INTEGRATED REPORT **2020**

RESIL-IENCE AT PLAY

ENL

Dear shareholder,

Your Board of Directors is pleased to present the Integrated Report of ENL Limited for the year ended 30 June 2020.

This report was approved by the Board on **30 March 2021**.

Please join us at the Annual Meeting of the Company,

on: **21 May 2021**

at: **09h00**, The Pod, Vivéa Business Park, Moka

Sincerely,

Jean Noël Humbert
Chairman

Hector Espitalier-Noël
CEO, ENL Group

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ABOUT THIS REPORT

Integrated Reporting

This report has been prepared in line with the principles set out by the International <IR> Framework established by the International Integrated Reporting Council (IIRC). It aims to provide a comprehensive reporting on the achievement of our business objectives as set out in *Vision 2020*, our outgoing three-year strategic plan to 2020, and introduces *Cap 23 – Impact-driven*, our new three-year strategic business plan to 2023. It also reports on our business model, operating context, material risks, shareholders' and other stakeholders' interests, performance prospects and governance during the period under review. This report reflects our integrated approach to sustainable value creation.

Compliance reporting

This report is in compliance with the:

- International Financial Reporting Standards (IFRSs)
- International <IR> Framework of the IIRC
- Companies Act 2001
- National Code of Corporate Governance (2016)
- Financial Reporting Act 2004

External audit and assurance

Independent audits of the Group's and Company's separate financial statements were performed by KPMG Mauritius. They also reported on the extent of compliance with the National Code of Corporate Governance (2016). The other parts of this report are not subject to an independent audit or review and are derived from the Group's internal sources or from information available in the public domain.

Board responsibility and approval statement

The Board is ultimately responsible for overseeing the integrity of this report. With the assistance of the Board committees, it has considered the preparation and presentation of the 2020 Integrated Report and annual financial statements. It is of the opinion that this report addresses all material matters, offers a balanced view of its strategy and how it relates to the Group's ability to create value, sustainably, and is in accordance with the International <IR> Framework.

Forward-looking statements

The report contains forward-looking statements which, by their nature, involve risk and uncertainty as they relate to future events and circumstances that may be beyond our control. We thus advise our readers to use caution in interpreting any forward-looking statements in this report.

Feedback

To enable us to go further along our continuous improvement journey, your feedback matters.

Write to us at investors@enl.mu

Icons used to navigate in this report

Content available online at www.enl.mu

Cross-referencing

GROUP **PROFILE**

'OUR GROUP'S STRATEGIC OBJECTIVE IS TO GROW ENL THROUGH PURPOSE-DRIVEN TEAMS, INVESTMENTS AND OPERATIONS THAT USE THE GROUP'S ASSET BASE TO POSITIVELY IMPACT ITS FINANCIAL PERFORMANCE AND SOCIETY SUSTAINABLY.'

ENL Limited is the holding company of the ENL group, a broad-based enterprise, developing and managing more than 120 international and home-grown brands in a range of sectors, including agro-industry, real estate, hospitality, logistics, fintech, commerce and manufacturing.

A proactive group since 1821

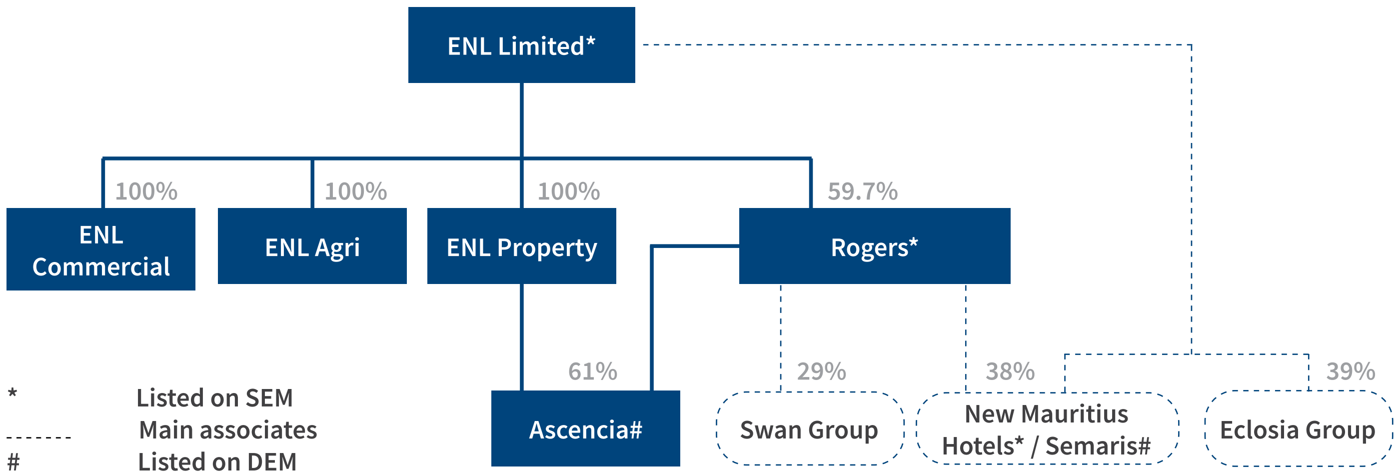
Deeply attached to human values, to ethics in business and to Mauritius

Listed on the Stock Exchange of Mauritius

Has a large, strategically located land bank of 23,000 arpents

An influential player in the Mauritian economy

+4,000 shareholders



+120 international and home-grown brands

+100 subsidiaries

+7,000 employees

Active in 7 different business segments

Cap 23, our new three-year strategic plan, details our ambition for each served market as follows:

Land & investment	Optimise the Group's asset base and land bank utilisation
Agro-industry	Rightsize sugarcane and diversify further
Real estate	Sustain the value creation model, create trendsetting products and maintain market leadership
Commerce & industry	Increase market share and innovate portfolio
Hospitality	See the crisis through and renew with profitability
Logistics	Expand horizons and build partnerships
Fintech	Revisit the business model and scale up fast

FINANCIAL HIGHLIGHTS

Total assets
Rs **74.3 bn**
2019*: Rs 67.5 bn

Total equity
Rs **40.0 bn**
2019*: Rs 36.9 bn

Gearing
37%
2019*: 37%

Turnover
Rs **14.4 bn**
2019*: Rs 16.0 bn

Operating profit
Rs **0.3 bn**
2019*: Rs 1.3 bn

Loss after tax
Rs **957 m**
2019*: Rs 1,061 m profit after tax

** Restated*

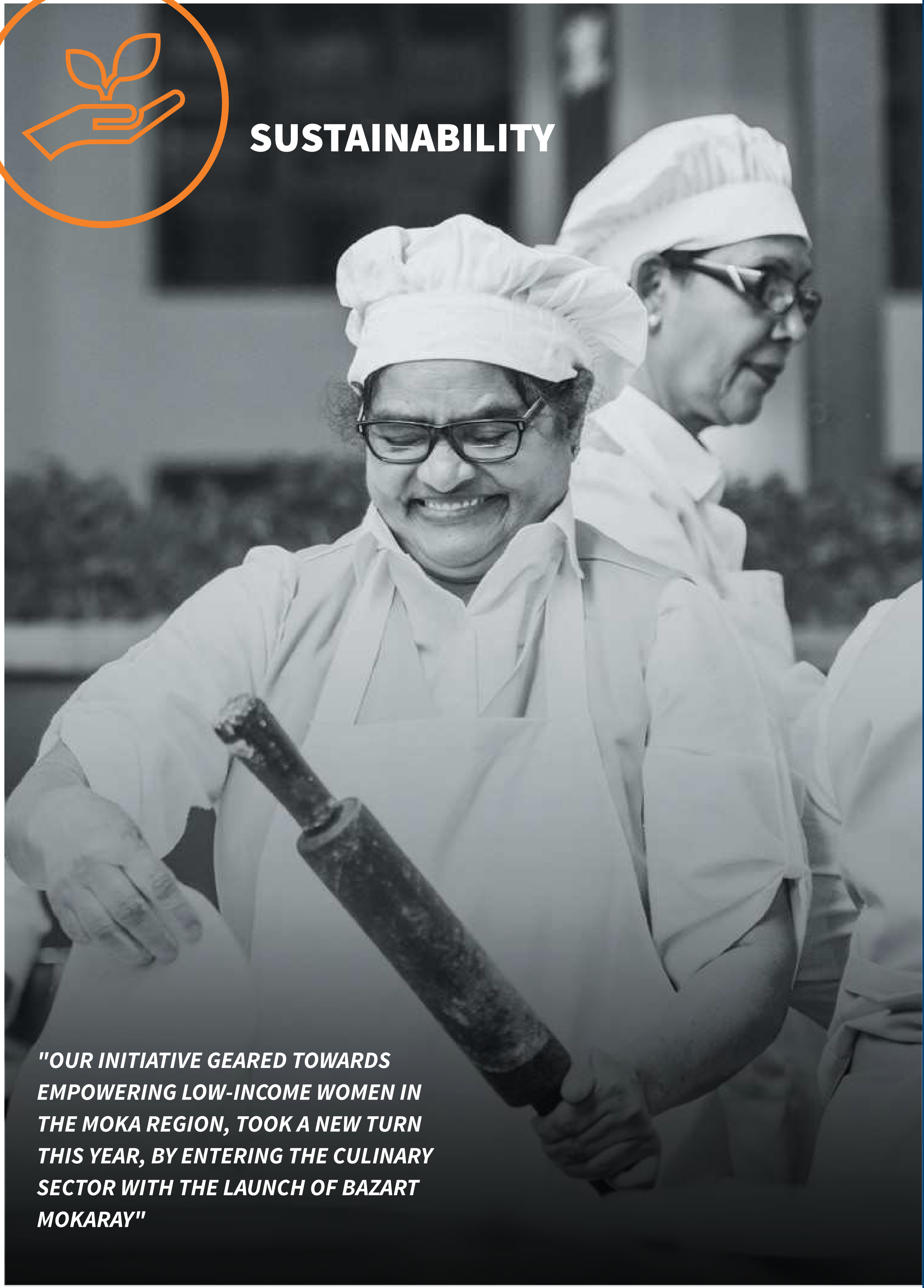
GROUP **STRUCTURE**

	Land & investment	Agro-industry	Real estate	Commerce & industry	Hospitality	Logistics	Fintech
SECTORS	Land owner Venture capital Business incubator	Sugar cane Farming Food crops Trade & services	Moka Smart City Residential Business parks Shopping malls Property funds Services	Automotive Industry & manufacturing Trading & services	Hotels Travel Leisure	Freight forwarding Courier services Warehousing	Corporate services Technology services Financial services
COMPANIES / ACTIVITIES	Compass Turbine	ENL Agri Agrex ESP Landscapers Agrïa* Sygeco	ENL Property Moka City Ascencia* Enatt Les Villas de Bel Ombre* Oficea EnVolt CIPF	Axess Grewals JMD Plastinax Nabridas Box Manufacturing Ensport	Veranda Leisure & Hospitality* Rogers Aviation* Island Living*	Velogic* Rennel	Rogers Capital*
KEY INVESTMENTS	-	Eclosia	B.C.E. Semaris*	F.R.C.I. Superdist	New Mauritius Hotels*	-	Swan*

* Also part of the Rogers group

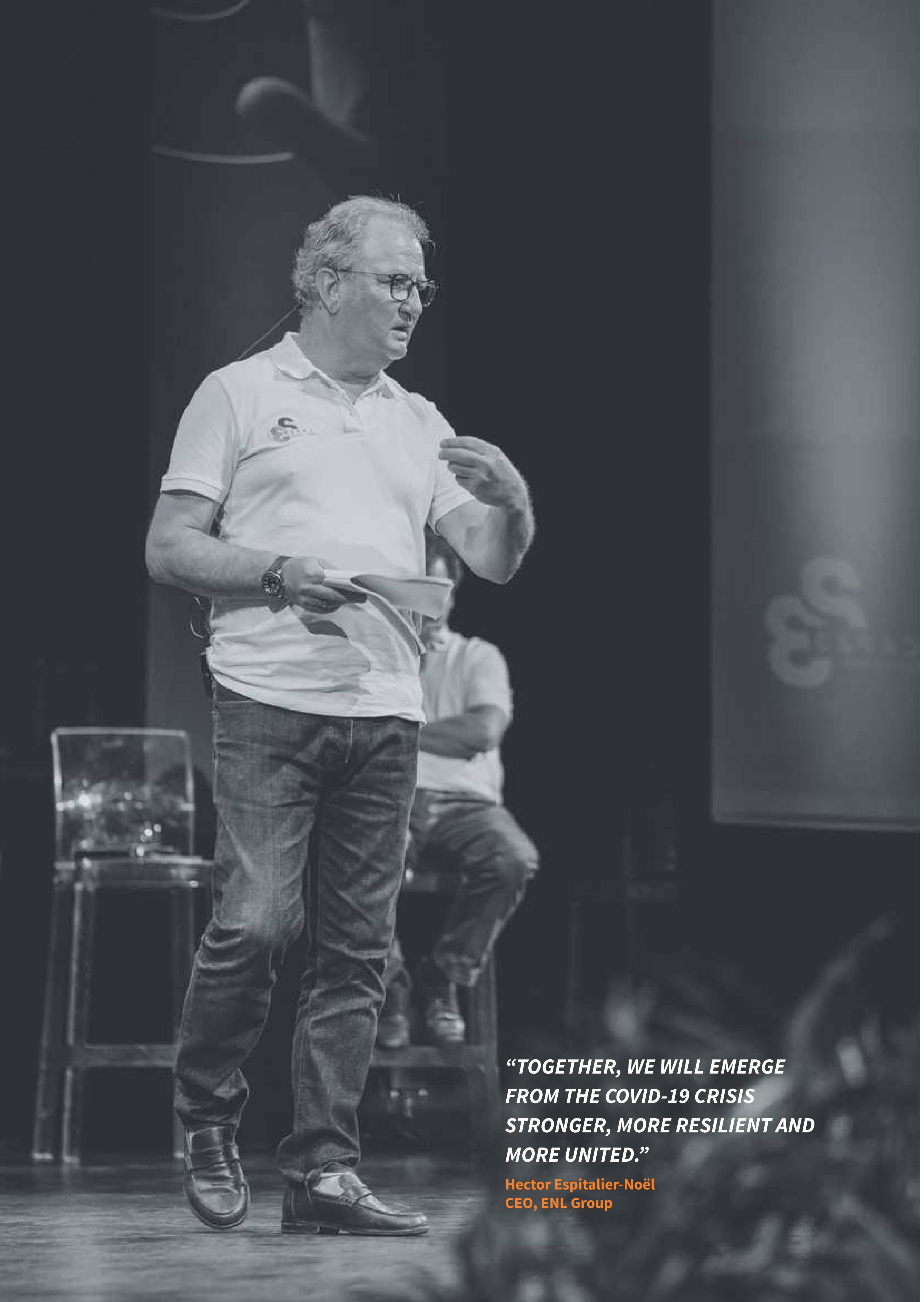
View our detailed group structure at www.enl.mu

SUSTAINABILITY



"OUR INITIATIVE GEARED TOWARDS EMPOWERING LOW-INCOME WOMEN IN THE MOKA REGION, TOOK A NEW TURN THIS YEAR, BY ENTERING THE CULINARY SECTOR WITH THE LAUNCH OF BAZART MOKARAY"

WE BUILD A **RESILIENT** AND **THRIVING MAURITIUS** BY INTEGRATING THE **WELL-BEING OF SOCIETY** AND **THE ENVIRONMENT** IN OUR **BUSINESS MODELS**.



"TOGETHER, WE WILL EMERGE FROM THE COVID-19 CRISIS STRONGER, MORE RESILIENT AND MORE UNITED."

Hector Espitalier-Noël
CEO, ENL Group

DISCUSSION WITH THE CEO

ENL is exceptionally late in publishing its audited financial statements. How do you account for the delay?

Discipline and rigour are integral parts of ENL's corporate culture, and the late publication of the company's accounts is highly regrettable. A conjunction of several factors accounts for this situation. We were audited by a new firm which had yet to fully understand the complexity and diversity of our Group. The COVID-19 pandemic has been another major disruptor as it has ushered in a whole new set of complications, impacting companies' capacity to deliver, and especially the hotel industry's ability to secure adequate funding. Businesses are being subjected to tighter scrutiny. Accounting standards have become more rule-based, materiality thresholds have gone down, and our auditors have questioned how we account for key aspects of our business model.

What precisely is the issue about?

It is about how we account for our investment properties which lie at the very foundation of our business model. ENL is engaged at continuously leveraging its land assets to create cash generating businesses. We have been foresighted enough to constitute a landbank of strategically located, development-ready properties to support our business strategy. We keep these properties under sugar cane cultivation until such time when a development is undertaken on them. However, this agricultural activity is only incidental with regards to the main purpose for which the landbank is constituted, namely real estate development. Our ability to obtain value from the converted land has been amply demonstrated and we have always accounted for increases in its value as profit. Our new auditors have questioned this long-standing practice. We are publishing non-GAAP statements in this report to clarify our position.

The financial year under review marked the end of Vision 2020. What is your assessment of the Group's performance with respect to set strategic objectives?

With Vision 2020, our strategic business plan for the period ending June 2020, we paved the way for our Group to grow further. Had it not been for the COVID-19 pandemic, we would have comfortably achieved, and even exceeded, set objectives. As it turned out, Vision 2020 equipped us to weather the first year of the COVID-19 pandemic more serenely since,

- We strengthened our capacity to grow by securing equity partnerships for Moka City, Oficea and VLH, and by restructuring part of our debts through finance raised on the bond market,
- We made strategic investments to sustain the dynamism of our real estate activities, securing additional space for Moka City to expand, creating Oficea to spearhead the development of our office properties, and opening two new malls to scale up our operations,
- We turned around the commerce & industry segment of our businesses, with Axess, the main contributor to its profitability, significantly increasing its market share,
- We diversified Rogers Capital's scope of activities by venturing into consumer finance,
- We repositioned Bel Ombre as a sustainable agri-tourism destination, and
- We unified the ENL team and better aligned the interests of our Group's many stakeholders by amalgamating our different holding companies.

What were the highlights of the financial year under review?

We cleared several important milestones during the first half of the year. The most significant ones contributed to strengthen real estate development and management as our main growth driver for the foreseeable future: Moka City was authorised to double its size to some 1,000 arpents, we started works to develop Gros Bois into a smart village and Ascencia initiated the expansion of Bagatelle Mall by adding some 13,000m^2 to the existing facilities.

The second half of the year was marked by the COVID-19 outbreak and the ensuing national lockdown. The exceptional agility and solidarity demonstrated by the ENL team in those times were undoubtedly the main highlight of this period. At a time when Mauritians were confined to their homes, the ENL team worked hard - both at home and on site, as well as at company and national levels, to ensure business continuity. We thus contributed to maintain supply chains open and our hotels served as quarantine centres. And all the while, we upheld solidarity with the lesser privileged: the Group donated Rs 5.5 million to the National COVID-19 Solidarity Fund and ENL employees raised some Rs 20 million to support local communities that were the most impacted by the pandemic.

How has the COVID-19 pandemic impacted ENL?

Our teams responded to the crisis with agility, switching to remote work and optimising the use of Work Access Permits to ensure business continuity. Given the encouraging results we had recorded during the first semester, we would have been able to contain the immediate impact of the pandemic on our performance. However, the closing down of national borders seriously compromised our chances to that effect as the hospitality industry was left with high fixed costs and no revenue.

The other segments of our businesses showed resilience, quickly overcoming delays and setbacks caused by the lockdown. Ascencia implemented a tenant relief plan and launched its Safe Shopping campaign to successfully renew with robust trading densities. Our farming operations calibrated production to shrinking demands following the hotel industry's shut down. Having played a vital role in keeping supply chains open during the lock down, our logistics services recovered largely despite lower trade volumes. Our fintech services remained stable, except for the consumer finance segment which was severely impacted by the pandemic and its toll on the purchasing power of Mauritians.

Our residential and office property developments and operations stayed their course, buoyed by investors' preference for property stocks in times of crisis, as well as by ENL's significant goodwill as property developer. Our commercial activities recovered from initial slowdown, boosted by the Government's scheme to support sales of new vehicles, and by the renewed dynamism of the construction sector.

What is the Group's strategy to navigate the coming years?

The *COVID-19* caught us right in the middle of the elaboration of **CAP 23, Impact Driven**, our business plan for the period 2021-2023. We are naturally factoring in changes in the national and international socio-economic landscapes in our planning process. Prepared once again in collaboration with French consultancy *EY – Parthenon*, this strategic plan charts the way ahead with inbuilt agility, providing for regular reassessments and readjustments to suit the extremely volatile times we are living in.

We are staying our course in growing ENL into a modern, efficient, customer-centric, and sustainable business group. **CAP 23, Impact Driven** is underscored by two roadmaps which translate our ambition for sustainable innovation. Prepared under the guidance of French consultancy, *Imaginabl*e, our sustainability roadmap positions ENL as an open and learning enterprise, actively committed to the community, and consistently upgrading its business model to positively impact our natural environment. Our digital roadmap, put together with expert inputs from *EY Mauritiu*s, enables us to leverage technology and data to transform ENL into a modern technology-backed organisation.

