,450)	(9,092)	(80,221)	(190,199)	(2,618,568)
Revenue from external customers	1,076,410	6,454,403	3,296,256	103,108	5,065,030	3,654,366	1,192,634	9,599	20,851,806
(Loss)/profit before impairment loss and finance costs	(70,068)	590,446	1,390,762	(186,912)	602,448	361,168	(29,796)	(72,592)	2,585,456
Increase of loss allowance on financial assets	-	-	(6,200)	-	(12,000)	(2,000)	(44,500)	-	(64,700)
Fair value gain on financial assets at fair value through profit or loss	-	-	-	(20,970)	-	-	-		(20,970)
Fair value gain on investment properties	-	19,598	922,419	7,454	-	-	-	-	949,471
Exceptional items	-	1,046	-	18,176	-	53,000	-	-	72,222
Share of profits less losses of associated companies and jointly controlled entities, net of tax	268,959	35,072	(47,729)	291,185	816,548	-	260,102	-	1,624,137
Finance costs including interest expense on consumer finance business	(17,061)	(131,010)	(832,309)	(387,600)	(151,919)	(69,630)	(51,640)	13	(1,641,156)
Profit/(loss) before taxation	181,830	515,152	1,426,943	(278,667)	1,255,077	342,538	134,166	(72,579)	3,504,460
Income tax expense	(14,543)	(82,555)	(367,479)	4,793	107,000	(70,000)	(26,000)	(4,975)	(453,759)
Profit/(loss) for the year	167,287	432,597	1,059,464	(273,874)	1,362,077	272,538	108,166	(77,554)	3,050,701
Assets	6,340,412	5,900,072	36,487,573	19,852,591	14,741,127	3,699,918	4,395,395	49,465	91,466,553
Liabilities	996,694	4,021,376	17,530,892	8,773,435	6,193,187	2,001,142	1,921,748	278,037	41,716,511
Capital expenditure	166,081	394,526	743,278	1,554,169	-	19,846	70	3,036	2,881,006
Depreciation and amortisation	63,090	152,556	37,790	392,289	313,000	5,658	56	1,931	966,370
Material items of income and expenditure:									
Fair value gain on revaluation of investment properties	-	19,598	922,419	7,454	-	-	-	-	949,471
Primary Geographic markets									
Asia	-	59,000	-	-	10,000	-	-	-	69,000
Europe	-	250,832	-	-	676,000	-	-	-	926,832
Africa and others	1,076,410	6,144,571	3,296,256	103,108	4,379,030	3,654,366	1,192,634	9,599	19,855,974
Revenue from primary geographic markets	1,076,410	6,454,403	3,296,256	103,108	5,065,030	3,654,366	1,192,634	9,599	20,851,806

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

41. SEGMENT INFORMATION (CONT'D)

THE GROUP (CONT'D)	Agribusiness	Commerce & manufacturing	Real estate	Land & investment	Hospitality	Logistics	Finance & technology	Corporate office	Total
2023	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Contract counterparties									
Individual	28,141	1,258,294	494,935	-	2,983,000	-	-	2,000	4,766,370
Corporate	1,048,269	5,196,109	2,801,321	103,108	2,082,030	3,654,366	1,192,634	7,599	16,085,436
Revenue by contract counter parties	1,076,410	6,454,403	3,296,256	103,108	5,065,030	3,654,366	1,192,634	9,599	20,851,806
Timing of revenue recognition									
At a point in time	1,076,410	6,367,103	3,296,256	103,108	5,063,330	3,654,366	330,034	(24,501)	19,866,106
Over time	-	87,300	-	-	1,700	-	862,600	34,100	985,700
Revenue by timing of revenue recognition	1,076,410	6,454,403	3,296,256	103,108	5,065,030	3,654,366	1,192,634	9,599	20,851,806

Operating segments are components of the group about which separate financial information is available. They are reported in a manner consistent with the internal reporting provided to the Chief Executive Officers, for both performance measuring and resource allocation. Operating segments that do not meet any of the quantitative thresholds of 10% reported revenue or profit or assets are included if management believes that information about these would be useful to users to better appraise financial information.

(b) *Product description of above segments:*

(i) Agribusiness - sugar cultivation, poultry and others.

(ii) Commerce & manufacturing - sale of motor vehicles, swimming pools and others.