" WE ARE INTRODUCING A FRAMEWORK FOR OUR BUSINESSES TO BE SUSTAINABLE BY DESIGN. IN ADDITION TO IMPACTING THEIR BOTTOM LINES, ENL COMPANIES WILL HENCEFORTH HAVE TO DEMONSTRATE HOW THEY ARE POSITIVELY AFFECTING THE SOCIAL AND NATURAL ENVIRONMENTS THEY OPERATE IN."

What is the sustainability agenda of ENL?

ENL is a long-term player, committed to creating value over time. As such, sustainability is part of our Group's DNA. We are now adopting sustainability as a way of doing business, and we are introducing a framework for our businesses to be sustainable by design. In addition to impacting their bottom lines, ENL companies will henceforth be called upon to demonstrate how they are positively affecting the social and natural environments they operate in. Our strategy rests on four pillars: *circular economy*, *innovative capacity and adaptability of business models*, *territorial anchoring*, and *skills and employability*. When designing their business plans, ENL companies are integrating initiatives to create impact in most of these areas. Progress is being monitored by a *Sustainable Innovation Committee* that I chair.

How will ENL ensure that it has high performing, committed and capable talents to give shape to its strategic ambitions?

Our teams are one of our greatest assets and we are committed to creating the most enabling environment for talents to grow and to contribute fully to the Group's business objectives. The development of our teams is a strategic focus area for the achievement of our CAP 23 objectives. Our strategy to grow our teams involves the activation of all the levers of modern human capital management, including talent, engagement, and performance management as well as training and leadership development. It explores principles such as flexible workforce and remote work. We have also overhauled our training capabilities by creating the Enabling Academy to nurture existing and future talents, while leveraging on systems and digital capabilities.

Given the context, how will the Group maintain its growth momentum in its six served markets?

We are expecting a return to profitability by FY 2022, except for the hospitality segment which is expected to recover by FY 2023. ENL has the inherent strengths and resources to weather this crisis: a sound financial structure, a reasonable gearing level, a talented and engaged team, a significant asset base and a strong goodwill among key stakeholders. The outlook from an operational point of view gives us good reason to believe in a rapid recovery.

- The market for real estate remains buoyant despite the crisis and we have the staying power to adapt our product offering to demand, should it slow down. As such, Moka City pursues its development plans, and so does Ascencia which is investing in the extension of Bagatelle Mall, including in a dedicated facility for Decathlon. We are also launching the development of Gros Bois under the *Smart City Scheme*.
- ENL Agri is maintaining its focus on improving operational efficiency and developing new business lines. Sugar cane cultivation should become sustainably profitable again on the strength of better remuneration of bagasse, which we expect to be implemented shortly.
- ENL Commercial will continue to grow its portfolio of brands and will aim for market leadership in its main businesses, namely by maintaining focus on customer satisfaction and operational efficiency. The cluster has secured a prestigious new brand, Decathlon, which will be opening its first retail outlet in Mauritius by the end of April 2021.
- Rogers has initiated the integration of our hotels and leisure activities with completion expected by 30 June 2021. This should create a differentiated hospitality powerhouse with unique and exclusive customer experiences. We are positioning and promoting Bel Ombre as a sustainable agri-tourism sub-destination. Additionally, construction works for a second golf course in Bel Ombre have progressed well, with a planned opening during 2022. As regards our travel services, we are resolutely going digital to be aligned with latest market trends.
- The crisis has opened new avenues for growth for Velogic and we have plans to consolidate our position in Mauritius, East Africa and India, as well as to turnaround our French loss-making operations. With strategic partnerships likely to unfold over the next few years, we also intend to play a leadership role in the provision of logistics services in the Indian Ocean and East Africa.
- The consumer finance segment of our fintech cluster has registered setbacks resulting from delays in debt repayment by clients. Rogers Capital is currently exploring several avenues to compensate for it. The company's corporate services segment, on the other hand, has demonstrated resilience despite the crisis and the EU's blacklisting of the Mauritian jurisdiction. We will continue to focus on providing more differentiated and value-added services in the coming year. The future, however, will depend on how readily the EU will white-list Mauritius once again, and when.
- We continue to develop photovoltaic projects and acquire new competencies through partnerships. We aim to develop a comprehensive value proposition that would not only equip Moka City to meet its sustainable energy needs but will also enable our Group to reduce its carbon footprint and develop its nascent energy cluster.

ENL INTEGRATED REPORT 2020

The hospitality sector is in a state of emergency. Will ENL continue to invest in this industry?

The hospitality industry is a key driver of the national economy, accounting for more than 100,000 direct and indirect jobs and nearly 25% of Gross Domestic Product. ENL is a major stakeholder with leading brands like VLH, Heritage, Beachcomber and Island Living. The sector is currently beset by very serious woes, both in our main markets and at home: confinements, disruptions in international air traffic, the decision of Air Mauritius to go into voluntary administration...

To date, hotel operators are on survival mode, and so despite Government's support through the *Government Wage Assistance Scheme* (GWAS) and the *Mauritius Investment Corporation* with its bail-out plan. The industry has opened to local customers and proposed quarantine travel packages in a bid to generate some revenue. But this has minimal impact on the distressed businesses. It will take the seamless opening of national borders to international travellers and a well-thought, integrated destination marketing plan to set the industry on the path of recovery. The availability of vaccines and on-going mass vaccination campaigns make us hopeful that the Government will soon be in a better position to reconcile public health with economic health.

Our Group is preparing for recovery by continuously working at boosting the resilience of our hotel and leisure operations and by enhancing our customer experience offering.

“OUR RESIDENTIAL AND OFFICE PROPERTY DEVELOPMENTS AND OPERATIONS HAVE STAYED THEIR COURSE, BUOYED BY INVESTORS’ PREFERENCE FOR PROPERTY STOCKS IN TIMES OF CRISIS, AS WELL AS BY ENL’S SIGNIFICANT GOODWILL AS PROPERTY DEVELOPER.”

What do you expect for the coming financial year?

We expect our financial performance to be significantly challenged for the coming financial year, especially in the hospitality sector given that national borders have remained closed for the entire financial year. With the marked exception of the hospitality segment, all our businesses posted positive results during the first semester of 2021. We expect these operations to continue to show resilience, but we are very clear that this will not offset the adverse impact of the prolonged confinement of Mauritius with respect to the rest of the world. The more so since Mauritius has had to lock its borders to outside traffic anew since March 2021.

The situation will only get worse the longer our country stays on the European blacklist. The lack of visibility as to how this matter will be resolved darkens the outlook for an otherwise healthy financial services industry. Fundamental shifts in our country's fiscal policy as witnessed by the increased taxation of individuals, and the controversial introduction of the *Contribution Sociale Généralisée,* further weakens the competitiveness of Mauritius as a destination to work, live and do business in. We will be closely monitoring the impact of this change, especially in the real estate sector.

Despite the Government's efforts to help businesses impacted by the crisis and to preserve jobs, it is anticipated that the gloomy economic outlook will be further enhanced by expected job losses and drops in consumption and consumer confidence. As such, we expect the coming year to be challenging for our commercial, retail properties and consumer finance activities.

As regards our real estate segment, the demand for our products in Moka remains strong and we are confident about the short- and longer-term prospects. The low interest environment, depreciation of the Mauritian rupee, and the loss of confidence in the stock market have resulted in the real estate market consolidating its position as a safe investment.

To conclude?

I would like to thank every single employee of the Group as well as my fellow CEOs, the ENL leadership team and my fellow Directors for their unwavering commitment to see our Group through this crisis. I would also like to place on record our appreciation of the Government's efforts to help businesses weather the COVID-19 pandemic. I am equally grateful to our business partners and various stakeholders for their continued support and trust in ENL.

Speaking from an economic point of view, I believe we have yet to bear the full brunt of the COVID-19 pandemic. So far, the economy has been largely supported by the Government's various support plans that no one can reasonably expect to last for ever. We remain convinced that our country will not engage on the path of sustainable economic recovery unless national borders are opened, and travellers are made to feel welcome once again. The Government's sound administration of the pandemic and the ongoing national vaccination campaign hold the promise of a speedy return to normalcy, and ENL is actively preparing itself for it.

Thank you, fellow shareholders, for your continuous support. I assure you of my unreserved commitment to lead ENL through these challenging times, and I am confident that together, we will emerge from the COVID-19 crisis stronger, more resilient, and more united.

“ENL HAS THE INHERENT STRENGTH AND RESOURCES TO WEATHER THIS CRISIS: A SOUND FINANCIAL STRUCTURE, A REASONABLE GEARING LEVEL, A TALENTED AND ENGAGED TEAM, A SIGNIFICANT ASSET BASE AND A STRONG GOODWILL AMONG KEY STAKEHOLDERS. WE ARE EXPECTING A RETURN TO PROFITABILITY BY FY 2022, EXCEPT FOR THE HOSPITALITY SEGMENT WHICH IS EXPECTED TO RECOVER BY FY 2023.”

About Cap 23
Impact driven

The financial year 2020 marked the end of our strategic plan to 2020. Despite the difficulties of the agro-industry and fintech segments, the execution of Vision 2020 led to three years of great entrepreneurship, which opened new avenues of growth for the Group. Had it not been for COVID-19, we would have met the objectives laid out in the plan.

This year, using the expertise and knowledge of our expert, Ernst & Young, we reviewed the strategic orientations of the Group and its different activities to devise and structure Cap 23 – Impact-driven (Cap 23). Our strategic road map for the 2020-2023 period is built on the achievements of Vision 2020 and factors in the impacts of the pandemic on the economic environment.

In developing Cap 23, we charted out the recovery scenarios for our operations taking into account the current uncertainties. In parallel, we conducted other workstreams that include structuring our digital and sustainability road maps. For the latter, we partnered with Imaginable, a French firm specialised in sustainable development.

Cap 23 is the compass that will guide the Group through these uncertain times. Our ambition is to grow ENL through purpose-driven teams, investments and operations that use the Group's asset base to positively impact its financial performance and society, sustainably.

To do so, the Group's strategic focuses will be on the following:

Teams
Nurture teams that are high-performing, committed, and capable of continually reinventing themselves

Customer centricity
Build a relationship of proximity and trust with customers, based on a good knowledge of their needs and aspirations

Sustainability
Integrate the principles of sustainable development into our business models

Operational excellence
Use all the available levers to be best-in-class in our core markets

To achieve significant improvement in these four areas of excellence, we have identified **strategic enablers** to be leveraged. These should better equip ENL to meet its growth objectives and the challenges of the fast-evolving business environment.

They are namely:

Digitalisation
Maximising the potential of digital technology for a market-driven business approach and to improve operational efficiency

Partnerships
Being proactive in seeking and nurturing partnerships that will give the Group access to new skill sets, technology, funds, and markets

Globalisation
Being best-in-class in our core businesses to enhance our global visibility and to attract international partners and customers

How will Cap 23 enable ENL to drive impact?

The human capital dimension of the Group as a key strategic focus of Cap 23

As a strategic focus of Cap 23, ENL will keep emphasising on bringing its human resources to the highest level and nurture its position as an employer of choice. Over the next three years, initiatives have been set out to consolidate the Group's workforce into high-performing, purpose-driven and impact-driven teams. Our initiatives include creating a work culture that is conducive to high engagement levels, investing in continuous learning, seeking and promoting diversity in our teams, as well as developing current and future leadership capabilities.

Read more in our human capital section on pages 24 to 27.

Sustainability as a key strategic focus of Cap 23

As one of our key considerations under Cap 23, we are now adopting a clear and well-structured approach to infusing sustainability as a way of doing business. Our core purpose is to build a resilient and thriving Mauritius by integrating the well-being of the society and the environment in our business models. To pursue our commitment towards an inclusive and sustainable development, we want to:

- produce and deliver goods and services in innovative and sustainable ways,
- seek to deliver a positive environmental and social impact, and
- demonstrate care for the community by being inclusive in everything we do.

In preparing our sustainability road map, we have reinforced our team's capacity and literacy in the field to define goals that will underpin our attachment to the United Nations Sustainable Development Goals (UN SDGs). As such, with the contribution of Imaginable and through several sharing forums and collaboration among ENL teams, four areas of focus that integrate some of the 17 UN SDGs were selected to enable the Group to develop its sustainability approach.

Our sustainability approach relies on factoring in an inclusive growth model that is likely to have a positive impact on the planet and people without neglecting our profitability; this will allow us to create long-term value for our business, our stakeholders, society at large and our planet.

We do so by focusing on four pillars:

- **The circular economy**, with the adoption of sustainable practices,
- **The innovative capacity and adaptability of our business models**, by fostering an innovative corporate culture that includes encouraging intrapreneurship for the development and implementation of projects having a positive impact,
- **Territorial anchoring**, by continuing to build the relationship with communities through the regeneration of neighbourhoods, in which ENL Foundation has already been engaged over the past ten years and by encouraging our people to get involved in our CSR initiatives, and
- **Skills and employability**, by making the Group an open and learning company that includes creating a learning factory, integrating the sustainability dimension in the strategic plans of our core activities, and promoting diversity within our teams.

ENL has developed a well-structured governance system with commitment from the top and from the key functions. A Sustainable Innovation Committee chaired by the CEO has been set up to spearhead the sustainability and inclusiveness dimensions of the Group. The objectives of the committee are to drive the sustainability initiatives within ENL and monitor the progress of the projects implemented while also ensuring that all parties contribute to the success of these projects. Moreover, it also acts as a unifying forum to identify synergies at group and cluster levels.

These initiatives complement the **Rogers Group**'s commitment to sustainability. Last year saw the launch of the "*Rogers, Uniting Energy*" campaign with the undertaking to conduct business in an inclusive and sustainable way. The core purpose is to co-create meaningful opportunities so as to drive resilience and future-fitness.

This year, Rogers joined the SigneNatir Pact of Business Mauritius and brought a clear strategic direction by developing its first sustainability charter, which fully embraces the triple bottom line economic model of people, planet and profit (the "3Ps"). The Pact focuses on five pillars and priority SDGs and includes *energy transition, circular economy, biodiversity, vibrant communities* and *inclusive development*. The Rogers group has set up a committee to spearhead its sustainability and inclusiveness programme.

Read more in our social, relationship & natural capital section on pages 28 to 33

Customer centricity at the heart of our strategy

Customers are constantly at the centre of our strategy for sustainable growth. As such, under Cap 23, we will continue to promote customer centricity to create relevant, efficient, and profitable end-to-end relationships with them.

Over the coming three years, our companies will put a special focus on:

- using data and insights to attract new customers and deliver meaningful customer engagement across all our touchpoints,
- consistently evolving our products and services to create brand experiences that make a positive difference in our customers' lives, and
- delivering extraordinary customer service capabilities to earn and keep customer trust and increase our brand equity.

In particular, ENL is embarking on a journey to harness customer data in a secure and General Data Protection Regulation (GDPR)-compliant ecosystem. The Group intends to embed the strategic value of data in its business models and deliver omni-channel customer experiences to all its stakeholders.

Digitalisation as our strategic enabler to deliver on customer centricity and operational excellence

At ENL, we are continuously sharpening our soft assets by leveraging digitalisation to innovate our products and processes, and actively promoting a culture of excellence and of connectedness to the market. Through Cap 23, we will harness digitalisation to deliver on the **customer centricity** and **operational excellence** fronts. We will use the relevant technologies to better service our stakeholders and to improve efficiency.

In this instance, four digital pillars, namely **digital experience, analytics, automation** and evolving in a **paperless environment** have been selected to enable us to improve the Group's processes and services while allowing us to offer a better experience to our customers and team members alike.

A total of 27 digital initiatives have already been identified and prioritised within the Group and should be implemented over the next three years. We have also identified opportunities for synergies across multiple entities within the Group in carrying out these digital projects.

VALUE CREATION MODEL

CAPITALS

Financial
- Debt
- Equity
- Reinvestment

Manufactured
- Buildings
- Machinery and equipment

Human
- Leadership
- Employees

Social & relationship
- Business partners
- Customer relationship

Intellectual
- Licences
- Know-how
- Systems

Natural
- Land
- Energy

HOW WE CREATE VALUE

Active in 7 business segments

Land & investment · Agro-industry · Real estate · Commerce & industry · Hospitality · Logistics · Fintech

Segments' review (pages 40 to 55)

Guiding principles

- **Our brand purpose:** The relentless pursuit of value creation, sustainably
- **Our values:** ENL's culture is underpinned by strong values which call each team member to ***Commit, Connect*** and ***Innovate***

Engagement with our stakeholders

We create sustainable value by making every effort to engage with our stakeholders and to serve their needs and aspirations with commitment and innovation

Engagement with stakeholders (pages 22 to 23)

Governance

Unitary Board of Directors and specialised committees providing effective oversight of financial, operational, reputational and ethical matters

Governance (pages 62 to 93)

Risk management

An established risk management framework and an improving risk maturity within the group are key enablers to ensure better oversight of existing and emerging risks by the Audit and Risk Management Committee (ARMC) and ultimately the Board

Risk management (pages 56 to 61)

Strategic plan

Cap 23 – Impact-driven, our three-year strategic plan to 2023

About Cap 23-impact driven (pages 16 to 19)

VALUE WE CREATE

Financial
- Group turnover: Rs 14.4 bn (2019*: Rs 16.0 bn)
- Group operating profit: Rs 0.3 bn (2019*: Rs 1.3 bn)
- Group loss after tax: Rs 957 m (2019*: Rs 1,061 m profit after tax)
- Group total assets: Rs 74.3 bn (2019*: Rs 67.5 bn)
- Group total equity: Rs 40.0 bn (2019*: Rs 36.9 bn)
- Group gearing: 37% (2019*: 37%)

*Restated

Group review (pages 36 to 39)

Manufactured
- 137 built-up units sold at Les Promenades d'Hélvetia
- 27,000m² of prime office rental space, nearly fully let and more upcoming
- +120 international and home-grown brands
- Moka Smart City's size doubled to circa 1,000 arpents
- Bo'Valon Mall is the latest addition to Ascencia's portfolio
- Bagatelle Mall extension including Decathlon well under way
- Renovation of Heritage C Beach Club and construction of second golf course in Bel Ombre started
- Rebranding of CSBO into Agrïa to bring together agriculture and hospitality
- Deployment of an app enabling merchants to onboard clients and launch of online payment platform for our financial services

Segments' review (pages 40 to 55)

Human
- 123,412 hours invested in training, representing Rs 47 m
- +54,000 visits on Talent page of ENL website, and still counting
- #myENL day held in November 2019

Human capital (pages 24 to 27)

Social & relationship
- Equity partnerships secured for Moka City, Oficea and VLH to maintain our growth momentum
- ENL Foundation implemented +100 projects impacting the lives of +9,400 individuals over the last 10 years
- Creation of 2 funds and Rs 20 m raised to support neighbouring communities affected by the COVID-19 crisis

Discussion with the CEO (pages 10 to 15) / Segments' review (pages 40 to 55) / Social, relationship & natural capital (pages 28 to 33)

Intellectual
- A renewed three-year strategic plan to 2023, Cap 23 – Impact-Driven
- Sustainability-related committees set up at ENL and Rogers group level
- Enhancement of IT security measures and data privacy governance
- Launch of the ENL Innov8 and Ascencia Innovation Challenges
- Franchise agreement signed with Decathlon to represent the brand in Mauritius
- Turnaround of the Kenya business and development of new lines of services for our logistics segment

About Cap 23 – impact-driven (pages 16 to 19) / Social, relationship & natural capital (pages 28 to 33)

Natural
- Two LEED green-certified and one ISO 50001-certified buildings to date
- 6.5 m kWh of renewable energy produced this year through EnVolt, equivalent to 6,175 tons of CO_2 emission avoided
- 81 kWh of energy consumed per GLA at our main office this year
- Electric bikes and a private shuttle bus provided to promote soft mobility within Moka
- 12 new pieces of waste sorting equipment installed in Moka's main neighbourhoods
- Several environmental initiatives implemented in our hospitality and leisure businesses, including the use of green energy, reduction of energy consumption, waste management, reduction of carbon footprint and awareness-raising on environmental issues
- Rogers Foundation has renewed its partnership with Reef Conservation to increase awareness of the need to preserve the land and marine ecosystem

Social, relationship & natural capital (pages 28 to 33)