(iii) Real estate - rental of offices, malls and sale of residential and commercial property.

(iv) Land & investment - investment holding.

(v) Hospitality - hotel operations and leisure activities.

(vi) Logistics - freight forwarding and transport services.

(vii) Finance & technology - credit, leasing & hire purchase businesses, global business and IT services.

(viii) Corporate office - group service provider.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

42. RELATED PARTY DISCLOSURES

(a) THE GROUP

	Associated companies		Jointly controlled entities		Other related parties	
	2024	2023	**2024**	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Purchases of goods and services	**354,643**	495,241	**-**	1,355	**-**	25,280
Sale of goods and services	**748,735**	328,365	**-**	200	**-**	7,172
Management fee income	**1,130**	2,930	**-**	-	**-**	-
Interest expense	**-**	-	**-**	-	**-**	-
Interest income	**-**	422	**-**	-	**-**	-
Loans payable	**100,000**	400	**-**	-	**-**	-
Loans receivable	**101,000**	-	**-**	99,400	**-**	-
Amounts receivable	**105,099**	678,202	**100**	-	**42**	2,829
Amounts payable	**6,432**	4,193	**-**	-	**-**	7,000

(b) THE COMPANY

	Subsidiary companies		Associated companies		Other related parties	
	2024	2023	**2024**	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Rental income	**71,456**	71,664	**-**	-	**-**	-
Management fee income	**47,023**	44,161	**2,220**	-	**-**	-
Management fee expense	**144,926**	115,581	**-**	-	**-**	-
Interest expense	**134**	381	**-**	-	**-**	-
Interest income	**58,866**	64,170	**-**	-	**-**	-
Amounts receivable	**1,480,232**	1,304,588	**25,115**	-	**8,761**	-
Loans receivable	**800,000**	847,000	**-**	-	**-**	-
Amounts payable	**18,063**	143,757	**-**	-	**-**	-

(c) Outstanding amounts payable to group companies and amounts receivables from group companies at year end are unsecured and interest free, and settlement occurs in cash except for the following:

(i) Loans receivable from subsidiary company carry an interest rate of 6.25%; and

(ii) Loans payable to associated companies carry interest rate of 4.2% in 2024. There is no loan payable to associated companies.

Except as disclosed in note 44, there has been no guarantee received or provided for any amounts receivable from group companies and amounts payable to group companies. For the year ended June 30, 2024, amounts receivable from group companies were impaired by Rs 19.0m (2023: Rs 14.2m). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The company's retirement benefit obligations are administered by an associate of the company.

(d) **Key management personnel compensation**

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Directors' fees	**8,818**	8,998	**5,700**	5,450
Salaries and short term employment benefits	**135,214**	95,252	**59,331**	54,427
Post-employment benefits	**-**	2,427	**-**	-
	144,032	106,677	**65,031**	59,877

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

43A. ACQUISITION AND DISPOSAL OF SUBSIDIARY COMPANIES

(A) **Year ended June 30, 2024**

(a) **Acquisition of additional interest in EnAtt Ltd**

On February 16, 2024, the group acquired an additional 17.09% interest in the voting shares of EnAtt Ltd, increasing its ownership interest to 73.90%. Cash consideration of Rs 200m was paid to the non-controlling shareholders.

(i) **Consideration**

	THE GROUP
	Rs'000
Cash consideration paid to non-controlling shareholders	200,000

(b) **Subsidiary companies acquired during the year**

1. As at June 30, 2024, the group held 30% of the share capital in Savannah International School Limited. During the year, the group acquired an additional 35% of shares increasing the stakeholding from 30% to 65% thus acquiring control in line with the strategy of the group. The consideration paid was in cash. The transaction has resulted in the recognition in profit as follows:

(i) **Effect of deemed disposal**

	THE GROUP
	Rs'000
Fair value of interest held before the business combination	214
Carrying value of equity interest held before business combination	(8,129)
Profit on remeasurement of associate to subsidiary	8,343

(ii) **Consideration**

	THE GROUP
	Rs'000
Consideration paid	250

Recognised amounts of identifiable assets acquired and liabilities assumed:	THE GROUP
	Rs'000
Property, plant and equipment (note 5(b))	2,522
Right of use assets (note 5(e))	20,238
Intangible assets (note 7(b))	37
Trade and other receivables	589
Cash and cash equivalents	309
Borrowings	(33,173)
Retirement pension obligations (note 25)	(41)
Deferred tax liabilities (note 22(c))	(70)
Deferred income (note 24(b))	(6,189)
Trade and other payables	(11,320)
Fair value of net assets acquired	(27,098)
Goodwill on acquisition	18,078

Goodwill on acquisition	THE GROUP
	Rs'000
Acquisition cost	
Purchase consideration paid on acquisition of additional 35%	250
Deemed value of initial holding of 30%	214
	464
Share of net liabilities at date of acquisition (65%)	(17,614)
Goodwill	18,078
Net loss	(9,735)

Management has decided to write off the goodwill as the company has been loss making over the years and has no projection of its financial position in the future.

Net cash flow on acquisition of subsidiary	THE GROUP
	Rs'000
Cash consideration paid in cash	-
Cash and cash equivalents acquired	309
Cash inflow on acquisition net of cash and cash equivalents	309

2. On March 8, 2024, Rogers Aviation International Limited, a subsidiary company, acquired 100% shares in Holiday Holdings International Pty Limited and its subsidiaries which operate as general sales and services agent in South Africa for a total consideration of Rs 112.3m. As a result of the acquisition, the group is expected to increase its presence in the region. The goodwill represents the value of expected synergies arising from this acquisition.

The following table summarises the purchase consideration and the fair value of identifiable amounts of the assets acquired and liabilities assumed at the acquisition date:

(i) **Consideration**

	THE GROUP
	Rs'000
Consideration - Cash	112,300
Fair value of net assets acquired	(9,400)
Market related intangibles acquired (note 7(b))	(43,500)
Goodwill on acquisition	59,400

Recognised amounts of identifiable assets acquired and liabilities assumed:	THE GROUP
	Rs'000
Property, plant and equipment (note 5(b))	200
Investment in financial assets (note 11(b))	13,500
Trade and other receivables	600
Cash and cash equivalents	29,500
Current tax liabilities	(1,600)
Deferred tax liabilities (note 22(c))	(2,700)
Trade and other payables	(30,100)
Fair value of net assets acquired	9,400

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

43A. ACQUISITION AND DISPOSAL OF SUBSIDIARY COMPANIES (CONT'D)

(A) **Year ended June 30, 2024 (cont'd)**

(b) **Subsidiary companies acquired during the year (cont'd)**

The fair value of the trade receivables amounts to Rs 2.3m. The gross amount of trade receivables is Rs 2.3m and it is expected that the full contractual amounts can be collected.

Net cash flow on acquisition of subsidiary	**THE GROUP** Rs'000
Cash consideration paid in cash	(112,300)
Cash and cash equivalents acquired	29,500
Cash outflow on acquisition net of cash and cash equivalents	(82,800)

From the date of acquisition, Holiday Holdings International Pty Limited contributed Rs 13.0m of revenue and Rs 2.6m to profit before tax from continuing operations of the group. If the combination had taken place at the beginning of the year, revenue would have been Rs 48.8m and profit before tax would have been Rs 20.4m.

(c) **Subsidiary companies disposed during the year**

On February 15, 2024 and June 30, 2024, the group disposed of its effective shareholding in Croisières Australes Ltée (100%) and Blue Alizé Ltd (100%). Assets and liabilities disposed of are as follows:

(i)

	THE GROUP Rs'000
Property, plant and equipment (note 5(b))	5,000
Right-of-use assets (note 5(e))	2,100
Deferred tax assets (note 22(c))	700
Inventories	500
Trade and other receivables	12,100
Cash and cash equivalents	800
Trade and other payables	(7,500)
Retirement benefit obligation	(200)
	13,500
Profit on disposal	44,700
	58,200
Cash and cash equivalents disposed	(800)
Cash flow on disposal net of cash and cash equivalents	57,400

The group realised a profit of Rs 44.7m on the disposal of Croisières Australes Ltée and Blue Alizé Ltd and this profit is arrived at as follows:

	THE GROUP Rs'000
Consideration received	58,200
Net assets disposed	(13,500)
Profit on disposal	44,700