ENGAGEMENT WITH **STAKEHOLDERS**

STAKEHOLDERS	MATERIAL MATTERS	OUR RESPONSE
Shareholders & providers of capital	• Sustainable return on investment • Good governance • Open, transparent, accurate and timely information	• Providing sustainable return on investment • Maintaining relationship with shareholders through regular communication *Group review (page 36 to 39)* *Corporate governance report (pages 70 to 83)*
Employees	• Feeling of being empowered, valued and respected • Personal and professional growth • Access to learning and development opportunities • Safe and healthy working environment • Feeling proud of working at ENL • Regular discussions on own performance • Market-related employment conditions • Understanding of employment advantages and benefits	• ENL's mission, values, and strategic objectives as well as employee engagement promoted through #myENL initiative • Employee engagement monitored through surveys conducted every 2 years • Remuneration benchmarked with the rest of Mauritius through participation in dedicated survey • A group HR management team that includes competencies like talent management, performance management and employee engagement • Creation of an Enabling Academy to nurture existing and future talents • ENL aims at deploying an internal CSR programme within its subsidiaries to infuse social consciousness among its employees • A Safety and Health Manager to assist and support ENL and its subsidiaries in complying with the legal framework related to occupational safety and health *Human capital (pages 24 to 27)*
Business partners & suppliers	• Equal access to supplier and partnership opportunities • Professional, fair, transparent, ethical and responsible treatment	• Conducting our business in a professional, transparent, ethical and responsible manner • Commercial partners are provided with a copy of ENL's Code of Ethics • Networking with the private sector through various forums *Corporate governance report (pages 70 to 83)*
Customers	• Consistent delivery of our brand promise in terms of products, services and experience • Anticipation of customer needs, aspirations and expectations • Fair commercial practices, sound ethics and good governance	• Customer centricity is a key strategic focus under Cap 23, our three-year business plan to 2023 • ENL Marketing Excellence initiative is a yearly event to strengthen our marketing capabilities • The "Enabling possibilities" campaign was launched to create awareness of how ENL brands enhance customers' lives • ENL is embarking on a journey to harness the group's customer data in a secure and General Data Protection Regulation (GDPR) compliant ecosystem to embed the strategic value of data in its business model and deliver enhanced omni-channel customer experiences to all its stakeholders *Discussion with the CEO (pages 10 to 15) / About Cap 23 – impact-driven (pages 16 to 19)*
Local communities	• Employment opportunities within the ENL group • Responsible citizenship • Support through financing and other resources to become more autonomous	• Strategy to promote integrated neighbourhoods, nurture future generations and enable vulnerable communities to live with dignity • Looking for alternative sources of supplementary funding when applicable to upkeep our CSR commitments • Moka'mwad citizens' platform launched to build lasting bridges between the existing Moka residents and those of Moka Smart City, adding life and vibrancy to the region • Sponsorship of arts, culture and sports • Setting up of committees to spearhead sustainability programmes within ENL and Rogers *Social, relationship & natural capital (pages 28 to 33)*
Government authorities	• Operations conducted in a safe and lawful manner • Responsible citizenship • Participation in the implementation of the government's economic agenda • Transparency, collaboration and networking	• Compliance with laws and regulations • Proactively developing and sustaining the national economy through entrepreneurship • Cooperating and networking with the public sector • Interaction through various industry organisations • Enhancing capacity to create jobs and wealth through partnerships *Corporate governance report (pages 70 to 83) / Social, relationship & natural capital (pages 28 to 33)*

HUMAN CAPITAL

"SOME 25 EMPLOYEES AT WORK FOR THE ENL INNOVATION CHALLENGE THAT AIMS AT PROMOTING A CULTURE OF INNOVATION WITHIN ENL WHILE ENABLING THEM TO TACKLE REAL PROBLEM STATEMENTS"

Agility and resilience in times of uncertainty

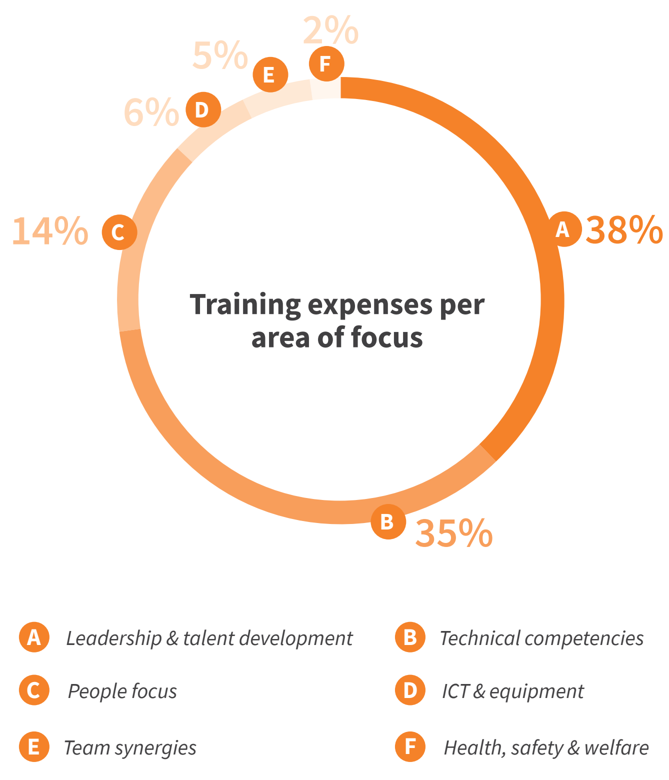
Since the onset of the pandemic, ENL's workforce has demonstrated resilience, creativity, and agility. The unprecedented nature of the situation, coupled with its share of uncertainty, forced our teams to undertake immediate, courageous, and innovative actions. Ensuring the safety of our employees and customers has been our priority. At ENL, a COVID-19 committee supplemented by several sub-committees at the level of the Group's subsidiaries were immediately set up to regularly assess the impacts of the crisis on ENL and to devise action plans for execution. Additionally, measures were put in place for our teams to remain active and ensure business continuity both from home and on site. The digital readiness of our systems and employees was essential to the success of the overnight shift to work from home. Our teams also used their agility and determination by factoring in the impacts of the pandemic and its related uncertainties in the design and structuring of their Cap 23 business plans.

A regular communication line via weekly newsletters and social platforms was maintained throughout the lockdown period with our employees and stakeholders at large to ensure their safety and well-being. The Rogers group on its side launched the *Vivacis Resilience Programme* as a comprehensive response to the pandemic. Online learning platforms and guides were also prepared and shared with employees to safeguard their well-being and prepare them for resuming work on site in the best conditions. A survey was conducted post-lockdown where nearly all the respondents expressed their satisfaction as regards the COVID-19-related security and communication measures put in place.

Our teams also demonstrated their solidarity, a hallmark of our Group's culture, with an overwhelming participation in the Rs 20 million collected for the *#myENL COVID-19 Solidarity Fund* and the *Vivacis Solidarity Fund*, created to support the vulnerable communities in our neighbourhoods. Moreover, they remained active to ensure the continuity in supply chains and of essential services, and in the provision of health and sanitary equipment to support the national supplies of personal protection equipment. Several of our leaders were also engaged in sub-committees set up by Business Mauritius to structure the response of the business sector to the crisis.

ENL REMAINS STRONG IN ITS CLAIM THAT ITS PEOPLE ARE AT THE CORE OF ITS STRATEGIC INTENTS. THIS YEAR HAS WITNESSED THE PURSUING OF INITIATIVES TO NURTURE A WORK ENVIRONMENT CONDUCIVE TO TALENT DEVELOPMENT, EMPLOYEE EXPERIENCE ENHANCEMENT AND THE WELL-BEING OF EMPLOYEES.

7,037 employees



Talent attraction and retention

Last year, we set out to create more visibility around the ENL Employer Brand to attract and retain talents within the Group. This year, ENL enhanced its visibility as an employer of choice, namely through participation in career fairs with a refreshed and more contemporary style. We were awarded the *Best Stand Award* at the *University of Mauritius Industry Recruitment Fair 2020*, a testimony of our appeal to potential recruits. Moreover, the Talent section of our website attracted some 54,000 visits (+28% over last year), including 4,500 candidates (+27% over last year) who are now registered, confirming our status as an employer of choice.

Our aim to constantly improve our employee journey within the Group has led us to the implementation of an artificially assisted recruitment platform which proved successful and paved the way to the extension of such technologies to enhance the candidate experience when considering employment in one of our companies. We are also deploying a Talent Management programme led by accredited specialists with a view to uncover and develop employees with the potential to take on leadership roles.

54,000

visits on ENL Talent page (+28%)

4,500

candidates' profile on ENL Talent page (+27%)

Employee experience and engagement

Employee engagement plans are now well embedded in our operations, supported by the #myENL steering committees and #myENL Buddy programme in ENL companies. In line with the dynamism created last year, the report period has seen new initiatives emerge across the group such as employee awards for living up to our values and recognition awards for long-standing personnel.

Engagement initiatives have been geared to raise consciousness and encourage actions by employees on worthy topics. As such, awareness talks and calls to action were also initiated for internationally celebrated themes such as the World Environment Day, the Blood Donation Day and the International Day for Women's Rights. ENL Lean-In circles were also launched to create a sharing and helping platform across the Group fostering the empowerment of women professionals. We also held our flagship culture-alignment event, #myENL Day, in November 2019 to enable employees of the Group's companies to live and play around ENL values, **Connect, Commit** and **Innovate**. During this event, employees were asked to demonstrate their belonging to the ENL culture through innovative #myENL Company Boards which illustrated how the values of ENL are lived in their working environment.

The Rogers group launched the *MyRogers* app, a major digital enhancement to the employee experience, across its businesses. The application offers real-time access to corporate news, job offers, ENL card discounts, special commercial deals with selected partners as well as self-service on pension and medical benefits.

Learning and development

Consolidating a learning culture is a key pillar of ENL's human capital strategy. The Group's training institutions have been leveraged to offer tailored development initiatives to employees. A strong focus has been placed on consolidating sales and customer services competencies across sectors.

At Rogers, the successful launch of the *RISE Sales Programme* offered sales managers and salespeople a comprehensive and structured sales and customer service development programme. Continuous leadership development for ENL leaders was also reinforced through the introduction of *LeadTalks*, a periodic rendezvous inviting them to reflect on and learn about topical subjects which are facilitated by experts.

With the advent of the Workers' Rights Act 2019, emphasis has also been laid on educating leaders and Human Resources professionals on the implications of the amended regulations through dedicated learning sessions.

123,412

hours invested in training

Rs 47 m

Training expenses

During the lockdown, an online learning platform was developed to disseminate guidelines and security protocols prior to resuming on-site work. This platform is now being redeployed as a full-fledged Learning Management system for bite-sized self-development and leadership courses

Well-being, safety & health

As a humane and caring employer, ENL is committed to provide a safe and healthy work environment for employees and third parties in line with the Occupational Safety and Health Act 2005 and its associated regulations. We firmly believe that all employees are important for the success and sustainability of our business; therefore, the cooperation of every stakeholder is paramount in identifying and managing hazards and risks. As stated in our Code of Ethics, we adhere to the prescribed safety rules, act by example, and strive to identify occupational risks, establish controls, and monitor performance.

The global COVID-19 pandemic has highlighted the relevance of managing workplace safety and health. Keeping employees healthy and safe at work and maintaining their morale during the COVID-19 outbreak has been the Group's priority. The following measures were taken to prevent the disease and at the same time reassure employees:

- protocols for managing COVID-19 at work were implemented,
- necessary supplies such as masks, face shields, sanitisers, and gloves as required were provided to employees, and
- regular employee updates on the outbreak and reiterating the sanitary measures to be adopted.

The Group fosters a working culture focused on employee safety and well-being through preventive and proactive practices. Some initiatives undertaken this year to promote health and well-being were mainly:

- free medical check-ups and targeted campaigns to raise awareness with regard to specific health issues,
- specific health surveillance programmes carried out in several subsidiaries, and
- the services of a medical doctor for employees in specific subsidiaries and access to a clinical psychologist for employees at the corporate office for counselling and support through an employee assistance programme.

Going forward, our focus will be to:

- develop and implement policies and procedures for the management of safety and health at work,
- sustain the vast operations of managing employee safety and health with respect to COVID-19, and
- ensure continuous improvement of existing safety and health practices and objectives.

*Our employees living the ENL values during **#myENL** day held in November 2019*

Going forward

Under Cap 23, the human capital dimension of ENL has been named 'Teams'. Positioned as one of the four strategic focus areas of the Group's three-year plan, its underlying initiatives will aim at consolidating ENL's workforce into high-performance, purpose- and impact-driven teams.

Components of the human capital strategic agenda are the evolution of a more flexible and diverse workforce, focus on the development of sustainable competencies, and the overhaul of the Group's training institution into *The Enabling Academy* while leveraging systems and digital capabilities.

The COVID-19 factor has also brought its fair share of uncertainty with regard to job redundancy induced by reduced business. As a humane and caring employer, we are guiding our business leaders through well-established protocols on how to optimise their workforce arrangements and activities on all practicable alternatives to preserve employment as far as possible. Furthermore, keeping an engaged workforce amidst the prevailing uncertainty and difficult context will prove challenging. Nevertheless, ENL reaffirms its commitment to continuously enhance its employee experience and has set the objective of reaching an employee engagement score of 70% by 2023.

+4,900

employees received safety and health trainings and toolbox talks

SOCIAL, RELATIONSHIP **& NATURAL CAPITAL**

Our corporate social and environmental responsibility

The COVID-19 pandemic has resulted in a wide range of difficulties for vulnerable communities around the country. As a responsible corporate citizen, the Group demonstrated its solidarity by contributing Rs 5.5 million to the national COVID-19 Solidarity Fund. Moreover, the ENL group created the #myENL COVID-19 Solidarity Fund while the Rogers Group set up the Vivacis Solidarity Fund. With the active participation of our employees, Rs 20 million were raised to support the neighbouring communities affected by the crisis. Non-Governmental Organisations (NGOs) were subsequently invited to submit project applications for funding. During lockdown, the ENL Foundation, Rogers and Moka'mwad teams, as well as several companies within the Group have been proactive in ensuring the continued provision of food essentials to families living in the vulnerable communities where the group operates. Furthermore, we launched *nourezo.mu* to support self-employed workers.

ENL FOUNDATION: DRIVING INTEGRATED AND SUSTAINABLE COMMUNITY DEVELOPMENTS

Last year marked a decade of impactful stewardship by ENL Foundation, which operates mainly in the vulnerable regions of Moka-Saint Pierre, Pailles and L'Escalier. Over the years, the ENL Foundation implemented some 100 projects, positively impacting the lives of over 9,400 individuals through education and training, health and nutrition, employability and entrepreneurship. As part of its commitment to foster inclusive growth, ENL Foundation is continuously investing in disadvantaged communities to enable them *to live with dignity, build integrated neighbourhoods, and nurture present and future generations through arts, culture, training and sports.*

100+
projects implemented

9,400+
direct and indirect beneficiaries

Bazart Mokaray

A few years back, we initiated *Bazart Kreasion* to promote the economic empowerment of 40 underprivileged women from Moka and neighbouring areas through micro-entrepreneurship. This year, the initiative took a new turn by extending to cookery. With the launch of *Bazart Mokaray*, a group of women received training in this popular field from an experienced chef. This culinary project earmarked as the new flagship of *Bazart Kreasion* is the first step towards a broader initiative to help empower low-income women in the region. The *Bazart Mokaray* brand specialising in local and authentic cuisine offers catering and restaurant services.

Bazart Mokaray is the first step towards a broader initiative to empower low-income women in the region

Leave No One Behind initiative

The *Leave No One Behind* initiative, funded by the European Commission (EC), was launched last year. The objective is to alleviate poverty by empowering and mentoring low-income earners and the underprivileged to become resilient and economically independent, and live with dignity.
The programme, structured around four pillars is being implemented over a three-year span in Cité Telfair, Alma, Cité Sainte Catherine, Pailles and L'Escalier. Training in *backyard gardening* was provided to 93 people. Our teams are also assisting with the projects of 20 beneficiaries in L'Escalier who learned to set up their own businesses last year under the *incubator's programmes*. Additionally, 18 individuals from Telfair and Alma received life skills training and are currently being coached in entrepreneurship. The *capacity building programme* focusing on children's functional literacy and life skills sessions for adults was launched in the 5 regions, with 83 beneficiaries to date. We are currently completing construction of the relevant infrastructure and our teams are busy identifying beneficiaries for the *mix farming programme*. The aim is to provide part-time employment to 25 individuals to help reduce food insecurity and improve their well-being.

Leave No One Behind:
225
out of the 375 direct beneficiaries reached

Future Skills project (Aprann)

This year, ENL Foundation joined forces with HSBC Mauritius to initiate the *Future Skills* project, which has been named *Aprann*. Driven by ENL Foundation and funded by HSBC Mauritius, it will enhance the employability of unskilled and untrained low-income individuals from vulnerable communities. The training provided is aimed at improving their communication skills and build their confidence to enable them to find employment through psychological preparation, reinforcement of values and life skills, vocational training, job placement and on-the-job training. This threefold project includes the following consecutive phases: the *capacity building programme, skills development & vocational training* and *placement & on-the-job training*. To date, the project has reached more than 60 people and ENL Foundation will soon start the construction of a training hub in Telfair to get most of the beneficiaries ready for employment.

Future Skills project:

+60

beneficiaries to date

Aprann will enhance the employability of unskilled and untrained low-income individuals from vulnerable communities.

Looking ahead

Going forward, we will work towards promoting employment and pursue our commitment to alleviate the impact of the pandemic on the most vulnerable population within the ENL catchment area. Despite the drop in contributions caused by the crisis, we expect to continue to support the causes we have committed to, looking for alternative sources of supplementary funding internally or externally (e.g., EC and HSBC). ENL Foundation is leveraging the commendable credibility and goodwill achieved to attract funding from both national and international sources. Moreover, we intend to infuse social consciousness through an internal CSR programme within our subsidiaries to turn our employees into game changers in their workplace and community. The pandemic has highlighted the need for coordinated responses. As such, under the guidance of Business Mauritius, our teams are now working with the country's main CSR foundations and NGOs on a social mapping and a directory of beneficiaries by region. This should lead to the establishment of a database to facilitate any actions and mitigate duplications while also ensuring better coordination.

ROGERS: COMMITTED TO DO BUSINESS IN AN INCLUSIVE AND SUSTAINABLE WAY

Rogers is committed to do business in an inclusive and sustainable way. As such, it intends to drive positive change across its businesses to embrace a sustainable and inclusive future. In continuation of the "*Rogers, Uniting Energy*" campaign launched last year, a decisive step was taken this year with the development of a first sustainability charter. Bringing together its commitments to the UN SDGs and as a signatory since this year of Business Mauritius' *SigneNatir Pact*, Rogers has embarked on a journey towards sustainability and inclusiveness by placing the following 5 pillars at the core of its activity:

- ***Climate – Towards zero carbon:*** Rogers aims to track, reduce and offset its carbon footprint by addressing challenges such as implementing energy efficiency initiatives, promoting clean use of energy or boosting smart mobility solutions.
- ***Circular economy – Towards zero waste:*** Rogers seeks to convert Mauritius into a circular island by fostering the emergence of relevant ecosystems, adopting smart agriculture practices and advocating with government institutions for systemic change.
- ***Biodiversity – Towards zero depletion:*** Rogers aims to protect marine and land biodiversity against degradation. It also aspires to raise awareness among its employees and support the education of young people on the importance of biodiversity preservation.
- ***Inclusive development – Towards zero poverty:*** Rogers wants to make sure that its businesses contribute to sustainable economic development that truly benefits the community by empowering people. It also aims at generating growth for all with a focus on education and training.
- ***Vibrant communities – Towards a thriving harbour:*** Rogers strives to preserve and promote its historical and cultural heritage while encouraging low-density development to reduce its environmental footprint and enhance the well-being of neighbouring communities. The Bel Ombre region is the perfect playground to showcase its ambitions in the field.

Rogers has set up a Committee to spearhead its sustainability and inclusiveness programme so as to achieve the integration of these 5 pillars into the strategic and business objectives of its businesses.

MOKA'MWAD: BUILDING LASTING BRIDGES TO CONNECT THE EXISTING MOKA COMMUNITY WITH MOKA SMART CITY

Kolektif Moka'mwad is a citizens' platform launched in October 2018 by the promoter and developer of Moka Smart City. The initiative has been well received by the existing community and is now fully established. The aim of Moka'mwad is to create strong connections between Moka and its residents by bringing them together to collectively improve the quality of life in the city. The collective is active in the areas of *art, culture & heritage; ecology & environment; economy & entrepreneurship; education; hygiene & health*; and *team spirit & sport*. During the lockdown period, Moka'mwad teamed up with residents of Moka and partners to reach out to underprivileged families living in the region and provide them with food essentials. Moreover, a blood donation was organised with all sanitary and health measures in place to address the national blood supply shortage. Other highlights of the year included the launch of complimentary Zumba sessions attended by over 150 participants weekly. The platform also joined in a national clean-up campaign organised by the District Council of Moka, with several workshops aimed at raising awareness of upcycling methods. The locals were taught innovative ways for transforming waste or unused objects into useful materials.

Over 150 participants weekly, attended complimentary Zumba sessions at the Amphitheatre in Telfair

Integrating sustainability into our strategic planning

A long-term development mindset has ensured the longevity of our Group, and over the past years, we have been making headway to integrating sustainability into our strategic business planning.

What follows is a mapping of the ENL group's key initiatives with the relevant UN SDGs, which provides a universal benchmark for performance in this area:

Social

RELATED UN SDGs

1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
17 PARTNERSHIPS FOR THE GOALS

KEY INITIATIVES

- **Launch of a music academy in Alma** during the year to introduce 50 children to music classes.
- **Setting up of the Heritage Resorts Academy by VLH** to provide residents of the Bel Ombre region with the necessary skills in hotel services to become employable.
- Continued support to **Lovebridge, Centre d'Eveil Les Tilous, Caritas and Junior Achievement Mascareignes** in nurturing the next generation of empowered citizens.
- **Participation of Rogers Capital in art patronage** to foster creativity and cultural diversity within the Mauritian arts community.
- **Setting up of the Spart Experience exhibition** by VLH in collaboration with Seven Colours Spa to promote Mauritian talent and bring art into the concept of well-being.
- **Community development programmes led by ENL Foundation** at Cité Sainte Catherine, Alma, Telfair and L'Escalier reached a level of autonomy of 79% this year (2019: 65%).
- **Leave No One Behind project** launched last year, has reached out to 225 of the 375 targeted beneficiaries.
- **Future Skills project,** funded by HSBC, was initiated this year by ENL Foundation to promote the employability of unskilled and untrained low-income individuals.
- **Bazart Mokaray** was launched this year to improve the financial autonomy of underprivileged women from the Moka region.
- **Continued support to Moka Rangers Sports Club** to promote the development of an elite in the fields of cycling, swimming, trail, football, archery, and fencing.

Environmental

RELATED UN SDGs

6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND
17 PARTNERSHIPS FOR THE GOALS

KEY INITIATIVES

- **Implementation of green energy projects through EnVolt within our office and retail portfolios** to reduce our carbon footprint
  - Renewable energy production capacity: 4,110 kWp (+33%)
  - Renewable energy produced for the year: 6,500,000 kWh (+35%)
  - Reduction in CO_2 emissions: 6,175 tons for the year (+37%)
- **Management of energy consumption** in our main offices using the ISO 50001 guidelines
  - ENL House certified ISO 50001
  - Energy consumption per GLA: 81 kWh for the year (-11%)
- **Use of the LEED green building certification system** to implement integrated property developments that monitor and manage energy use, water consumption and solid waste with a view to reduce our footprint
  - Property developed using sustainability benchmarks and guidelines: 11,835m² already developed and an additional 8,570m² in progress.
- **Installation of 12 new waste sorting equipment** in Moka's main neighbourhood.
- Testing of electric bikes and provision of a private shuttle bus to **promote soft mobility within Moka City**.
- **Velogic** has set up a sustainability committee and an environmental policy to raise awareness on energy efficiency and assess its environmental impacts on a regular basis.
- ***Veranda Leisure & Hospitality (VLH)* carried out several environmental initiatives**:
  - **Energy audits were conducted at six of its hotels** under the joint public-private initiative, "Programme National d'Efficacité Energétique" and its recommendations are now being implemented.
  - **Partnership with the NGO, FoodWise Mauritius** to avoid food wastage, help recycle leftovers and enable maximum access to nutritious food for vulnerable children.
  - Heritage Resorts successfully implemented a **water management strategy** to reduce water consumption for irrigation through recycling 100% of its wastewater.
  - Heritage Resorts has set up an **environmental policy** focusing on waste management and to date, 73% of the waste is recycled.
  - **Renewal of the Green Key eco-label** for Heritage Resorts properties for the fourth time.
  - **A 2nd golf course currently under construction in Bel Ombre** has been designed to have a reduced environmental footprint and is already GEO (Golf Environment Organisation) certified.
- ***Island Living*** implemented a **Building Management System to reduce its energy consumption**.
- ***Rogers Capital*** implemented the **Go Green Initiatives Programme** to reduce paper consumption and manage waste efficiently.
- ***Agrïa*** has set up a **smart garden** to produce vegetables and fruit in a controlled environment to reduce fertiliser use.
- ***Rogers Foundation*** *has renewed its partnership with the NGO, Reef Conservation on Bis Lamer and Eco-Schools* **to increase awareness of the need to preserve land and marine ecosystems among the Mauritian people**.
- Our teams were fully mobilised and participated in initiatives to **contain the oil spillage caused by the wreckage of the bulk carrier, MV Wakashio**.

Innovation and entrepreneurship

RELATED UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

KEY INITIATIVES

- ***Turbine*** screened +200 business ideas, incubated 8 start-ups and held 2 corporate innovative challenges in 2020.
- **Launch of the group's Sustainable Innovation Committee** to drive and monitor our sustainability projects.
- **Launch of the ENL Innovation Challenge, Innov8** to promote a culture of innovation and intrapreneurship within the group while also tackling real corporate problem statements.
- **Launch of the Ascencia Innovation Challenge** as part of the B'Local initiative **to support Mauritian entrepreneurs** with the development of their future projects through their deployment in its shopping malls.

Operational
EXCELLENCE

"AT PLASTINAX, WE PROVIDE QUALIFIED TECHNICAL INSIGHTS AND EXPERTISE DURING THE DESIGN AND DEVELOPMENT PHASE AND STRICTLY FOLLOW OUR PRODUCTION PROCESSES UNTIL FRAMES ARE SHIPPED IN DUE TIME."

WE **AIM** TO BE **BEST-IN-CLASS** IN OUR **CORE MARKETS**

GROUP REVIEW

This financial year was marked by the COVID-19 outbreak, which is impacting the global economy in an unprecedented manner.

The closure of borders and disruptions in air traffic have had, and are still having, a dramatic impact on the hospitality sector and all other related activities; despite continued financial support from the Government, the sector remains in survival mode. The pandemic, which caused disruptions in global supply chains and affected consumption levels, impacted negatively other key sectors of the economy. Moreover, the inclusion of the Mauritian jurisdiction on the EU list of high-risk countries added further uncertainties to the country's economic environment.

Performance

The Group posted a good set of results for the first semester, which boded well for the full year. However, the COVID-19 outbreak leading to a complete lockdown of the country and the ensuing economic recession affected performance considerably, causing the Group to post a loss for the year.

The unprecedented pandemic has created a new economic environment which cannot be compared with pre-COVID-19 times. The Group's segments were affected at various levels. Most of them have shown resilience and have largely recovered since lockdown was lifted except hospitality, which is still suffering from the closure of borders, and the consumer finance and leasing businesses which are affected by the slowdown in consumer spending.

Group turnover decreased by 10% to Rs 14 billion, and operating profit registered a sharp decline to Rs 303 million. Associated companies suffered significant losses for the year with our share amounting to Rs 349 million. The Group reported a loss after tax of Rs 957 million for the year under review.

Turnover
Rs **14.4 bn**
2019*: Rs 16.0 bn

Operating profit
Rs **0.3 bn**
2019*: Rs 1.3 bn

Loss after tax
Rs **957 m**
2019*: Rs 1,061 m profit after tax

**Restated*

Financial position

The Group continued its development and total assets grew by 10% to reach Rs 74 billion. The increase resulted mainly from investments made, gains in fair value of investment properties and revaluation of land and buildings as set out in our triennial revaluation policy. The adoption of IFRS 16 also led to the recognition of Rs 1.1 billion of "right-of-use" assets and lease liabilities of Rs 1.2 billion.

The continued development of the Group was financed by debt, equity and cash flows generated from operations. Net debt amounted to Rs 23.6 billion at year end, with a gearing ratio of 37%.

Total assets
Rs **74.3 bn**
2019*: Rs 67.5 bn

Total equity
Rs **40.0 bn**
2019*: Rs 36.9 bn

Gearing
37%
2019*: 37%

**Restated*

Outlook

The effect of the pandemic is expected to be long-lasting, and its potential impact can hardly be measured or quantified at this stage. All necessary measures have been taken to enable the Group to see the crisis through. Since the start of the new financial year, results for the various segments have been above expectations, save for hospitality, which is still suffering from the closure of borders.

The economy has been supported to a significant extent by the authorities through various schemes and we have yet to feel the full impact of the crisis, which is still severely affecting many of our trading partners. The ongoing vaccination campaign, launched in Mauritius and worldwide, holds the promise of helping to control the virus in the months to come and opens up hope for a quick economic rebound, mainly in the hospitality sector.

The country has been confined for the second time since 10 March 2021 and this will undoubtedly cloud the economic outlook more than expected. However, the authorities seem to control the spread of the virus very well and we have good cause to hope for a short confinement. In this context, the Group remains determined to continue its development and has the necessary financial resources to carry out the plan laid out in Cap 23.

Non-GAAP statement

One of the key components of the Group's results are fair values arising on land earmarked for development. In compliance with International Financial Reporting Standards (IFRS), the gains are included in other comprehensive income as revaluation surplus in the Group accounts when these lands are under cane cultivation. We have included a non-GAAP statement to give a better view of the Group's strategy regarding land earmarked for development.

The Group owns extensive land assets, which are for the most part under sugar cane cultivation. Since the years 2000, ENL has developed a strategy to convert these lands into yielding assets and has prevailed itself of various schemes to obtain land conversion permits, an essential pre-condition to undertake property developments.

This strategy is best illustrated with the value creation that ENL has achieved through its various property development projects, including the Moka Smart City. ENL has already completed numerous projects and continues to develop the infrastructure, utilities, amenities and whole ecosystem in order to transform a small part of its land under sugar cane cultivation into prized real estate assets and properties in Moka. Each new project generates cash for ENL but also enhances the value of the surrounding land that has been earmarked for development or forms part of the Moka Smart City.

International Financial Reporting Standards require that Moka City land and converted lands, which are under cane cultivation, be reported under property, plant and equipment (PPE) instead of investment properties, irrespective of the fact that the sugar cane is no longer actively cultivated and is incidental to the main activity, namely property development. We manage ENL with a view to creating and unlocking value from land and therefore for management purposes we track the value of real estate being developed.

These lands are basically liquid assets which are readily marketable and reporting these assets under PPE do not provide a commercial view of the business. In this respect, we have included a non-GAAP statement which, we believe, will provide all our stakeholders with a more comprehensive understanding of the Group's business model. We have reconciled the figures with our financial statements which have been prepared under IFRS.

The non-GAAP statement reflects the business model of ENL, with land within the Smart City or which are converted reported under Investment Properties and increases in the value of these lands classified as fair value gains through the profit and loss statement and not through the statement of other comprehensive income.

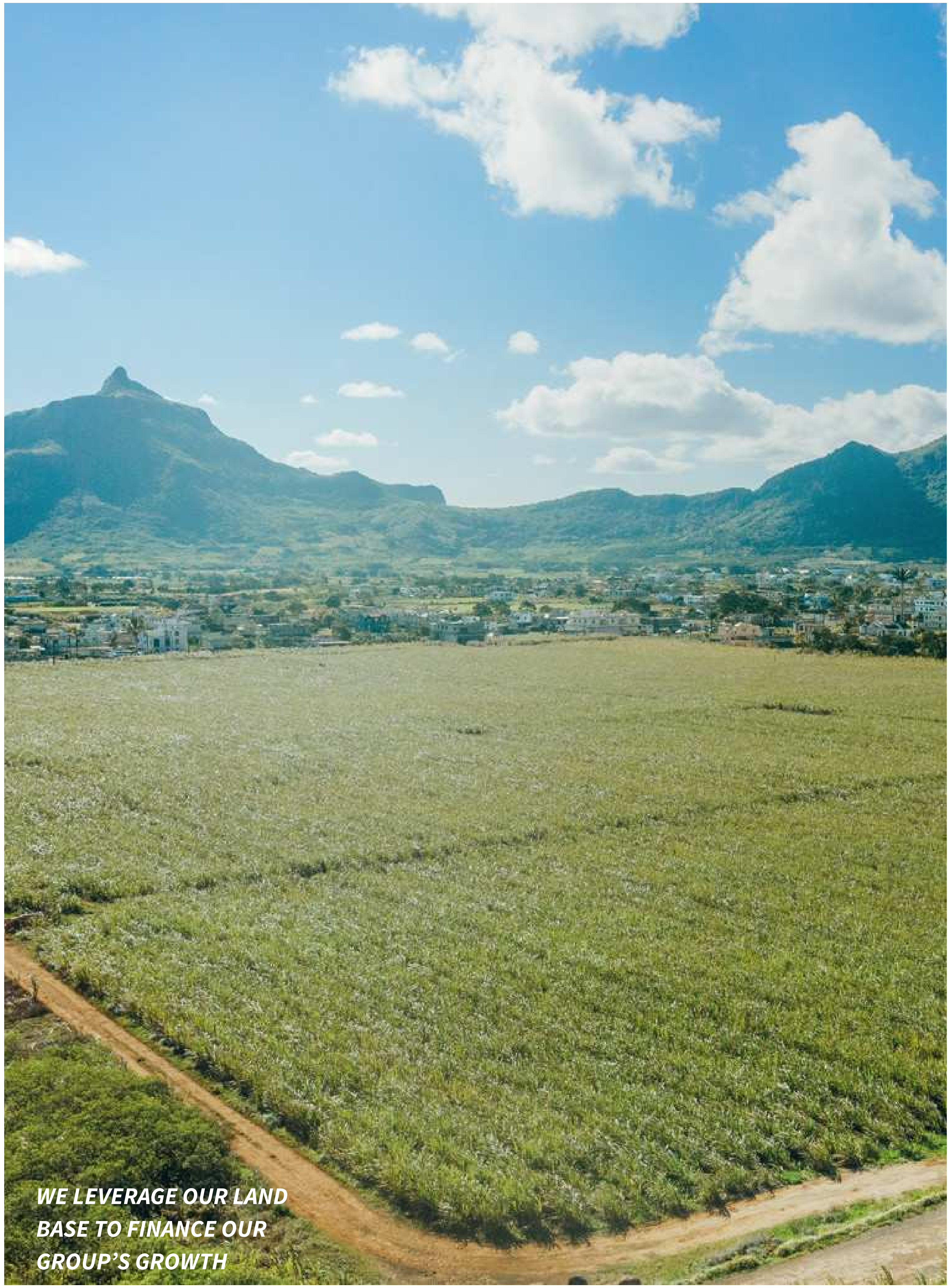
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020

	IFRS accounts	Re-classification	Non-GAAP
	Rs'000	Rs'000	Rs'000
ASSETS			
Non-current assets			
Property, plant and equipment	31,162,858	(5,770,200)	25,392,658
Investment properties	19,795,178	5,770,200	25,565,378
Other non-current assets	12,588,061		12,588,061
	63,546,097		63,546,097
Current assets	10,745,026		10,745,026
Assets classified as held-for-sale	40,790		40,790
Total assets	74,331,913		74,331,913
EQUITY AND LIABILITIES			
Equity and reserves			
Equity holders' interests	26,250,158		26,250,158
Non-controlling interests	13,786,513		13,786,513
Total equity and reserves	40,036,671		40,036,671
Non-current liabilities	24,290,137		24,290,137
Current liabilities	10,002,605		10,002,605
Liabilities associated with assets classified as held for sale	2,500		2,500
Total equity and liabilities	74,331,913		74,331,913

STATEMENT OF PROFIT OR LOSS
YEAR ENDED JUNE 30, 2020

	IFRS accounts	Re-classification	Non-GAAP
	Rs'000	Rs'000	Rs'000
Turnover	14,352,769		14,352,769
(Loss)/Earnings before fair value gain on investment properties	(1,246,714)		(1,246,714)
Fair value gain on revaluation of investment properties	403,700	1,060,311	1,464,011
(Loss)/Profit before taxation	(843,014)		217,297
Income tax expense	(114,330)		(114,330)
(Loss)/Profit after taxation	(957,344)		102,967
Other comprehensive income	2,448,914	(1,060,311)	1,388,603
Total comprehensive income	1,491,570		1,491,570

Surplus on revaluation of PPE, which were included in other comprehensive income, were re-classified as fair value gains and reported in the statement of profit or loss. The gains arose from the revaluation of lands situated in the Moka region, the main area being developed by ENL. The various developments are based on a master plan which is revisited regularly to take into consideration changes in the real estate market. All land classified under investment properties in the non-GAAP statement have been cleared for development with the appropriate permits. The value of the properties, which were determined by an independent valuer, reflects the open market values of these assets. The non-GAAP statement thus show a profit after taxation of Rs 103 million compared with a loss of Rs 957 million for our statutory accounts prepared in accordance with IFRS.



LAND & INVESTMENT

The segment is the backbone of the Group and owns 14,300 arpents of the Group's land assets as well as most of its investment portfolio. It bears all the costs for managing and safeguarding these assets. It enables ENL to leverage its assets to fund the development of the other segments mainly through land sales and structured loans, explaining the significant finance costs incurred by the segment.

It also includes two key instruments that enable the Group to explore and adopt open innovation practices within its various businesses: **Compass**, a corporate venture fund, and **Turbine**, a start-up incubator and accelerator. They both provide ENL with the means to broaden its knowledge of new practices, technologies, and opportunities.

The segment generates revenue mainly from dividend income and sale of land. The pandemic led to recession in most economies including Mauritius, which consequently affected the dividend stream, with a negative impact on the segment's results.

With the prevailing uncertainties, the Group has reviewed its strategy with regard to Compass and is reducing spend on new investments in the near term. However, it will keep supporting start-ups and maintain focus on its current portfolio through follow-on investments.

Turbine is now established as a key contributor to the development of the Mauritian innovation ecosystem and is regarded as the reference for start-up incubators on the island, as reflected by the various innovation challenges sponsored by leading corporate partners. The Group is accelerating the growth of Turbine, with the aim of transforming it into a sustainable business that attracts "A-Teams" in the start-up environment.

Turbine achievements in 2020

200+
business ideas received and screened

8
start-ups incubated

2
corporate innovative challenges held

The reduced loss for the year to Rs 392 million resulted from the crystallisation of Land Conversion Rights of Rs 117 million.

Turnover
Rs **36 m**
2019: Rs 27 m

Loss after tax
Rs **392 m**
2019*: Rs 512 m

*Restated

AGRO-
INDUSTRY

ENL is one of the largest and most efficient sugar cane growers in Mauritius. However, the conditions prevailing in the sugar industry remain difficult with low sugar prices and high operating costs. This has led us to diversify our production mix to generate sustainable and resilient revenue and mitigate the impact of sugar operations.

We are now a major player in the agro-industrial sector's value chain, ensuring the country's food security through our farming and food crop businesses as well as our 39% shareholding in the Eclosia group.

Additionally, we are the leading service provider of landscaping services, a key element in all our property developments, through ESP Landscapers. This subsidiary takes all its strategic importance as it enhances the attractiveness and value of our real estate projects. It also contributes to maintain the value of these properties through continued service.

The performance of the segment relies mostly on sugar operations and some important sub-operations such as food crops, poultry and landscaping. COVID-19 has had a marginal impact on the segment, except for landscaping as 30% of their activities relate to the hospitality sector. Both our food crop and poultry farming businesses kept operating during lockdown to ensure food security in the country.

Despite revenue per sugar tonne remaining at par with last year at Rs 13,149, our sugar-related operations performed better owing to the combined effects of:

- an increase in the volume of sugar accruing to 23,121 tonnes for Crop 2019 (Crop 2018: 21,287 tonnes) due to improved cane yield in both Moka and Savannah; and
- the expectation of a higher sugar price for the coming crop, which impacted positively on the value of standing cane.

Our associate, the Eclosia group was impacted by the pandemic, as reflected by the significant drop in contribution to results to Rs 43 million against Rs 201 million last year.

Outlook

Despite an improvement, sugar prices still fall short of the level required to sustain the sector. Bold reforms are actually required to ensure its long-term viability. The Government's strategic policy guidance for the sugar cane industry following consultations with the World Bank has yet to be announced but an increase in sugar revenue is anticipated following the review by the World Bank for a fair sharing of revenue generated from bagasse.

We are maintaining our focus on developing new business lines and improving the operational efficiency of our operations. In Bel Ombre, the rebranding of Compagnie Sucrière de Bel Ombre (CSBO) into Agrïa is aimed at bringing together agriculture and hospitality, and should enable us to reposition and develop the region into a sustainable living and integrated agri-tourism destination.