(B) Year ended June 30, 2023

(a) **Subsidiary companies acquired**

On November 30, 2022, a fellow subsidiary, General Cargo Services Ltd, acquired 100% of the share capital of Rongai Workshops & Transport Limited for Rs 62.9m and obtained the control of Rongai Workshops & Transport Limited. Velogic Holding Company Limited holds 98.5% in Gencargo Transport Limited, through VK Logistics Ltd, thus effectively holding 98.5% in Rongai Workshops & Transport Limited. Its principal activity is the provision of logistics, trucking and transport services within Kenya. As a result of the acquisition, the group is expected to increase its presence in the market in Kenya. It also expects to reduce costs through economies of scale. On acquisition of Rongai Workshops & Transport Limited, inventories of property, plant and equipment were performed and all identifiable assets and liabilities were recorded at their fair value and land and building were revalued by an independent valuer. These resulted in an increase in assets acquired and to a gain on bargain purchase.

(i) **Consideration**

	THE GROUP Rs'000
Consideration - Cash	(28,900)
Consideration payable*	(35,900)
Total consideration	(64,800)

* Includes consideration payable deferred until November 30, 2024 amounting to Rs 8.357m payable in two equal instalments.

Recognised amounts of identifiable assets acquired and liabilities assumed:	**THE GROUP** Rs'000
Property, plant and equipment	52,900
Deferred tax assets	300
Inventories	7,800
Trade and other receivables	38,700
Current tax assets	15,800
Cash and cash equivalents	46,700
Trade and other payables	(44,400)
Fair value of net assets acquired	117,800
Gain on business acquisition	53,000

The fair value of the trade receivables amounts to Rs 36.1m. The gross amount of trade receivables is Rs 48.3m and it is expected that the full contractual amounts can be collected.

Net cash flow on acquisition of subsidiary	**THE GROUP** Rs'000
Cash consideration paid in cash	(28,900)
Cash and cash equivalents acquired	46,700
Cash inflow on acquisition net of cash and cash equivalents	17,800

The above acquisition will contribute to synergies and strategy of the group.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

43A. ACQUISITION AND DISPOSAL OF SUBSIDIARY COMPANIES (CONT'D)

(B) Year ended June 30, 2023 (cont'd)

(a) **Subsidiary companies acquired (cont'd)**

From the date of acquisition, Rongai Workshops & Transport Limited contributed Rs 255.1m of revenue and Rs 30.3m to profit before tax from continuing operations of the group. If the combination had taken place at the beginning of the year, revenue would have been Rs 388.3m and profit before tax would have been Rs 13.1m.

(b) **Subsidiary companies disposed**

During the year, following restructuring of the Rogers Capital cluster, the consumer finance business, hire-purchase, loan services and insurance agent were transferred to a wholly owned subsidiary, Rogers Capital Credit Limited. The leasing business remained in Rogers Capital Finance Limited, however 51% of the shareholding of the entity, which was previously held by the group, was disposed to a new strategic partner. Effective May 9, 2023, the group lost control on RCFL, which is now considered to be an associate with Rogers holding 49% of the shareholding. The group realised a loss of Rs 15m on the transaction.

43B. DISPOSAL OF ASSOCIATED COMPANIES

Year ended June 30, 2024

On May 1, 2024 and June 30, 2024, the group disposed of its effective shareholding in Rogers International Distribution Services S.A.S (24.3%) and Lagoona Cruise Ltd (33.0%).

	THE GROUP
	Rs'000
Property, plant and equipment	11,100
Trade and other receivables	116,700
Cash and cash equivalents	13,900
Trade and other payables	(141,900)
Finance lease obligation	(8,600)
	(8,800)
Loss on disposal	(4,600)
	(13,400)
Cash and cash equivalents disposed	(13,900)
Cash flow on disposal net of cash and cash equivalents	(27,300)
Satisfied by:	
Cash	-

The group realised a loss of Rs 4.6m on the disposal of Rogers International Distribution Services S.A.S and Lagoona Cruise Ltd and this loss is arrived at as follows:

	THE GROUP
	Rs'000
Consideration received	-
Net assets disposed	4,600
Loss on disposal	(4,600)

44. CONTINGENT LIABILITIES

Contingent liabilities as at June 30, 2024 are as follows:

- A subsidiary has acted as surety in respect of a guarantee of Rs 600m (2023: Rs 600m) given by one of its subsidiaries to the Mauritius Revenue Authority.
- Some of the group's subsidiaries have pending legal matters amounting to Rs 4.6m (2023: Rs 21.80m), the outcome of which is uncertain.
- A subsidiary of the group has provided a shortfall undertaking, equivalent to six month's interest payment of approximately Rs 35.4m (2023: Rs 28m) to bond holder representatives on behalf of another subsidiary company.
- A subsidiary has provided a shortfall undertaking to MCB Leasing in respect of leasing facilities of Rs nil (2023: Rs 0.7m) contracted by one of its subsidiaries.
- Some of the group's subsidiaries had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business amounting to Rs 3,381m (2023: Rs 3,913m).

It is not anticipated that any material liabilities would arise out of the above as the possibility of the outflow of economic benefits is remote.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

45. CATEGORIES OF FINANCIAL INSTRUMENTS

Accounting policy

Financial assets and financial liabilities are recognised in the group's statements of financial position when the group has become a party to the contractual provisions of the instrument.

The group's accounting policies in respect of the financial instruments are described in the respective notes to the financial statements.

(a) Financial assets by category

THE GROUP	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Other financial assets at amortised costs	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Per Statements of financial position				
At June 30, 2024				
Financial assets at fair value through other comprehensive income	811,036	-	-	**811,036**
Financial assets at fair value through profit or loss	-	41,315	-	**41,315**
Other financial assets at amortised costs	-	-	2,459,867	**2,459,867**
Loans and advances	-	-	853,500	**853,500**
Trade receivables	-	-	3,112,119	**3,112,119**
Cash and cash equivalents	-	-	4,878,639	**4,878,639**
Total financial assets	**811,036**	**41,315**	**11,304,125**	**12,156,476**
At June 30, 2023				
Financial assets at fair value through other comprehensive income	615,721	-	-	615,721
Financial assets at fair value through profit or loss	-	41,032	-	41,032
Other financial assets at amortised costs	-	-	1,865,958	1,865,958
Loans and advances	-	-	633,400	633,400
Trade receivables	-	-	2,228,035	2,228,035
Cash and cash equivalents	-	-	5,725,091	5,725,091
Total financial assets	615,721	41,032	10,452,484	11,109,237

THE COMPANY	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Other financial assets at amortised costs	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Per Statements of financial position				
At June 30, 2024				
Financial assets at fair value through other comprehensive income	81,758	-	-	**81,758**
Financial assets at fair value through profit or loss	-	41,315	-	**41,315**
Other financial assets at amortised costs	-	-	1,924,728	**1,924,728**
Trade receivables	-	-	11,128	**11,128**
Amount receivable from group companies	-	-	445,389	**445,389**
Cash and cash equivalents	-	-	700,801	**700,801**
	81,758	**41,315**	**3,082,046**	**3,205,119**

Classification within the fair value hierarchy for the financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss is disclosed under notes 11(b) and 11(c) respectively.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

45. CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial assets by category (cont'd)

THE COMPANY	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Other financial assets at amortised costs	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Per Statements of financial position				
At June 30, 2023				
Financial assets at fair value through other comprehensive income	90,613	-	-	90,613
Financial assets at fair value through profit or loss	-	41,032	-	41,032
Other financial assets at amortised costs	-	-	1,894,084	1,894,084
Trade receivables	-	-	4,363	4,363
Amount receivable from group companies	-	-	313,770	313,770
Cash and cash equivalents	-	-	637,353	637,353
	90,613	41,032	2,849,570	2,981,215

(b) Financial liabilities by category

THE GROUP	Financial liabilities at amortised costs	Total
Per Statements of financial position	Rs'000	Rs'000
At June 30, 2024		
Borrowings	**34,712,030**	**34,712,030**
Trade and other payables	**6,157,198**	**6,157,198**
Liabilities related to contracts with customers	**1,002,535**	**1,002,535**
	41,871,763	**41,871,763**
At June 30, 2023		
Borrowings	31,775,982	31,775,982
Trade and other payables	5,574,396	5,574,396
Liabilities related to contracts with customers	1,039,517	1,039,517
	38,389,895	38,389,895

THE COMPANY	Financial liabilities at amortised costs	Total
Per Statements of financial position	Rs'000	Rs'000
At June 30, 2024		
Borrowings	**8,661,817**	**8,661,817**
Trade and other payables	**89,655**	**89,655**
Amounts payable to group companies	**18,062**	**18,062**
	8,769,534	**8,769,534**
At June 30, 2023		
Borrowings	8,048,738	8,048,738
Trade and other payables	94,190	94,190
Liabilities related to contracts with customers	10,921	10,921
Amounts payable to group companies	143,757	143,757
	8,297,606	8,297,606

The fair value of financial instruments at amortised cost are not materially different from their carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

46. FINANCIAL SUMMARY

(a) THE GROUP

		2024	Restated 2023
		Rs'000	Rs'000
Statements of profit or loss and other comprehensive income			
Continuing operations			
Revenue		**24,732,783**	20,851,806
Profit before taxation		**4,350,992**	3,504,460
Income tax expense		**(573,272)**	(453,759)
Profit for the year		**3,777,720**	3,050,701
Post tax profit from discontinued operations		**-**	11,300
Other comprehensive income for the year		**1,119,070**	3,594,349
Total comprehensive income for the year		**4,896,790**	6,656,350
Profit attributable to:			
Owners of the company		**2,100,656**	1,705,340
Non-controlling shareholders		**1,677,064**	1,293,504
		3,777,720	2,998,844
Total comprehensive income attributable to:			
Owners of the company		**2,986,390**	4,064,172
Non-controlling shareholders		**1,910,400**	2,532,963
		4,896,790	6,597,135
Dividend per share			
-Interim	Rs	**0.55**	0.50
- Final	Rs	**0.55**	0.50
Earnings per share	Rs	**5.60**	4.64

	2024	Restated 2023
	Rs'000	Rs'000
Statements of financial position		
ASSETS		
Non-current assets	**82,535,923**	76,507,950
Current assets	**16,246,008**	14,958,603
Total assets	**98,781,931**	91,466,553
EQUITY AND LIABILITIES		
Capital and reserves	**34,610,816**	32,131,045
Non-controlling interests	**18,721,697**	17,618,997
Total equity	**53,332,513**	49,750,042
LIABILITIES		
Non-current liabilities	**33,344,611**	29,729,364
Current liabilities	**12,104,807**	11,987,147
Total equity and liabilities	**98,781,931**	91,466,553

(b) THE COMPANY

		2024	2023
		Rs'000	Rs'000
Statements of profit or loss and other comprehensive income			
Revenue		**1,044,144**	452,897
Profit before taxation		**177,547**	853,574
Income tax expense		**(7,351)**	(5,060)
Profit for the year		**170,196**	848,514
Other comprehensive income for the year		**3,067,735**	3,995,717
Total comprehensive income for the year		**3,237,931**	4,844,231
Dividend per share			
-Interim	Rs	**0.55**	0.50
- Final	Rs	**0.55**	0.50
Earnings per share	Rs	**0.45**	2.26

	2024	2023
	Rs'000	Rs'000
Statements of financial position		
ASSETS		
Non-current assets	**45,056,803**	42,009,508
Current assets	**1,285,542**	1,052,784
Total assets	**46,342,345**	43,062,292
EQUITY AND LIABILITIES		
Capital and reserves	**37,045,450**	34,211,926
LIABILITIES		
Non-current liabilities	**8,640,402**	6,662,229
Current liabilities	**656,493**	2,188,137
Total equity and liabilities	**46,342,345**	43,062,292

47. ULTIMATE HOLDING COMPANY

The holding company of ENL Limited is La Sablonnière Holding Limited, incorporated in Mauritius and its registered office is at ENL House, Vivéa Business Park, Moka. The ultimate holding entity of ENL Limited is Société Caredas, a 'société civile' registered in Mauritius.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

48. EFFECT OF PRIOR YEAR ADJUSTMENTS

In preparing the financial statements for the year ended June 30, 2024, the group identified prior year restatements and made necessary corrections. Restatements were made to the financial statements, presentation and disclosures of certain transactions and balances, in accordance with International Accounting Standard, IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. They refer to the comparatives for July 1, 2022 and June 30, 2023, unless where specified.

During the year, the group obtained restated prior years' financial information for one of its associates, namely Société Helicophanta. The restatement relates to errors in respect of the associate's accounting policies on revenue recognition, derecognition of biological assets and measurement of bearer biological assets. Accordingly, the group restated its financial statements to reflect the corrected financial information of its' associated company.