Turnover

Rs **790 m**

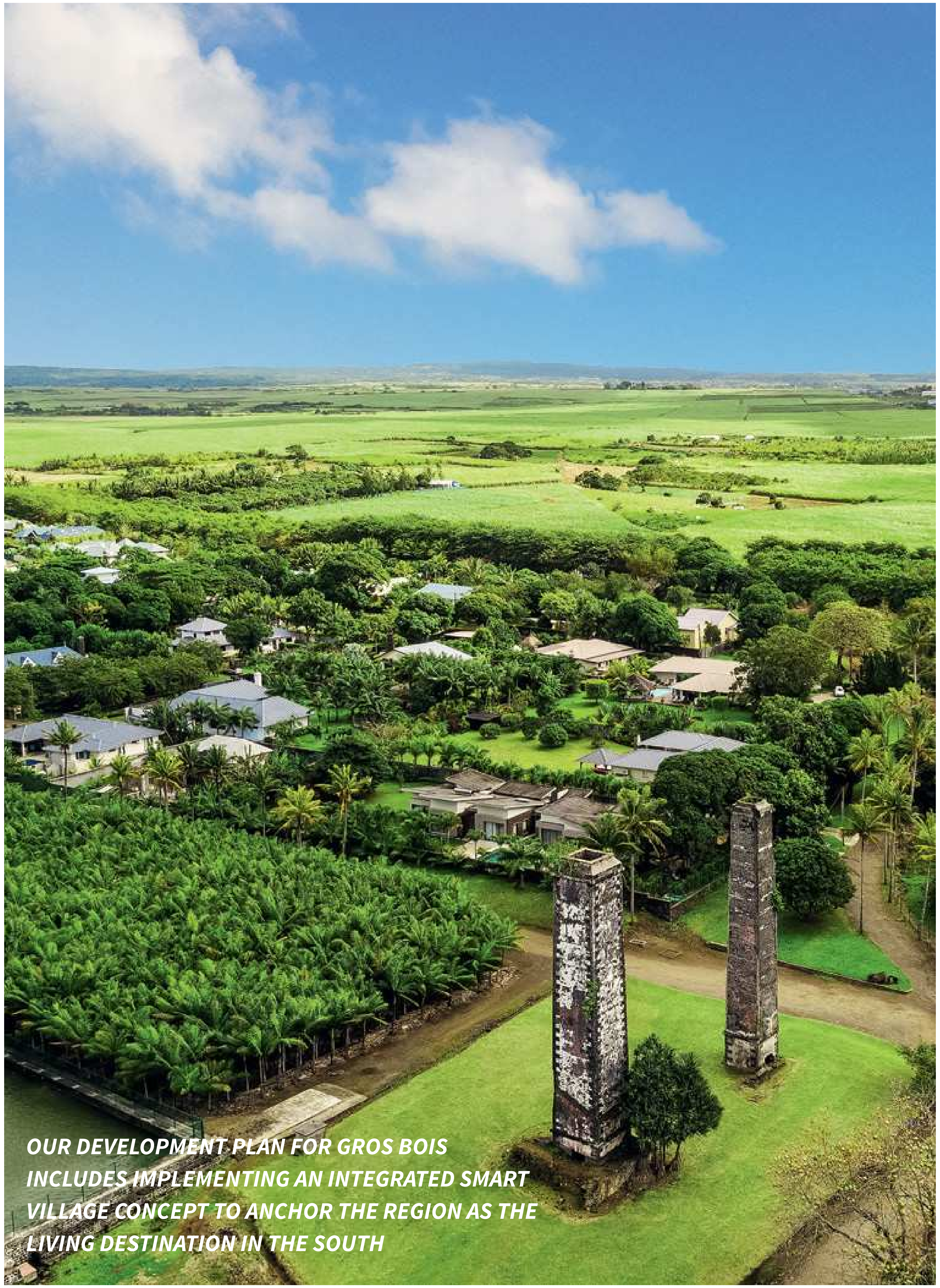
2019*: Rs 798 m

Loss after tax

Rs **17 m**

2019*: Rs 17 m profit after tax

*Restated



REAL **ESTATE**

Over the years, we have built a reputable brand which enables us to differentiate ENL in an increasingly competitive market. Our various developments are integrated and reflect the Group's vision with regard to sustainable value creation. Defined technical and architectural guidelines are adhered to in carefully master planned neighbourhoods with premium infrastructure and generous green areas, which are benchmarked to international standards.

The activities of the segment comprise property development that includes residential developments, a retail asset fund composed of all the shopping malls of the Group, and an office fund that develops and manages all our office spaces.

COVID-19 and the ensuing lockdown impacted our activities to varying degrees. There were delays in land sales and the development of various infrastructures within the smart city. However, business has held steady post-lockdown and several large contracts have been finalised. Moreover, sales of residential units (apartments and building plots) have been buoyant, reflecting a preference for safe assets in times of uncertainty.

The impact on the office fund was minimal and tenants who cancelled their leases have been replaced. Demand for our office spaces remains strong and we are currently nearly fully let. Moreover, following a fundraising exercise completed in December 2019, the office fund is equipped financially to continue its development with the aim of doubling its portfolio size over the next three years.

The performance of Ascencia's shopping malls was directly affected by lockdown. Temporary closure of all malls save for shops providing essential services affected tenants and Ascencia introduced a tenant relief plan to help them see the crisis through. Safe shopping measures were also implemented to provide safety reassurance to shoppers and visitors. However, our malls proved resilient with low vacancy rates of 1.2% and demand for retail space remaining strong; Ascencia maintained a good top line performance. Since deconfinement, despite the reduced footfall and change in consumer spending patterns, key performance indicators across all shopping malls have shown resilience with healthy trading densities.

Profit after tax, amounting to Rs 43 million, was however affected by lower fair value gains, delayed sales of residential units and allowances for COVID-19.

Turnover

Rs **2.8 bn**

2019: Rs 3.1 bn

Profit after tax

Rs **43 m**

2019*: Rs 1,022 m

*Restated

Moka

ENL has been developing Moka over more than a decade with a view of transforming the area into the premier real estate region of the island and making it the engine of growth for the Group. Project development, including residential spaces, malls, and offices, is based on a dynamic master plan which is regularly reviewed and updated. In devising the plan, we have ensured the harmonious development of all amenities available within the region and made provision for ample green spaces. We have also seen to it that these spaces are designed and maintained to the highest standards by relying on ESP Landscapers, our in-house landscaping company.

We are working towards improving mobility to and within Moka through the construction of new roads and cooperating with the authorities. This is illustrated by the Saint Pierre Bypass Road, which helps ease traffic in Moka, the M3 motorway which connects Moka to the North and Central Plateau, and the recent completion of a new roundabout and road network to unlock the Telfair precinct.

The harmonious development of the region is paramount to the development of Moka. In this respect, we have devised a strict set of guidelines for all construction projects initiated by the Group. These include well-thought-out architectural and building specifications in terms of design quality, plot coverage, building setbacks and parking space for offices, amongst others. We believe that the result will be an increase in asset value in the region.

Moka Smart City

Moka Smart City will ultimately cover some 1,600 arpents and will be the cornerstone of the development of the region. The city is being developed under the concept of live-work-play and will offer an integrated development to the people living and working in the region. The smart city is a continuation of the integrated urbanisation of the Moka region launched by ENL more than ten years back, which already includes residential, business and leisure facilities. A key feature of the city is “La Promenade”, a linear park linking the Telfair Central Business District, the heart of the smart city, to various amenities in Moka.

This year, despite the crisis, we accelerated the development of the smart city by doubling its size to circa 1,000 arpents. To improve its attractiveness, we are focusing on high value-added developments, such as a new mixed-use neighbourhood along M3 motorway at L’Avenir, the expansion of the Vivéa Business Park and infrastructure development to establish Telfair as the city centre. A new major interchange, which will be built on the M3 motorway jointly with government, should unlock bottlenecks encountered at the M3 junction at Verdun.

Sustainability is at the core of our development strategy. In this respect, Moka Smart City aims to optimise the use of renewable resources, improve the quality of life of its residents and engage with key stakeholders with a view to create a vibrant and integrated neighbourhood while opening up real economic opportunities.

Residential

All the residential projects of the Group, whether serviced plots of land or built-up units, follow well-thought-out guidelines to ensure they are aligned with the overall master plan for the region. The developments are located in convenient areas with premium infrastructure and ample green spaces designed and landscaped by ESP Landscapers. Architectural and building standards are also imposed to ensure harmonious and orderly developments. Moreover, our projects offer a quality living environment with all amenities available within the region.

This is demonstrated by the undeniable attractiveness of the various residential developments initiated by ENL, with an increase in the value of the properties over the years.

Offices

Our office fund, Oficea comprises over 27,000m^2 of almost fully let Grade A office space. We currently operate within two business centres at Vivéa and Bagatelle and are focusing on developing an additional 20,000m^2 in Telfair, the future Central Business District of Moka Smart City.

Our office buildings are developed to offer the best in terms of modularity of available spaces, convenience of location, IT infrastructure and Internet access, parking space and landscaped environments to soften the surroundings and create a more serene atmosphere. Additionally, we support developments that are aligned with sustainable goals, such as the use of natural lighting and resource efficiency. We actually target LEED certification for all our office buildings.

Over the next three years, Oficea is targeting to double the size of its office portfolio and Rs 1.6 billion have been secured from equity partners accordingly. Construction work at Vivéa on Les Fascines, a new 8,750m^2 LEED-certified building, started in August 2020 with opening expected by December 2021. During project development, we introduced Building Information Modelling, a new technology-enabled way of designing, constructing, and managing buildings. This technique will result in greater efficiencies in the design and construction phases and demonstrate the ‘avant-garde’ approach we apply to our office developments. We are also developing an alternative offering to adapt to new work-related trend. In this respect, Oficea is developing a workspitality concept which combines hospitality with a plurality of services to meet the various demands of the workplace as well as co-working facilities. These include providing co-working spaces and conference rooms for rent, with the ultimate aim to expand the concept in various regions. We are thus enlarging the office offerings to cater to the different needs of our clientele.

Retail

The retail portfolio is currently valued at Rs 12.7 billion with 7 shopping malls operating under the Ascencia brand. We are by far the largest player and always work towards enhancing the quality of our malls to maintain our leadership position.

Our malls are designed and managed to optimise shopping experience. Our visitors and shoppers are at the forefront of our strategies and our customer promise focuses on four main pillars: accessible, comfortable, engaging and safe.

We constantly work towards improving the quality of our malls in all aspects. We provide ample parking space, and we make sure that our malls are clean, safe, bright, and spacious for the comfort of our visitors. We aim to enhance continuously our tenant mix, enlarging the product offerings by ensuring that goods at all price levels are available to cater for price-conscious as well as more affluent shoppers. We also work towards bolstering our attractiveness by holding regular exhibitions and events. Moreover, we provide a place where one can feel safe by continuously reviewing our operations to improve the safety of our customers.

Ascencia is also implementing several sustainability initiatives, such as installing rooftop photovoltaic farms, recycling wastewater and the use of green products by cleaning and associated service contractors. The objective is to reduce our environmental footprint and have a positive impact on society and the economy.

In our consistent effort to enhance our offering, we are additionally expanding Bagatelle Mall. Construction has started in November 2019 to accommodate the first Decathlon outlet in Mauritius; the additional space will further increase the choice available to our visitors.

Gros Bois

The region of Gros Bois has been earmarked as a new growth platform. To kick-start the project, we will leverage existing residential developments to implement a smart village concept over some 425 arpents, for which we are seeking smart city certification; we have already received a letter of comfort in this respect. La Place du Village is positioned to become the heart of Gros Bois and we are opening in January 2022 an international school in partnership with a renowned education sector operator. This ambitious project involves positioning Gros Bois as the living destination in the region and will enhance the value of the Group’s land bank in the South.

COMMERCE
& INDUSTRY

The segment provides a range of products and services sourced both locally and from a network of trusted global suppliers. Our three main businesses are automotive, building materials and eyewear manufacturing, and we strive to be among the leaders in our markets. We also provide IT goods and services through our associated companies.

The operations are heavily dependent on consumption and the advent of COVID-19, with lockdown and border closure, has had a dramatic effect of the segment's performance. The local market came to a standstill and disruptions in the supply chain caused by the cancellation of international flights affected Plastinax with regard to the export of its eyewear products. Significant cost-cutting measures were worked out and implemented in certain instances. Banking facilities were also firmed up in anticipation of coming difficult months. In addition, we have used the crisis as an opportunity to review our processes to make our operations leaner and ready ourselves for a pick-up of the market. In the light of the above, the results achieved by the segment were commendable with a profit after tax of Rs 51 m for the full year.

Outlook

The segment had a promising start to the new financial year. All the businesses were profitable for the first half and results were above expectations. Of note was the performance of the building material business, which took advantage of the buoyancy of the construction market and Plastinax which secured significant orders from some major clients.

The full impact of COVID-19 has yet to be felt by the businesses operating within the segment and the second half may yet prove difficult. Notwithstanding the situation, we have continued the construction of the new Jaguar-Land Rover showroom and enlarged the product portfolio. We are also pursuing our growth strategy through business development initiatives and, in this respect, have signed a franchise agreement with Decathlon to represent the brand in Mauritius, with the first outlet planned to open in April 2021.

Turnover
Rs **3.6 bn**
2019*: Rs 3.9 bn

Profit after tax
Rs **51 m**
2019*: Rs 145 m

**Restated*

The Axess team introduced the all new electric Jaguar I-Pace through an event launched at La Citadelle


We offer our guests a unique and integrated holiday experience through well established brands

HOSPITALITY

We are a major stakeholder of the hospitality industry, delivering an integrated holiday experience through well-established brands like Veranda Leisure and Hospitality (VLH), which operates the Veranda Resorts and Heritage Resorts brands, as well as Island Living. We are also the main shareholder of our associated company, New Mauritius Hotels (NMH), the pioneer of the Mauritian hotel industry operating the Beachcomber brand.

Hospitality has been the industry most affected by COVID-19, with the suspension of air travel and closure of borders drying out the incoming flow of tourists to Mauritius. The ongoing support lent by the authorities in the form of the Wage Assistance Scheme has served to mitigate the impact but is not enough to help the industry get through the crisis. The segment has suffered consequently, incurring losses of Rs 673 million for the year.

We have implemented harsh measures to reduce our cost base and have worked on generating income by opening our hotels to local tourists. In certain instances, we have also operated as quarantine centres. However, the revenue generated remains minimal and is obviously not enough to cover operating costs. We are thus working on funding alternatives to provide the segment with the financial resources to weather the pandemic. Moreover, given the breadth of operations and activities which the Group possess in this industry, we are working on a plan to be ready when recovery comes.

In this respect, we are integrating our hotels and leisure operations. Together with the other related activities we manage, such as travel, we will be able to accompany our customers throughout their vacation with all types of services and activities (nautical, cultural, nature, sports, wellness, etc.), thus enabling us to provide them with a superior customer experience.

Outlook

The ongoing vaccination campaign worldwide to slow the spread of the virus is a cause of hope for a return to normalcy in the near future. A similar campaign has started in Mauritius and, despite the second confinement, has picked up momentum; with all necessary sanitary measures in place, we look forward to a timely reopening of borders.

We believe that with the new organisation we are working on to enable us to offer a differentiated product with superior service, we will be well positioned when the market picks up.

Turnover

Rs **3.1 bn**

2019: Rs 3.8 bn

Loss after tax

Rs **673 m**

2019*: Rs 189 m profit after tax

*Restated

ENL INTEGRATED REPORT 2020

LOGISTICS

We deliver our logistics services mainly through Velogic, operating 37 offices in 8 different territories and we serve customers worldwide through a global network of trusted partners. Our logistics and supply chain services cover a broad spectrum of operations, including freight forwarding, customs clearance, express courier, domestic transportation, warehousing and container services.

The segment showed resilience in the face of the upheaval brought about by COVID-19. The closure of borders and suspension of air traffic affected international trade-dependent activities while other operations, considered as essential services, went ahead without too much disruption. Our Kenyan operations also continued more or less normally given the more lenient restrictions imposed to contain the virus. The segment thus posted a profit after tax of Rs 86 million, albeit lower than last year.

Crises also bring opportunities, and we are looking to consolidate our position as a premier logistics operator in the Indian Ocean and East African regions. We intend to achieve these goals by expanding the scope of our service portfolio in Kenya and improving our geographical coverage in India through new offices. This will also be achieved by way of strategic partnerships. We will thus be well positioned to offer customised services that put the logistics business at a competitive advantage.

Outlook

The logistics business has continued to show resilience and report profits. With the vaccination campaign underway, we are hoping for an uptick in activities in the near future with an easier circulation of goods worldwide. We also believe we will be well-positioned to avail of opportunities to continue growing the business.

Turnover

Rs **3.2 bn**

2019: Rs 3.5 bn

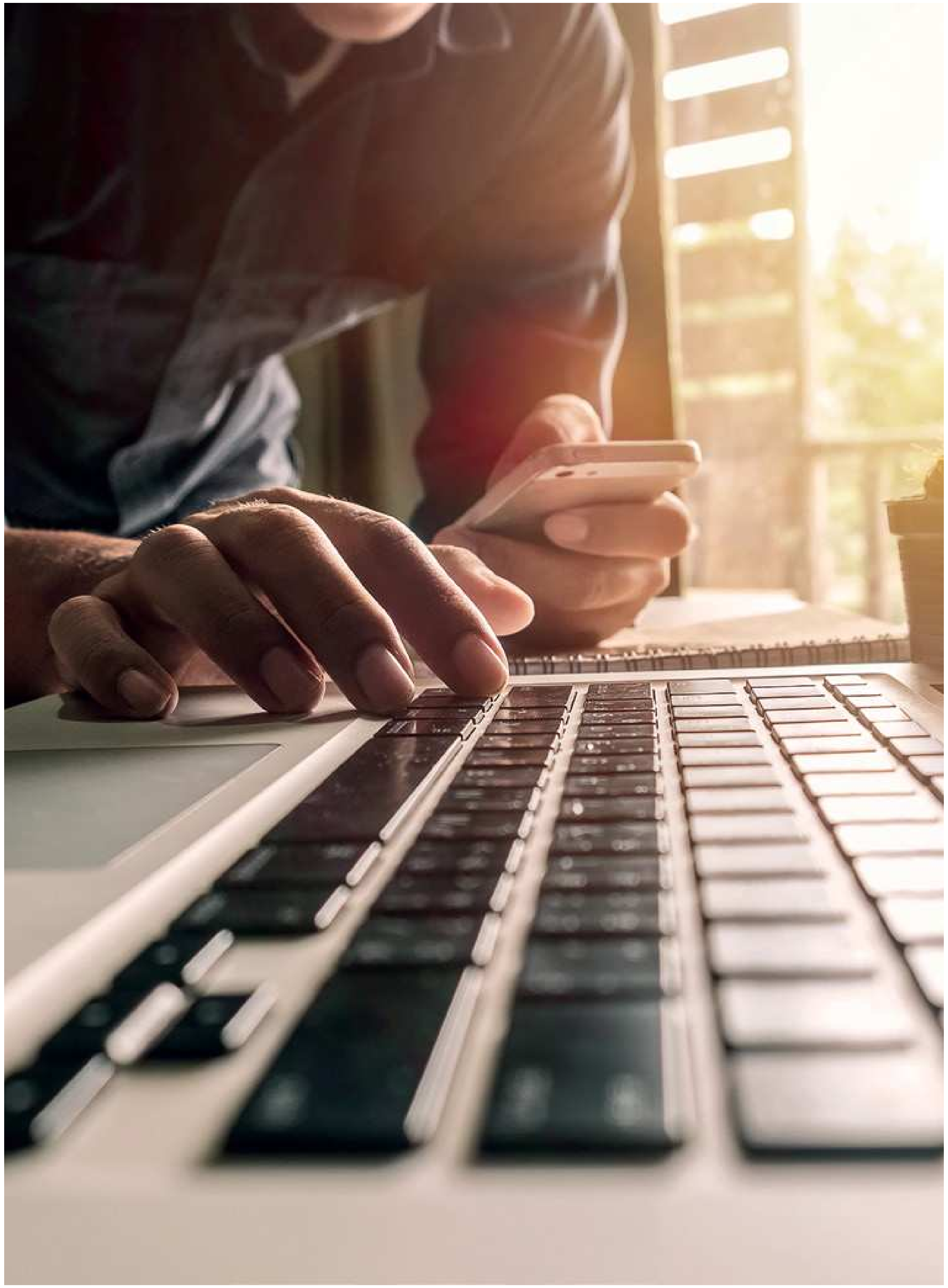
Profit after tax

Rs **86 m**

2019*: Rs 101 m

**Restated*

Operating 37 offices across 8 different countries and with a global network of trusted partners, Velogic connects our stakeholders to the world through an integrated logistics platform



Rogers Capital encapsulates our range of financial, technology and corporate products and services, positioning itself as a provider of integrated services enabling our clients to tackle arising challenges in a fast-changing global economy

FINTECH

The segment provides corporate, technology and financial services to a local and international clientele. We leverage our deep industry insights in finance, our legacy as a leading corporate player and cutting-edge technology to serve individual and corporate clients across industries and borders. We are also a significant shareholder of the Swan Group, the market leader in general and life insurance.

The performance of the segment is linked with the two main events of the year, the COVID-19 pandemic and the FATF placing Mauritius on its grey list, which also led to inclusion on the EU list of high-risk countries.

The lockdown of the country on the advent of the pandemic and the ensuing negative effects affected all businesses operating in the segment, especially consumer finance. The slowdown in consumption that followed led to a reduction in new contracts and delays in debt collection, resulting in a deterioration of Expected Credit Losses, and hence an increase in provision for loss allowances on receivables. The pandemic also caused disruptions in the supply chain, leading to postponement and cancellation of some large IT projects by the technology services business.

Corporate Services, which provides fiduciary activities including corporate and trust services, showed resilience particularly with regard to the inclusion of Mauritius on the list of countries under surveillance. We have been able to maintain continued service during lockdown and there has been minimal loss of clients, thus highlighting the trust in the Mauritian jurisdiction.

Our main associate, the Swan Group was not impacted by the pandemic and contributed Rs 202 million to results.

Outlook

The inclusion of Mauritius on the EU list of high-risk countries has created uncertainty in the financial services sector. The impact will ultimately depend on the effectiveness of measures implemented by the authorities and the timing of the removal of Mauritius from this list. We will however focus on offering more value-added offerings to differentiate ourselves from the competition.

Other mitigating measures include significant cost reduction to adapt to the prevailing environment. They have started to bear fruit and the segment has turned in improved results for the first half of the financial year 2021.

Turnover

Rs **884 m**

2019: Rs 839 m

Loss after tax

Rs **25 m**

2019*: Rs 146 m profit after tax

*Restated

RISK MANAGEMENT

Actively managing our risks is pivotal to the long-term success of our business.

“THE COVID-19 CRISIS COMPOUNDED DISRUPTION AND RISKS FACED BY THE GROUP; AT SUCH TIMES, MANAGEMENT OF OUR RISK ECO-SYSTEM IS PIVOTAL TO ENSURE THAT THE GROUP REMAINS AGILE AND IMPACTFUL TO ENSURE VALUE PROTECTION AND CREATION”

Mushtaq Oosman, Chairman, Audit and Risk Management Committee of ENL

The success of ENL (hereafter referred to as ‘ENL group’ or ‘the Group’) rests on effective strategic planning and execution as well as **proper management of risks and uncertainties**. 2020 is deemed to be an eventful year with COVID-19. The pandemic has ushered a global crisis which caused adverse social and economic impact for communities and economies at large. On the national front, the actions undertaken by the authorities have successfully entailed in the country being COVID-safe. At ENL, the priority was set on **ensuring continuity of our business operations, safety of employees and customers**.

Resilience, during such times of crisis, is pivotal and is thus, an indissociable component of our risk management framework. As such, keeping informed of the changing risk landscape and being forward-looking are essential for our businesses to strive towards effective risk management mechanisms in our operations. In a nutshell, the

- **governance structure** encompasses the Board of directors and Audit and Risk Management Committee (ARMC) of ENL which have oversight over risk management affairs.
- **integrated enterprise risk management (ERM) framework** provides a harmonised approach to management of existing and emerging risks across the group.

The **risk governance structure and framework** is available on ENL website, www.enl.mu.

Ensuring business continuity amidst disruptions

Organisations have felt the pervasive impact of the pandemic. From the very beginning of the health crisis, ENL was thoughtful of having a Business Continuity Plan (BCP) to assist our businesses in ensuring the safety of our employees and customers and continuity of key business operations both from home and on site. Crisis steering committees, both at subsidiary and group level, were set up for monitoring and communication with stakeholders, implementation of crisis measures to ensure continuity in supply chains and of essential services.

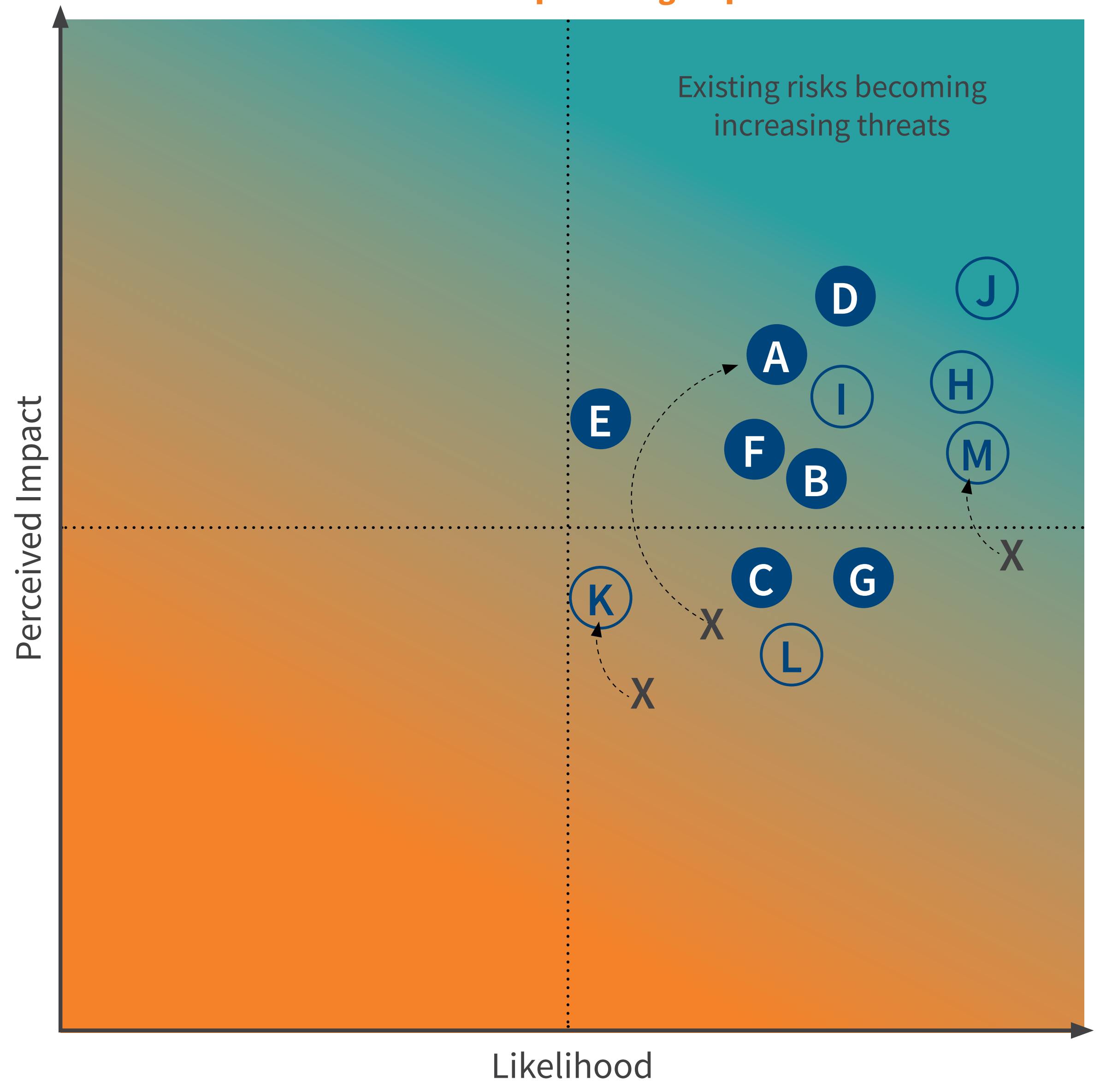
The group’s BCP, referred to as “ENL BCP COVID-19”, outlines the challenges from COVID-19 and the measures to minimise impact on business operations. It also puts forward guiding action plans which vary depending on the crisis levels as defined in the group’s BCP. Some of the key considerations of the BCP encompass safety of our people, sustain core operations, managing cashflow, engage with customers, supply chain.

The lockdown period allowed our organisations to remain agile and adopt a bespoke set of arrangements for business continuity, in line with the Group BCP guidelines and realities of business operations. Going forward, the Group aims at revisiting its BCP taking into considerations ‘lessons learnt, pitfalls experienced during the past pandemic and leading practices.

Our risk heatmap

Our risk profile is a summary of risks at (i) Group level, i.e. those risks cut across the Group’s served markets and are therefore significant for ENL and (ii) risks specific to served markets. The key residual risks of ENL and how those risks have evolved are translated on a ‘Risk heatmap’. The principal risks depicted on the diagram are the outcome of discussions with Senior Management and Audit and Risk Committee (ARMC) members to identify and prioritise those risks that can impact ENL. The risks, in the upper-righthand quadrant, are those of greater concern. Risks (A), (B), (D), (E), (F), (H), (J) as shown in the heatmap are those which have been accentuated and became significant post COVID-19.

Risk Heatmap of ENL group



Keys

Risk trends: **X Risk posture - last FY**

Nature of risks: Group risk / Served market risk

Top Group risks

Our challenges and their impact / **How we respond**

A Economic uncertainties

Adverse macro-economic conditions and forthcoming market contraction, due to "prolongated U, W or L" economic recovery scenarios cross sectors. Impact being in terms of

- **sustainability of performance of key served markets** (Real Estate, Hospitality) and key investments of the Group, thus, resulting in lower cash inflows.
- **ability to secure funding** from institutions at attractive cost of capital which will delay or hinder development initiatives.
- **aggregate consumption**, which is further compounded by rising inflation rate, hence resulting in revenue shortfall.

Risk rating after mitigation

Low High

- Revisiting the Group three-year strategic plan and financial forecasts in line with the prevalent context with strong focus on cash flow management.
- Monitoring of Business Intelligence (BI) and customer surveys aim at proactively determining business opportunities and developing marketing initiatives of our brands to **improve on sales momentum**.
- Costs containment strategies adopted and regular monitoring of BU performance at respective Board level.

B Business disruption risks

Risks of such nature, per below, are likely to be heightened and may impact on the Group's financial sustainability.

- Rising occurrences of pandemics (COVID-19)
- Potential second wave of COVID-19 following re-opening of borders
- Increasing social tensions
- Other black swan events (fire, flood and natural calamities)

Risk rating after mitigation

Low High

- Review and enhancement of the existing business continuity plan and disaster recovery plans is planned.
- Regular review and communication of the health & safety protocol for COVID-19.
- Implementation of prepared plans such as work from home initiatives.

C Foreign currency risks

Given the adverse economic context, we are faced with foreign currency (FX) risks on USD, GBP, EUR impacting both costs and revenue:

- Appreciation of FX impacting on cost of imports, competitiveness of our products/brands
- Scarcity of FX given lack of FX inflows from key sectors of economy

Risk rating after mitigation

Low High

- Treasury management and hedging strategies
- Negotiation with suppliers and banks for payment arrangements

D EU blacklisting of Mauritius

The effects of the EU blacklisting span across several sectors with consequences being in terms of:

- bad press, decrease in 'ease of doing business' and lower attractiveness of the country, especially for Global Business, Hospitality and real estate sectors.

Impact being in terms of exodus of foreign currencies and clients to competing destinations.

Risk rating after mitigation

Low High

- In line with government measures to implement recommendations of the Financial Action Task Force (FATF), the Group reinforced its policies and procedures regarding anti-money laundering and combating of financing of terrorism (AML/CFT).
- Close communication and relationship management with clients.

Our challenges and their impact / **How we respond**

E Increasing costs of operations given heightened compliance requirements

Introduction or changes in legislations, regulations and government policies resulting in increased compliance costs which may not be supported by higher revenues. for e.g.

- COVID Act, Real estate authority Act, Anti-Money Laundering and Combating Financing of Terrorism – AML/CFT (Miscellaneous Provision) Act and changes brought about by national budgetary measures and Workers' Rights Act.

Risk rating after mitigation

Low High

- Closely monitor and assess impact of new legislations to identify potential issues and take appropriate measures.
- Collaboration with Business Mauritius and other relevant authorities on changes in labour laws.
- Implementation or review of existing AML/CFT policies and procedures and employee trainings for concerned BUs.

F Customer risk

Lower sales volume and performance of brands thus affecting working capital management as a result of:

- Heightened credit risk of players, across industries, especially for sectors being highly indebted.
- Shift in consumers' mindset to cheaper alternatives given declining purchasing power.
- Slowdown or changing ordering pattern coupled with lack of visibility over forecasted sales.

Risk rating after mitigation

Low High

- Close monitoring of debtors to minimise impairments whilst adopting a prudent approach for prospective credit sales. Close monitoring of performance of tenants and relief plan provided to tenants.
- Sales and marketing strategies revisited based on customers' and competitors' insights.
- Increased reliance on digital and innovation to offer superior brand experience to customers.

G Technology risks

- Delay in adoption of disruptive technology vis-à-vis competitors resulting in revenue shortfall.
- Evolving cyber threats given increasing business dependency on networked systems, IT software and systems, connected devices (IOT).
- IT-related risks being in terms of loss of critical and confidential data or data privacy issues having legal and reputational implications.

Risk rating after mitigation

Low High

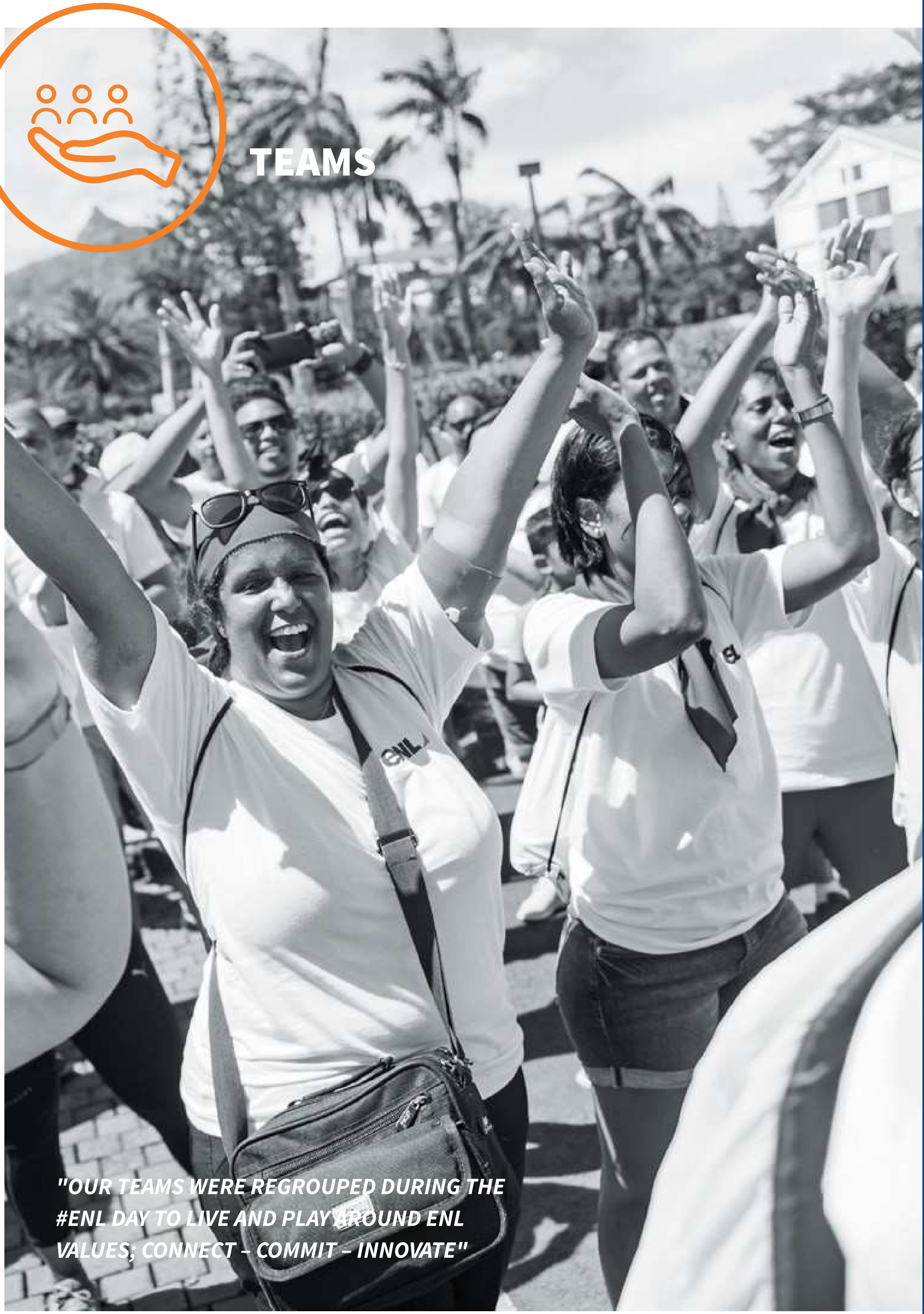
- Continuous focus on digital transformation, automation of processes, use of Robotic Process Automation (RPA) in operations and e-commerce to gain competitive advantage.
- The set-up of the Group Chief Information Security Officer (CISO) function, since 2019, enabled the materialisation of key initiatives to uplift:
  - processes (in terms of IT & Security policies and procedures),
  - people (trainings and e-learning platform), and
  - technology (in terms of network and email security measures and IT audits).

Top served markets' risks

The table provides a snapshot of those main risks and measures which are inherent to our served markets.

	COMMERCE & INDUSTRY	AGRO-INDUSTRY	HOSPITALITY
	(H) Revenue shortfall and supply chain disruption risks	**(I) Persisting challenges of the Agro-industry activities**	**(J) Sluggish demand and 'fear of travel' impacting over sustainability of the sector**
Challenges and their impact	• Revenue shortfall risk is driven by shift in customers' mindset to cheaper alternatives, decline in purchasing pattern and competition. • Heavy dependency on foreign suppliers exposes the Group to disruptions in sourcing and supply chain, stock run-out, and higher cost of imports driven by freight costs and FX.	• Cane activities: confronted to industry challenges of marginal growth in sugar prices and low price of biomass as well as increasing cost of operations. • Other activities: slow-down in expansion prospects of non-sugar activities. Risks of alternative revenue streams to sugar not being sizeable to compensate for decline in revenue per sugar tonne.	• Difficulty to market the destination due to 'fear of travel', changing preferences of tourists (close vs. far destinations). Impact being significant drop in revenue while being confronted with high cost of operations. • Environmental risks: Oil spill, rising sea temperature, beach erosion and marine pollution adversely affect biodiversity and hence, attractiveness.
How we respond	• Aggressive sales strategy and leverage innovation in our marketing initiatives to increase product visibility and boost sales volume. • Re-assess and increase stock ordering levels. Seeking alternative sourcing arrangements and negotiation with suppliers to secure attractive pricing and freight arrangements.	• Sustain diversification strategy by expanding food crop and farming activities; investment in new products/ business lines to broaden our revenue streams. • Business plans set out in Cap 23 strategic plan aim at increasing market share and improving operational efficiency through automation and re-structuring.	• Strategies geared towards adapting business offerings e.g. quarantine hotels and adhering to sanitary protocols to instil confidence to our clients. • Cost of operations being trimmed and working capital reviewed for sustainability of activities. • Collaboration with authorities and experts in fighting ecological disasters and biodiversity protection.
	Risk rating after mitigation Low High	**Risk rating after mitigation** Low High	**Risk rating after mitigation** Low High

	LOGISTICS	REAL ESTATE	FINTECH
	(K) Revenue shortfall risk given external context	**(L) Slow-down in demand in the backdrop of unfavourable economic conditions and aggressive competition**	**(M) Risks to expansion and growth capabilities**
Challenges and their impact	• Local: Exposure to revenue shortfall risk due to sub-par performance of key sectors that drive turnover (cane transportation & manufacturing) • Abroad: Underperforming operations for foreign subsidiary being confronted with severe competition and adverse market conditions.	Exposure being in terms of lower sales momentum and cashflow risk which may arise due to: • decline in demand for land, residential and office units in the backdrop of oversupply of offerings. • fall in purchasing power and aggregate consumption impacting on trading density of malls and hence, rental income. Project management risks being in terms of delays (e.g. due to permits) and overruns (time, cost and quality).	• Business model risk coupled with the adverse macro-economic conditions post-COVID-19 impacting on performance of the consumer finance sector which is currently highly indebted. • Credit risk: delayed or non-recovery of receivables • Reputational risks associated with non-identification of AML/CFT threats due to non-adherence to internal procedures.
How we respond	Local: • Diversifying the customer base & market segments by scaling up the transportation and distribution of other products. • Prudent cash flow management and cost containment initiatives. Abroad: • Focus on partnership opportunities	• Capitalise on the USPs and offerings of Moka and use of marketing techniques to nurture customer appetite for products & amenities. • Tracking of trade density, footfall and benchmarking of competitor's moves. • Close monitoring of tenancy mix and tenant relief plan provided to tenants. • Well-grounded teams and mechanisms for rigorous controls from project inception to completion.	• Turnaround strategies being determined and implemented. • Capitalise on a well-entrenched brand (Rogers) along with a customer value proposition of being fair, fast and friendly. • Strengthen internal controls, especially w.r.t credit assessment procedures, debtors monitoring and AML/CFT requirements.
	Risk rating after mitigation Low High	**Risk rating after mitigation** Low High	**Risk rating after mitigation** Low High



WE **GROW** OUR **PEOPLE** INTO **HIGH-PERFORMING** TEAMS.

BOARD OF DIRECTORS

Jean Noël Humbert
(Born in 1949)

Chairman of the Board of Directors, Independent Non-Executive Director

Appointed as Director (amalgamated Company): January 2019 – *up for re-appointment at the next annual meeting*

Qualifications: Honours Degree in Agriculture

Committee: Chairman of the Corporate Governance Committee

Professional Journey:
- Currently employed as Senior Consultant at Eclosia Group where he has previously served for 20 years in different managerial roles.
- Past Chief Executive Officer of the Mauritius Sugar Syndicate, past Secretary General of the Mauritius Chamber of Agriculture, and past President of the National Productivity & Competitiveness Council.

Skills and experience:
- Strong knowledge and hands-on experience in the development of a sustainable agroindustry in Mauritius.
- Vast experience in institutional affairs at high level, more particularly in the fields of agriculture, international trade and in the marketing of sugar.
- Closely involved in the sugar sector reform strategy and process.
- Fervent advocate of a strong public-private partnership for sustainable national growth.
- Strong proponent of good governance, ethics, and good practice in business.