Impact on the consolidated financial statements

Restatement of impact lines of the financial statements for prior periods are as follows:

	2023			2022		
THE GROUP	As previously reported	Prior year adjustments	As restated	As previously reported	Prior year adjustments	As restated
Statements of financial position	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Non-current assets						
Investments in associated companies	11,016,067	181,695	11,197,762	10,197,339	122,480	10,319,819
Equity						
Retained earnings	9,549,557	108,526	9,658,083	8,483,831	73,157	8,556,988
Non-controlling interests	17,545,828	73,169	17,618,997	14,990,877	49,323	15,040,200

	2023		
	As previously reported	Prior year adjustments	As restated
Statements of profit of loss and other comprehensive income	Rs'000	Rs'000	Rs'000
June 30, 2023			
Share of results of associated companies and jointly controlled entities, net of tax	1,564,922	59,215	1,624,137

	2023		
	As previously reported	Prior year adjustments	As restated
	Rs'000	Rs'000	Rs'000
Profit attributable to:			
Owners of the company			
-continuing operations	1,705,340	35,369	1,740,709
Non-controlling interests	1,293,504	23,846	1,317,350
	2,998,844	59,215	3,058,059
Total comprehensive income attributable to:			
Owners of the company	4,064,172	35,369	4,099,541
Non-controlling interests	2,532,963	23,846	2,556,809
	6,597,135	59,215	6,656,350
Earnings per share from continuing operations	4.55	0.09	4.64

	2023		
	As previously reported	Prior year adjustments	As restated
Statements of cash flows	Rs'000	Rs'000	Rs'000
Profit before taxation from continuing operations	3,445,245	59,215	3,504,460
Share of results of associated companies and jointly controlled entities, net of dividends	(1,300,431)	(59,215)	(1,359,646)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

49. DISCONTINUED OPERATIONS

Year ended June 30, 2023

Rogers Capital Finance Ltd ("RCFL"), a wholly owned subsidiary, has a solid consumer finance and leasing reputation. On April 30, 2023, the group disposed 51% of the shares in Rogers Capital Finance Limited to a related party - Swan Wealth Management Ltd. As a result of the sale, the group lost control over Rogers Capital Finance Limited and retained a 49% equity interest in the latter. The group has accounted for the retained interest of 49% as an investment in associate since it has determined that it has significant influence.

(a) Income or expenses recognised in the statements of profit or loss are as detailed below:

THE GROUP		RCFL 2023 Rs'000
Revenue from contracts with customers		173,000
Revenue		173,000
Cost of sales*		(67,300)
Gross Profit		105,700
Administrative expenses		(94,000)
Impairment of impairment on subsidiaries and associated company		(400)
Profit from finance costs and other gains and losses		11,300
Finance costs		-
Profit before other gains and losses		11,300
Profit on disposal of group entities and other financial assets		-
Profit before taxation		11,300
Taxation		-
Profit for the year		11,300

* Including interest expense - consumer finance business

Attributable to:

Owners of the parent		6,600
Non-controlling interests		4,700
Profit for the year		11,300

Basic earnings per share from discontinued operations:

Profit attributable to the owners of the parent		6,600
Number of shares in issue		374,996,326
Earnings per share	Rs	0.02

Diluted earnings per share from discontinued operations:

Profit attributable to the owners of the parent		6,600
Number of shares in issue		374,996,326
Earnings per share	Rs	0.018

(b) Following the deconsolidation of RCFL, the net assets and liabilities deconsolidated are as detailed below:

ASSETS	2023 Rs'000
Non current assets	
Property, plant and equipment (inclusive of rights of use assets)	103,700
Intangible assets	23,700
Loans and advances	1,918,700
Deferred tax	44,100
Current assets	
Trade receivables	6,900
Financial assets at amortised costs	474,200
Bank balances and cash	65,700
Non current liabilities	
Borrowings	(739,200)
Retirement benefit obligation	(200)
Current liabilities	
Borrowings	(1,364,900)
Trade and other payables	(217,900)
Net assets disposed	314,800

(c) Gain on disposal of RCFL:

	2023 Rs'000
Consideration received for 51% of the shares in RCFL	160,500
Fair value of remaining 49% - accounted as investment in associated company	154,300
	314,800
Net asset disposed	(314,800)
Gain on disposal of subsidiary	-

(d) Net cash inflow on disposal of subsidiary by RCFL:

	2023 Rs'000
Cash consideration received in cash and cash equivalent	160,500
Less cash and cash equivalents disposed of:	
Bank balances and cash	(65,700)
Bank overdraft	31,800
	126,600

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

49. DISCONTINUED OPERATIONS (CONT'D)

Year ended June 30, 2023 (cont'd)

(e) The net cash flows incurred by RCFL are:

	2023
	Rs'000
Operating activities	(316,700)
Investing activities	(3,000)
Financing activities	388,900
Net cash inflow	69,200

50. GOING CONCERN

The group and the company have generated a profit of Rs 3.8bn and Rs 0.17bn respectively for the year ended June 30, 2024 (2023: Rs 3.1bn for the group and Rs 0.85bn for the company). As of that date, the group and the company have positive net assets of Rs 53.3bn and Rs 37.0bn respectively (2023: Rs 49.8bn for the group and Rs 34.2bn for the company).

At June 30, 2024, the company's current assets exceeded its current liabilities.

Based on this evaluation, the directors have made an assessment of the company's ability to continue as a going concern taking into account all available information about the future, which is at least, but not limited to, twelve months from the date of approval of these financial statements and confirm that they have not identified events or conditions that may cast significant doubt in the company's ability to continue as a going concern.

51. EVENTS AFTER THE REPORTING DATE

(a) ENL & Rogers Management Services Limited was incorporated on July 1, 2024 to serve as a unified head office for all entities within the ENL Group. This strategic initiative aims to enhance the alignment of strategic, cultural, and operational objectives between ENL and Rogers branded entities. The company comprises employees from the former corporate offices of ENL and Rogers, further integrating the two entities' functions and operations.

(b) On July 1, 2024, Velogic Ltd acquired 100% shareholding of MC Easy Freight Ltd, a freight forwarding company incorporated in Mauritius. The results of the company will be consolidated within the Velogic Group in the financial statements for the year ended June 30, 2025.

(c) On July 1, 2024, General Cargo Services Ltd acquired 90% of Tansafrica Trade Chain Limited, a freight forwarding company incorporated in Tanzania.

(d) In his National Budget on June 7, 2024, the Mauritian Finance Minister announced the introduction of a Corporate Climate Responsibility Levy ("CCRL"), equivalent to 2% of the company's profits, for companies with a yearly turnover of more than Rs 50 million.

Section 41(iii) of the Financial (Miscellaneous Provisions) Act 2024 ("FMPA 2024") gave effect to the CCRL and its effective date is the year of assessment 2024/2025 so that it applies to any company with a financial year that terminated on any date during the period from January 1, 2024 to June 30, 2024. The CCRL also applies to any Mauritian tax resident partnership. The CCRL is computed on the taxable profit of the company and is specifically considered to be an income tax under section 41(a)(i)(A) of the FMPA 2024.

According to IAS 12, changes in tax rates and laws should be recognized in financial statements when the legislation is substantively enacted, which is when it can no longer be amended. The 2% CCRL had not reached the point of substantive enactment by the end of the reporting period as the possibility of further amendments to the legislation still existed.

In accordance with IAS 10, "Events After the Reporting Period," the introduction of the CCRL is considered a non-adjusting event. Therefore, no adjustment has been made to the current income tax and deferred tax balances in the financial statements as of June 30, 2024, even if it had a retrospective effect.

The company or the resident partnership has quantified the impact of this non adjusting event as follows:

Impact of 2% CCRL:	**Year of assessment 2024/2025**	
	Statement of financial position	**Statement of profit or loss and other comprehensive income**
	Rs'000	**Rs'000**
THE GROUP		
Deferred tax liability	**22,793**	**-**
Income tax liability	**38,273**	**-**
Income tax expense	**-**	**57,040**
Deferred tax recognised as part of other comprehensive income	**-**	**4,026**
THE COMPANY		
Deferred tax asset	**(7,622)**	**-**
Income tax expense	**-**	**(7,248)**
Deferred tax recognised as part of other comprehensive income	**-**	**(374)**