Hector Espitalier-Noël
(Born in 1958)

Executive Director and CEO of ENL Group

Appointed as Director (amalgamated Company): January 2019

Qualifications: Member of the Institute of Chartered Accountants in England and Wales

Committee: Member of the Corporate Governance Committee

Professional Journey:
- CEO of ENL Limited and of the ENL Group.
- Worked for Coopers and Lybrand in London.
- Worked for De Chazal du Mée in Mauritius.
- Chairman of New Mauritius Hotels Limited and Semaris Ltd.
- Past Chairman of the Board of Rogers and Company Limited.
- Past chairman of the Mauritius Chamber of Agriculture, the Mauritius Sugar Producers Association, and the Mauritius Sugar Syndicate.

Skills and experience:
- Extensive CEO and leadership experience and skills.
- Strong financial management and strategic business planning skills.
- Significant experience in alliances, ventures, and partnerships.
- Staunch advocate for a more open Mauritius.
- Advocate for a strong public-private sector partnership for sustainable growth.
- Strong proponent of private enterprise and entrepreneurship.
- Strongly convinced of the multidimensional role of business.

Gérard Espitalier Noël, C.S.K., C.O.N.M. (Born in 1946)

Non-Executive Director

Appointed as Director (amalgamated Company): January 2019 – *up for re-appointment at the next annual meeting*

Qualifications: Diplôme de Perfectionnement en Administration des Entreprises (IAE, AIX-MARSEILLE)

Professional Journey:
- Air transportation and tourism professional for 42 years, including 30 years at Air Mauritius in Europe -culminating in 10 years' standing as Regional Director for Europe , UK & Ireland.
- Took an active part in the materilization of the Code-Share Agreement between Air Mauritius and Air France.
- Appointed in April 2007 as Technical Adviser to the "Conseil National du Tourisme (CNT)" in France.
- Worked as Hotels & Leisure Director of Indigo Hotels & Resorts Ltd in Mauritius.

Skills and experience:
- Strong knowledge and experience in positioning Mauritius as a destination of choice to live, work and play.
- Proven skills at networking and building winning relationships at industry and national levels.
- Ability to build and lead winning teams across trade and industry.
- Experienced at crisis management.
- Strong proponent of ethics and rigour in business.

Eric Espitalier-Noël
(Born in 1959)

Executive Director

Appointed as Director (amalgamated Company): January 2019

Qualifications: Bachelor of Social Science, Master of Business Administration

Professional Journey:
- CEO of ENL Commercial Limited.
- Executive Director of ENL Limited.
- Worked for De Chazal Du Mée & Co, Chartered Accountants.

Skills and experience:
- Extensive experience in the commercial and hospitality sectors.

Virginie Corneillet
(Born in 1972)

Executive Director

Appointed as Director (amalgamated Company): January 2019

Qualifications: "Maîtrise en Droit des Affaires" from the University of Paris V (France)

Committee: Member of the Corporate Governance Committee

Professional Journey:
- Joined ENL in 2010 as Head of Legal and Corporate Affairs and is now Group Head of Governance and Legal Affairs.
- Previously Worked at Groupe Mon Loisir (now IBL).
- Started her career at Soulier & Associés, a French law firm based in Paris and Lyons, France.
- Board member of the Mauritius Institute of Directors.

Skills and experience:
- Extensive experience in mergers and acquisitions, corporate transactions, and corporate governance matters.
- Leadership skills with a track record in human resource, legal and communications management.
- Strong proponent of future-fitting the group through investments in human capital, technology, and sustainable business initiatives.
- Staunch advocate of good governance and diversity at board level.

Gilbert Espitalier-Noël
(Born in 1964)

Non-Executive Director

Appointed as Director (amalgamated Company): January 2019

Qualifications: BSc University of Cape Town, BSc (Hons) Louisiana State University and MBA INSEAD.

Professional Journey:
- CEO of New Mauritius Hotels Limited since 2015.
- Past Executive Director of ENL Group and CEO of ENL Property Limited.
- Past Operations Director of Eclosia Group.
- Past President of the Mauritius Chamber of Commerce and Industry, the Mauritius Chamber of Agriculture, the Joint Economic Council and the Mauritius Sugar Producers Association; past Vice-President of the Mauritius Export Association.

Skills and experience:
- In-depth knowledge and extensive experience of operations in ENL's key sectors of activity.
- A people's person, skilled at creating high-performing teams.
- Strong proponent of entrepreneurship, innovation, and initiative.
- Staunch advocate of, and extensive experience in, public-private partnership for economic stewardship.
- Sound understanding of the business dynamics in Mauritius.

BOARD OF DIRECTORS

Roger Espitalier Noël
(Born in 1954)

Non-Executive Director

Appointed as Director (amalgamated Company): January 2019 – *up for re-election at the next annual meeting*

Qualifications: Certificate in Textile and Knitwear Technology

Committees: Member of Audit & Risk Management and Corporate Governance Committees

Professional Journey:
- Retired from Floreal Knitwear after more than 36 years.

Skills and experience:
- Extensive experience in the textile industry and in sustainability management.

Jean Raymond Hardy
(Born in 1957)

Executive Director

Appointed as Director (amalgamated Company): January 2019

Qualifications: Master in Business Administration

Professional Journey:
- Currently the Chief Executive Officer of ENL Agri Limited.
- Worked at management level for Britannia Sugar Estate, Deep River Beau Champ Sugar Estate and Société de Gérance Mon Loisir.
- Actual President of the Mauritius Chamber of Agriculture and Board Member of the Sugar Industry Pension Fund Board.

Skills and experience:
- More than 35 years' experience in the sugarcane industry.
- Actively involved in the centralisation process of sugar factories in the Centre and the South of Mauritius.
- Skilled in negotiating difficult market conditions.

Jean-Pierre Montocchio
(Born in 1963)

Non-Executive Director

Appointed as Director (amalgamated Company): January 2019 – *up for re-election at the next annual meeting*

Qualifications: Notary Public

Committee: Member of the Corporate Governance Committee

Professional Journey:
- Appointed Notary Public in Mauritius in 1990.
- Contributed to the workings of the National Committee on Corporate Governance as a member of the Board of Directors' Sub-Committee.

Skills and experience:
- Well-versed in corporate governance matters and NED experience across the private and public sectors.
- Extensive experience in alliances, ventures, and partnerships.
- Strong proponent of fairness in business.
- Staunch defendant of shareholder's interests.

Simon-Pierre Rey
(Born in 1952)

Independent Non-Executive Director

Appointed as Director (amalgamated Company): January 2019

Qualifications: BA (Honours) in Economics and Chartered Accountant (UK)

Committee: Member of the Audit and Risk Management Committee

Professional Journey:
- Retired from IBL Group after 27 years of service.
- Occupied the post of Group Finance Director/ Controller, Company Secretary and Chief Operating Officer at Ireland Blyth Limited (now IBL Limited).
- Past Board Member, and Board Committee member, of various IBL companies, namely the Audit and the Corporate Governance Committees.
- For period 2014-2019, was a Non-Executive Director, Chairperson of the Conduct Review Committee, member of the Audit Committee and of the Nomination and Remuneration Committee of MCB Ltd.

Skills and experience:
- Significant financial management expertise with a commercial track record.
- Good governance knowledge with an independent mindset and commitment.
- Strong advocate of relationships building.
- Proponent of the social role of business.

Mushtaq Oosman
(Born in 1954)

Independent Non-Executive Director

Appointed as Director (amalgamated Company): January 2019

Qualifications: Fellow of the Institute of Chartered Accountants in England and Wales

Committee: Chairman of the Audit & Risk Management Committee

Professional Journey:
- Heads OIP Ltd, an insolvency practice he founded in January 2016 after retiring from PwC.
- Retired from PwC in November 2015 after 30 years in service.
- Former Assurance Partner at PwC and responsible for Business Recovery Services as well as the Chief Operating Partner for Mauritius.
- Past Member of the Africa Central Governance Board.
- Trained and qualified as a Chartered Accountant with Sinclairs in the UK.

Skills and experience:
- Well-versed in the workings and responsibilities of a Governance Board.
- Professional experience in audit and financial advice, with a diversified portfolio of clients in sectors such as banking, insurance, manufacturing, sugar companies, the hospitality industry, betting operator, textiles, and trading.
- Outspoken professional, challenging set business lines and practices with a view to spur improvement.

Johan Pilot
(Born in 1982)

Executive Director

Appointed as Director (amalgamated Company): January 2019

Qualifications: Chartered Accountant from the Institute of Chartered Accountants in England & Wales

Professional Journey:
- Joined ENL in August 2007 and presently the Chief Executive Officer of ENL Property Limited.
- Previously worked at PwC Mauritius.

Skills and experience:
- More than 10 years of experience in the property developments of ENL group.
- Modern leadership skills.
- Driven by his vision to be a trend-setter in terms of sustainable urban development.
- Strong proponent of the pluri-dimensional role of business.

Directorship Lists:
For full directorship list of the Directors please refer to the Company's website: www.enl.mu/en/investors/information/policies

GROUP
LEADERSHIP

1. **Hector Espitalier-Noël** *
   Chief Executive Officer of ENL Group
2. **Philippe Espitalier-Noël** **
   Chief Executive Officer of Rogers and Company Limited
3. **Eric Espitalier-Noël** *
   Chief Executive Officer of ENL Commercial Limited
4. **Jean Raymond Hardy** *
   Chief Executive Officer of ENL Agri Limited
5. **Johan Pilot** *
   Chief Executive Officer of ENL Property Limited
6. **Virginie Corneillet** *
   Group Head of Governance and Legal Affairs
7. **Paul Tsang** **
   Group Head of Finance
8. **Frédéric Tyack** **
   Chief Executive Officer of Ascencia Limited
9. **Doriane Denise-Rama** **
   Group Head of Talent and Culture
10. **Jacques Brousse de Gersigny** **
    Group Head of Technology and Operational Excellence

Notes:
* Refer to profile on pages 64 to 67
** Refer to profile on ENL Group's website: www.enl.mu

Directorship Lists:
For full directorship list of the Directors please refer to the Company's website: www.enl.mu/en/investors/information/policies

CORPORATE **GOVERNANCE REPORT**

ENL Limited ('ENL' or the 'Company') is a public interest entity under the provisions of the Financial Reporting Act. ENL's Corporate Governance Report sets out ENL's commitment to transparency, good corporate governance and the continuous effort to enhance shareholder value. Throughout the report, we have set out how we have applied the principles, and complied with the relevant provisions, of the Code of Corporate Governance for Mauritius (the 'Code').

This year was marked by the Covid-19 pandemic, which today represents a real challenge for nearly every Board of Directors. The Board of Directors of ENL is playing an important role in helping ENL Group manage the impact of the pandemic on the Group's operations. Following the implementation of containment measures by Government, the boardroom went virtual thereby enhancing the Board's agility and flexibility in the decision-making processes. The Board engaged with ENL's shareholders by providing them with updates on significant developments at ENL during this Covid-19 crisis. In a spirit of solidarity, the Directors have also agreed to reduce their remuneration and such funds have been contributed into #myENL Covid-19 Solidarity Fund.

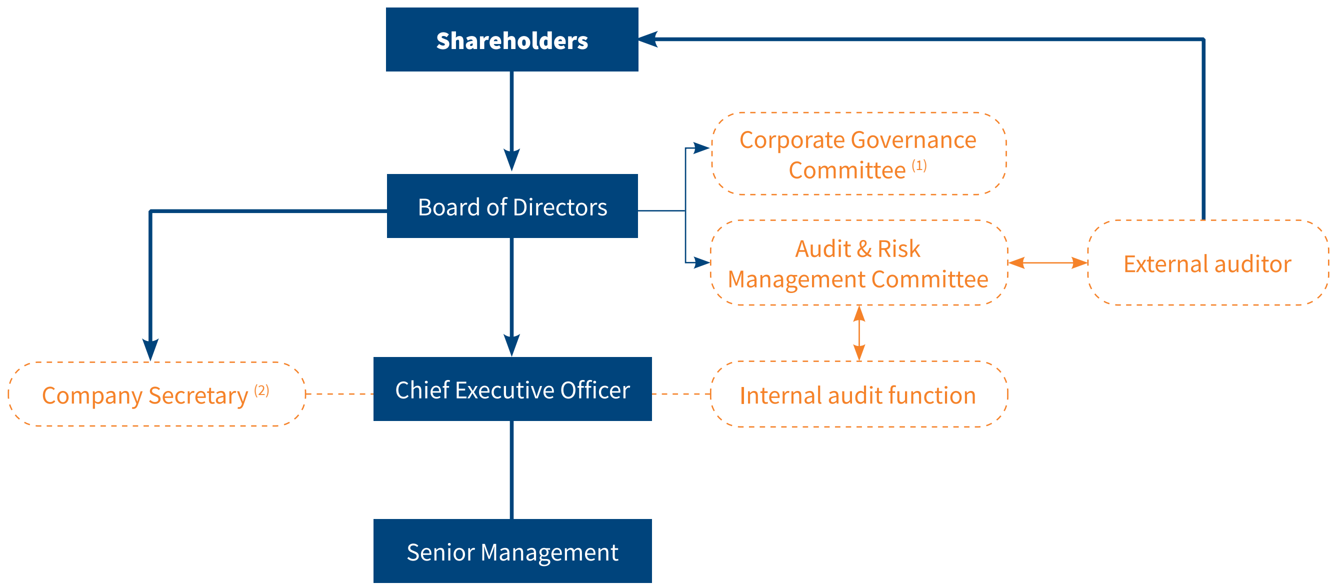
In order to discharge its duties effectively, the work of the Board and its sub-committees have been structured into an annual cycle so that a systematic reporting process is in place. During the year, the Board of Directors made a 'deep-dive' on a specific subject matter, namely that of the real estate segment of ENL. Such initiative gives Directors the opportunity to deepen their understanding on a specific subject matter. In year 2020, the Board also undertook its first effectiveness review. The review concluded that the Board operates effectively and is well run, with positive relationships between Board members. With the tightening of laws pertaining to anti-money laundering and combatting the financing of terrorism, ENL has reinforced its compliance functions at the level of the Head Office. Money Laundering/Compliance Officers have been appointed at ENL Secretarial Services Limited, ENL Limited and ENL Property Group.

This report, along with the Annual Report, is published in its entirety on the Company's website: www.enl.mu

1. GOVERNANCE STRUCTURE

The Board of ENL is collectively accountable and responsible for the long-term success of the Company, its reputation and governance. The Board also assumes the responsibility for leading and controlling the Company and meeting all legal and regulatory requirements. In line with the Code, the Board has:

- adopted a Board Charter which sets out the objectives, roles and responsibilities and composition of the Board of Directors,
- identified its key Senior Governance positions,
- adopted a Code of Ethics and
- approved an Organisational and Governance structure *as illustrated below*.



(1). As per its Terms of Reference, in its capacity, the Corporate Governance Committee also acts as Remuneration and Nomination Committee

(2). ENL Secretarial Services Limited provides corporate secretarial services to the Company

The Board Charter and Code of Ethics are available for consultation on ENL's website: www.enl.mu

2. THE BOARD

2.1 Board Composition

ENL is headed by a unitary Board comprising of 12 Directors, including one female Director. The Board of Directors comprises of 5 Executive Directors, 4 Non-Executive Directors and 3 Independent Non-Executive Directors. The size of the Board is determined by ENL's Constitution, which is available for consultation on ENL's website: www.enl.mu

Board members have a diverse mix of skills and experience and are distinguished by their professional ability, integrity and independence of opinion. Together, they ensure high standards of governance at ENL. All Directors of ENL ordinarily reside in Mauritius. The names and profiles of ENL's Directors are disclosed on pages 64 to 67 of the Integrated Annual Report.

For more information on directorships held by the Directors, please refer to ENL's website: www.enl.mu

2.2 Board Committees

In order to facilitate efficient decision-making, the Board has delegated some of its powers and responsibilities to two Committees, namely the Corporate Governance Committee ("CGC"), which also acts as a Remuneration and Nomination Committee and Audit and Risk Management Committee ("AMRC"). These Committees operate within defined terms of reference which are available for consultation on ENL's website: www.enl.mu. The Charters of the said Committees are reviewed annually by the Committees and any proposed amendments are recommended to the Board for approval.

Proceedings of the Committees are reported to the Board to allow other Directors to be informed and seek clarifications from the Committee members. Each Director has access to all Committee meetings and records.

2.2.1 Audit and Risk Management Committee

The ARMC is composed of:

Mushtaq Oosman ◉	Independent Non-Executive Director
Simon-Pierre Rey	Independent Non-Executive Director
Roger Espitalier Noël	Non-Executive Director

◉ Chairman

During the year, the Chairman of the ARMC extended Committee meeting invitations on an adhoc basis to the Chief Financial Officer, Head of Internal Audit, the external auditors and executives having to report on specific agenda items.

Outside of formal meetings, Chairman of the ARMC also maintains a dialogue with key individuals involved in the Company's governance, namely the Chairman of the Board, the Chief Executive Officer and the external audit lead partner.

In order to discharge its duties effectively, the ARMC meets twice every quarter. The work of the ARMC has been structured into an annual cycle so that a systematic reporting process is in place.

During the financial year under review, the ARMC met 8 times and:

Financial Statements & Reporting Responsibilities	• Reviewed and recommended to the Board the approval of: – the audited financial statements, risk management disclosures of the Annual Report and publication of the audited abridged financial statements for the year ended 30 June 2019; – the publication of the unaudited quarterly consolidated results of the Company. • Received the consolidated management letter of ENL Group for the year ended 30 June 2019.
Internal & External Audit matters	• Recommended the appointment of KPMG as auditors and audit fee proposal for the year ended 30 June 2020. • Reviewed and approved the external audit plan of KPMG for the year ended 30 June 2020. • Examined reports issued by the internal audit (IA) function following assignments conducted in accordance with the IA plan and monitored the implementation of proposed corrective action plans relating to subsidiaries. • In collaboration with the IA function, refined the processes for the conduct and reporting of IA assignments to the ARMC for efficiency purposes. • Reviewed and approved the IA plan for the period ending 31 December 2020 and recommended to the Board the approval of the IA Charter.
Internal Controls & Risk Management	• Reviewed the effectiveness of the internal control and risk management systems including the reporting processes of the GRC function to the ARMC. • Examined reports issued by the GRC function following assignments conducted in accordance with the GRC plan; • Took cognisance of the main on-going litigation cases of ENL Group. • Analysed the report of the Health & Safety Manager in respect of compliance of ENL Group to the Occupational Safety & Health Act 2005.
Governance & Compliance	• Monitored the information systems of ENL and the Cyber Security framework. • Recommended to the Board the approval of the new IT & Security Policy and Security Governance Charter of ENL. • Monitored compliance to ENL's Code of Ethics. • Received the report of the Data Protection Officer in respect of compliance to the Data Protection Act. • Adopted a Related Party Transaction policy for ENL and monitored transactions in accordance with the said policy. • Assessed the potential impact of the provisions of the Workers' Rights Act on ENL Group.

2.2.2 Corporate Governance Committee

The CGC is composed of:

Jean Noël Humbert ◉	Independent Non-Executive Director
Virginie Corneillet	Executive Director
Hector Espitalier-Noël	Executive Director
Roger Espitalier Noël	Non-Executive Director
Jean-Pierre Montocchio	Non-Executive Director

◉ Chairman

During the financial year under review, the CGC met 2 times and:

Nomination & Remuneration	• Defined the positions assumed to be Senior Executives of ENL. • Reviewed the remuneration package of Senior Executives of ENL. • Approved and recommended the remuneration of the Directors of ENL Commercial. • Assessed the potential impact of the provisions of the Workers' Rights Act on ENL Group.
Corporate Governance	• Reviewed the Corporate Governance Report of ENL for the year ended 30 June 2019. • Recommended the re-election/re-appointment of Messrs Gérard Espitalier Noël, Mushtaq Oosman and Gilbert Espitalier-Noël as Directors of the Company.

2.3 Board Deliberations

During the financial year under review, the Board met 7 times and

Strategy & Finance	• Approved the audited financial statements/Annual Report of ENL for the year ended 30 June 2019. • Approved the unaudited quarterly consolidated results of ENL for publication purposes. • Reviewed the performance of the Group against business plans as reported by the CEO. • Declared the payment of interim dividends for the year ended 30 June 2020. • Approved banking and finance lease facilities with financial institutions. • Received a comprehensive report of the various real estate projects being carried out by ENL Property group.
Governance, Compliance and Risk	• Prepared meeting of shareholders held in December 2019. • Reviewed and approved a new IT & Security Policy and Security Governance Charter of ENL. • Approved the appointment of representative(s) at meetings of shareholders of investee companies.
Standing Agenda items	• Received reports on follow up matters from previous minutes. • Received disclosures of interests from Directors as and when applicable. • Received reports from the Chief Executive Officer. • Received the reports/recommendations of the ARMC and CGC.
Covid-19 Pandemic	• Assessed the potential impact of the Covid-19 pandemic on the affairs of ENL Group and discussed mitigating plans and cost reduction measures. • Approved contributions into the Covid 19 National Solidarity Fund and #myENL Covid-19 Solidarity Fund. • Approved a reduction in the remuneration of Directors of ENL for the year ended 30 June 2020. • Approved the communication to ENL's stakeholders on the Group's response to the pandemic. • Reviewed ENL's Privacy Policy in respect of 'special categories of personal data' to cover the implementation of health and safety measures with respect to Covid-19 on ENL sites. • Did not declare a final dividend for the financial year ended 30 June 2020 given the lack of visibility.

2.4 Directors Appointment Procedures

2.4.1 Appointment and re-election

The Board may appoint any person to be a Director, either to fill a casual vacancy or as an additional Director. The Director so appointed by the Board will hold office only until the next following Annual Meeting and will then be eligible for reappointment.

The appointment process is delegated to the CGC which recommends to the Board, the Directors to be appointed and/or re-elected.

In accordance with the Company's Constitution, at each Annual Meeting of the Company, one-third of the independent and non-executive Directors for the time being, or, if their number is not a multiple of three, then the number nearest to, but not exceeding one third, shall retire from office and shall be eligible for re-election. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Re-election of Directors over the age of 70 years is made in compliance with section 138(6) of the Companies Act 2001.

Upon recommendation of the CGC, the following will be proposed to the shareholders for approval at the forthcoming shareholders' meeting:

- The re-election of Messrs. Roger Espitalier Noël and Jean Pierre Montocchio as Directors of the Company in accordance with Section 21.6 of the Company's constitution.
- The re-election of Messrs Gérard Espitalier Noël and Jean Noël Humbert, who are over 70 years old, as Directors of the Company.

The Chairman confirms that Messrs. Roger Espitalier Noël, Jean Pierre Montocchio and Gérard Espitalier Noël continue to be performing and remain committed to their role as a Directors of the Company.

The members of the CGC confirm that Mr Jean Noël Humbert continues to be performing and remains committed to his role as a Director of the Company.

2.4.2 Board Induction

All new Directors, upon joining the Board, benefit from an induction programme aimed at deepening their understanding of the businesses, environment and markets in which the Group operates. As part of the induction programme, they receive a comprehensive induction pack from the Company Secretary which contains essential Board and Company information, meet the Company's key executives and have a briefing session with the Chief Executive Officer. During the year under review, there has been no change in the composition of the Board.

2.4.3 Professional Development and Training

Directors are encouraged to keep themselves abreast of changes and trends in the Company's businesses, environment and markets. The Board regularly assesses the development needs of its Directors and the Board as a whole. It facilitates attendance to appropriate training programs so that Directors can continuously update their skills and knowledge.

2.4.4 Succession Planning

- Succession planning is a standing item on the CGC's agenda.
- The CGC recommends plans for succession of Directors and senior management.
- The Board regularly reviews its composition, structure and succession plans.

2.5 Directors' Duties, Remuneration and Performance

2.5.1 Directors' Interests, Dealings in Securities and Related Party Transactions

The Board, in relation to dealing in the Company's listed securities, comply with the provisions of the Model Code for Securities Transactions ("Model code") by directors of listed companies as detailed in Appendix 6 of the Listing Rules of the SEM and the Companies Act 2001. The Company Secretary keeps the Directors apprised of closed periods and of their responsibilities in respect to the Model code.

ENL's Board Charter also contains policies on Related Party Transactions and Conflicts of Interests. Directors who are interested in a transaction or proposed transaction with the Company, disclose their interests to the Board and cause same to be entered in the Interests Register. As a measure of good practice, the disclosure of any conflict of interests is a standing item on the Board's agenda such that at the beginning of each meeting, the Chairman invites the Directors to declare their interests, if any.

The Company Secretary keeps the Interests Register and ensures that the latter is updated regularly. The register is available for consultation by shareholders upon written request to the Company Secretary.

All new Directors are required to notify in writing to the Company Secretary their direct and indirect interests in ENL.

As at 30 June 2020, Directors' interests in shares of ENL carrying voting rights were as follows:

	DIRECT		INDIRECT	
	No. of shares	%	No. of shares	%
Virginie Corneillet	22,058	0.002	-	-
Eric Espitalier-Noël	801,871	0.075	101,094,496	9.471
Gérard Espitalier Noël	911,635	0.085	8,939,073	0.837
Gilbert Espitalier-Noël	96,401	0.009	84,053,133	7.874
Hector Espitalier-Noël	1,733,839	0.162	104,150,765	9.757
Roger Espitalier Noël	613,100	0.057	13,052,163	1.223
Jean-Raymond Hardy	28,133	0.003	70,520	0.007
Jean Noël Humbert	-	-	-	-
Jean-Pierre Montocchio	-	-	809,921	0.076
Mushtaq Oosman	-	-	-	-
Johan Pilot	143,200	0.013	-	-
Simon Pierre Rey	-	-	-	-

During the financial year under review, the following Directors have traded in the Ordinary A shares of ENL:

ENL INTEGRATED REPORT 2020

Directors	No of Shares Acquired	Directors	No of Shares Acquired
Virginie Corneillet	20,000	Roger Espitalier Noël*	80,000
Eric Espitalier-Noël	92,800	Jean-Pierre Montocchio*	63,600
Gilbert Espitalier-Noël	96,400	Johan Pilot	123,026
Hector Espitalier-Noël	236,500		

** indirectly through associates.*

Note 42 of the financial statements for the year ended 30 June 2020, set out on page 204 of the Annual Report 2020, details all the related party transactions between the Company or any of its subsidiaries or associates and a director, chief executive, controlling shareholder or companies owned or controlled by a director, chief executive or controlling shareholder.

Shareholders are apprised of related party transactions through the issue of circulars and press releases by the Company in compliance with the Listing Rules of the SEM.

2.5.2 Information, Information Technology and Information Security Governance

Organisations everywhere are pursuing digital transformation through use of emerging technology as an enabler to solve problems, create unique experiences, and accelerate business performance.

ENL has made "Digital Transformation" as one of the corner stone of its 3-year Strategic Plan for 2023, now named CAP 23. ENL Board's and top management are cognisant of the importance of Information Technology and Information Security risks. As such, they have established a sound IT and Security Governance programme to build confidence in their digital future.

IT Governance

The Group has embarked on CoBIT 2019 framework to respond to its IT Governance requirements and leverage its technology for business growth, revenue generation, and business agility.

The focus will be to achieve results from strategic choices and align IT initiatives to business goals and objectives. This will also enhance value creation by getting the most out of the IT function and manage IT and Security risk while realizing the benefits and remaining in compliance with regulatory obligations.

The Group has refreshed its ICT Policies and Procedures to incorporate both Operational & Security processes in line with industry framework i.e. ISO 27001 and COBIT 2019. This initiative has been presented to the ARMC which has given its full support to the Implementation plan. Progress Reports are presented to the ARMC every semester.

The ICT policy is available for consultation on ENL's website: www.enl.mu.

Security Governance

Since 2018 the Group embarked on its cybersecurity journey to protect its key information assets and support the business by providing tailored cyber security action plans to manage cyber risks effectively. In 2019, the group has set up a Virtual- Chief Information Security Officer (V-CISO) function, with the support of PwC Mauritius.

One year down the line, ENL has deployed significant resources to manage the risks associated with cyber security and privacy. The Group-wide achievements, to mention a few, include:

- Cybersecurity Resilience Maturity framework and security roadmap
- Defence effectiveness on IT platform and related infrastructure
- Standardise IT and Security policies and procedures
- Embed security behaviour- staff awareness, simulation exercise, and remote working
- Cyber Risk and Metrics dashboard to assess and measure controls effectiveness
- Cyber-liability insurance

The Covid-19 lockdown period has put our cyber resilience to test. Organisations experienced dramatic and sustained increase in malicious cyber activities. ENL takes pride in enabling work from home in a secured way. The cyber related threats were managed and warded off.

Our Board is ahead of the game and they ask the right questions, be it on the effectiveness of the cyber resilience programme or the protection of sensitive data. Going forward, the V-CISO function aims at implementing security solutions to protect ENL digital assets and provide valuable insights on the evolving threat landscape.

We encourage our stakeholders to take cognisance of the **cyber security governance structure and framework** available on ENL website, www.enl.mu.

2.5.3 Legal Duties & Access to information

The Directors are aware of their legal duties. During the discharge of their duties, they are entitled to seek independent professional advice at the Company's expense and have access to the records of the Company. Directors are also entitled to have access, at all reasonable times, to all relevant company information and to the Management, if useful, to perform their duties.

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

The Board has delegated to the ARMC its duty to regularly monitor and ensure compliance with the Code of Ethics.

2.5.4 Remuneration Policy

In accordance with ENL's constitution, fees are paid to the Directors for holding office.

The underlying philosophy is to set remuneration at appropriate level to attract, retain and motivate high calibre personnel and reward in alignment with their individual as well as joint contribution towards the achievement of the company's objective and performance, whilst taking into account the current market conditions and Company's financial position. The Directors are remunerated for their knowledge, experience and insight given to the Board and Committees.

The Board of Directors have approved an annual fee for the Directors. They are paid an extra fee as members of Board Committees and as Chair of Board Committees. The Chairperson of the Board is paid a special level of fees appropriate to his office. Particulars of Directors' remuneration are entered into the interests register of the Company.

Any Director who is in full time employment of ENL does not receive any additional remuneration for sitting on the Board of Directors. Any remuneration perceived by an employee of ENL Group in respect of his sitting on the Board of Directors of any company is deducted from his yearly remuneration.

None of the non-executive directors are entitled to remuneration in the form of share options or bonuses associated with the Company's performance.

ENL INTEGRATED REPORT 2020

Following the Covid-19 pandemic, in a spirit of solidarity, the remuneration of the Directors has been reduced and savings made by ENL have been contributed to #myENL Covid-19 Solidarity Fund. The table hereunder lays out the fee structure of the Company for the year ended 30 June 2020:

Category of Member	Board	ARMC	CGC
Company Chairman	Rs 375,000	Rs 200,000	Rs 100,000
Board member	Rs 225,000	Rs 100,000	Rs 50,000

2.5.5 Attendance and Remuneration and Benefits Paid

For the year under review, the attendance at Board and Committee meetings and actual remuneration and benefits perceived by the Directors are as per below:

Category	Directors	Attendance			Remuneration Perceived from		
					Company	Subsidiaries	Companies on which Director serves as representative of the Company
		Board	ARMC	CGC	Rs	Rs	Rs
Executive *	Virginie Corneillet	6/7		2/2	275,000	5,925,213	-
	Eric Espitalier-Noël	7/7			225,000	10,368,606	58,000
	Hector Espitalier-Noël	7/7		2/2	17,003,360	855,250	841,000
	Jean Raymond Hardy	5/7			225,000	9,899,110	-
	Johan Pilot	7/7			225,000	14,206,857	270,000
Non Executive	Gérard Espitalier Noël	7/7			225,000	-	-
	Gilbert Espitalier-Noël	7/7			225,000	471,250	-
	Roger Espitalier Noël	7/7	8/8	2/2	375,000	135,313	-
	Jean-Pierre Montocchio	4/7		1/2	275,000	-	-
Independent Non Executive	Jean Noel Humbert	7/7 ◉		2/2 ◉	475,000	-	-
	Mushtaq Oosman	6/7	7/8 ◉		425,000	-	-
	Simon-Pierre Rey	6/7	8/8		400,000	75,000	-

◉ *Chairman*

**The Executive Directors have consented to salary cuts.*

2.5.6 Board Evaluation

In line with its Charter, every two years, the Board critically evaluates the performance of the Board and of the Committees, as well as their respective processes and procedures to ensure that they are designed to assist the Board in effectively fulfilling its role. The Board carried out its first evaluation during the last quarter of the financial year. An internal evaluation of the Board, its Committees and Directors was undertaken. The evaluation focused on strategic foresight, risk management and self-evaluation.

The Board evaluation process

The 2020 process was undertaken in three stages:

STAGE 1

Directors were issued an online questionnaire, prepared by the Company Secretary designed to elicit the views, opinions and recommendations of the Directors.

One-to-one meetings between the Chairman and Non-Executive Directors followed.

STAGE 2

The Company Secretary compiled the feedback and ratings received in a report.

The Company Secretary met with the Chairman to discuss the findings and recommendations.

STAGE 3

The CGC and Board considered the findings of the board evaluation and recommendations.

The Chairman in conjunction with the Company Secretary developed , an action plan to improve the effectiveness of the Board based on feedback received.

The review concluded that the Board, its Committees and each of its Directors continue to be effective. The Board is well run, with positive relationships between Board members. Directors continue to demonstrate a collaborative and constructive mindset, creating a conducive environment at Board level to further the Company's objectives.

3. RISK GOVERNANCE

The activities of the risk management processes of ENL are explained on pages 56 to 61 of the Annual Report.

4. INTERNAL CONTROL

The Board is responsible for the system of internal control and risk management of ENL and its subsidiaries. The Board is committed to continuously maintain adequate control procedures with a view to safeguard the assets and reputation of ENL. Areas with high residual risks are continuously assessed and reviewed with the assistance of the internal audit department.

Management is accountable to the Board for the design, implementation and enforcement of internal controls, ensuring that the associated processes and systems are operating satisfactorily. The Board derives assurance that the internal control systems are effective through the lines of defence: (i) The management of performance of each subsidiary, (ii) the processes and framework for risk management and (iii) the internal audit function in accordance with their risk-based internal audit plan.

The Audit and Risk Management Committee monitors the effectiveness of our risk management and internal control systems, and reports back to the Board. This includes:

- a clear system of delegated authorities from the Board to management with certain important matters remaining with the Board;
- regular review of results against budgets with Executive Directors and management, including important areas of business risk;
- review of the strategic plans of each subsidiary and of ENL as a whole to identify risks to the achievement of objectives and, where appropriate, any relevant mitigating actions;
- risk management expectations which are embedded throughout ENL;
- reviews by the internal audit function of critical business processes and controls and specific reviews in areas of perceived high business risk;
- regular reporting, monitoring and review of the effectiveness of health, safety, environment and sustainability processes;
- legal and regulatory compliance risks which are addressed through specific policies and training including ethics and data protection laws;
- promotion of a culture of compliance to help manage legal and reputational risks across ENL. A helpline encourages staff to raise concerns, in confidence, about possible breaches of the code of conduct.

In the design of the internal control system, entities are encouraged to have the right level of internal controls whereby the costs and time involved in operating these controls is balanced against the nature and significance of the risks they mitigate.

The Board also recognises that any system of internal control is designed to understand and manage rather than eliminate the risk and can only provide reasonable and not absolute assurance against material misstatement or loss.

5. INTERNAL AUDIT

5.1 Internal Audit

The ENL Group's internal audit function operates under a co-sourcing agreement with PricewaterhouseCoopers Ltd (PwC) and reports directly to the ARMC of ENL.

As part of the Group's commitment to maintaining and strengthening best practices in corporate governance, ENL consistently seeks to enhance its internal control environment and risk management capabilities. The role of the internal audit function, governed by the Internal Audit Charter, is to enhance and protect value by providing objective assurance, advice, and insight on the effectiveness of the control environment of the Group.

The ARMC approves and monitors the internal audit plan for each year, which focuses on the high risks of the Group. The plan is determined by a risk-based approach in close collaboration with the group's risk management function.

The internal audit function prepares audit reports and recommendations after which follow-ups are performed to ensure that recommendations are implemented. These reports are presented to the ARMC each quarter including the status of management's implementation of recommendations. For any significant issues that cannot wait till the next ARMC, the Head of Internal Audit contacts the Chairman of the ARMC immediately.

Areas covered by the internal audit function in the financial year:

ENTITY	AREA OF REVIEW
Agrex	Stock
Axess	Financial Reporting
	Human Resource
	Sales
	Tyres Management
	Warranties
ENL Agri	IT General Controls
	Operatives Payroll
	Procurement and Accounts Payable
ENL Agri and ENL Limited	Land Bank
ENL Corporate Services	Human Resource
ESP Landscapers	Project Costs
Grewals	Stock
	Procurement
JMD	Procurement
	Sales
Moka City	Land Bank
Moka Residential	Post Project Warranties
Nabridas	Stock
Oficea	MRI system – Post Implementation
	The Pod project – Post Construction
Plastinax	Production
Rennel	Parcels Management
Superdist	Revenue
Sygeco	Procurement to payment

5.2 Internal auditor effectiveness and independence

The ARMC reviews the effectiveness of the internal audit function on an ongoing basis. This is achieved, in part, by reviewing and discussing the reports presented to it at each meeting and setting out the function's work and findings.

The ARMC assesses the independence of the internal audit function and is satisfied of its independence.

There have been no restrictions placed over the right of access by internal audit to relevant records, management or employees.

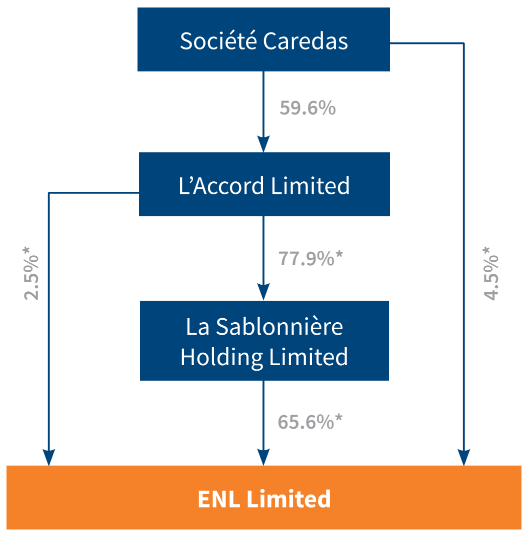
All members of the internal audit team are qualified accountants and are, or in the process of becoming, Certified Internal Auditors. Information on the composition and qualifications of the Internal Audit team is detailed on the website: www.enl.mu

6. SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

6.1 Holding Structure

- The holding company of ENL is L'Accord Limited, a limited-liability public company while the ultimate control of the Company remains with Société Caredas, a société civile.
- The Company's holding structure as at 30 June 2020 was as follows:

(The % disclosed relates to voting rights)



**Effective voting rights*

6.2 Shareholding profile

- ENL Limited's Ordinary A Shares are listed on the Official List of the Stock Exchange of Mauritius Limited ("SEM") since 23 January 2019 and accordingly, the company is governed by the Listing Rules of the SEM.
- As at 30 June 2020, the share capital of ENL Limited is composed of 374,996,326 Ordinary A Shares and 700,000,000 Restricted Redeemable Shares ("RRS") of no par value.
- As at 30 June 2020, the shareholders holding more than 5% of the voting rights in the shares of the Company and qualifying as substantial shareholders were as follows:

	%
La Sablonnière Holding Limited	65.58

6.2.1 Distribution of shareholders at 30 June 2020

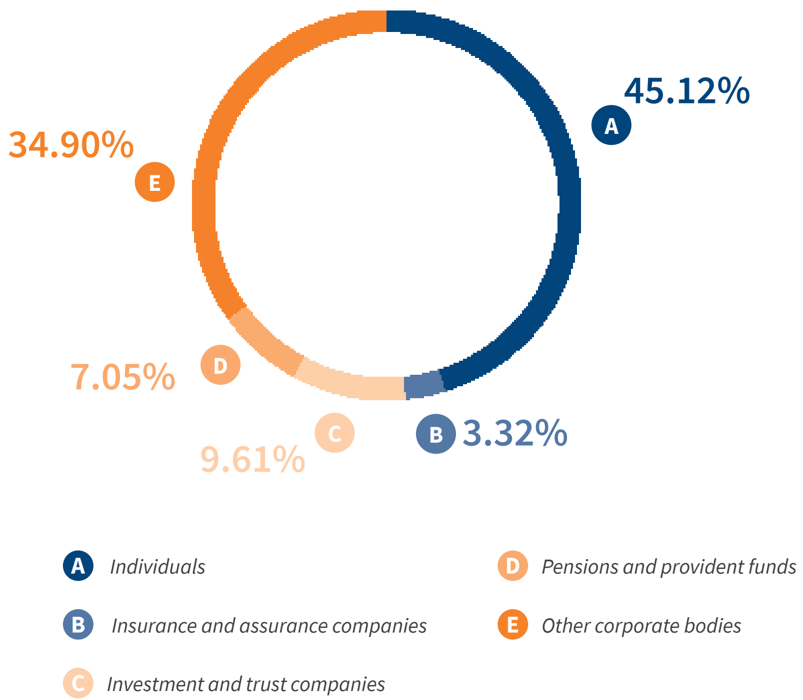
- La Sablonnière Holding Limited holds 100% of the RRS.
- Ordinary A Shares:

Distribution of Ordinary A shareholders as at 30 June 2020

SPREAD	Number of shares held
1 - 500 shares	157,639
501 - 1,000 shares	252,543
1,001 - 5,000 shares	2,231,809
5,001 - 10,000 shares	2,604,615
10,001 - 50,000 shares	18,509,851
50,001 - 100,000 shares	14,205,567
100,001 - 250,000 shares	32,256,505
250,001 - 500,000 shares	23,605,767
>= 500001 shares	281,172,030

6.2.2 Spread of shareholders

- To the best knowledge of the Directors, the spread of Ordinary A Shareholders at 30 June 2020 was as follows:



6.3 Contract between the Company and its substantial shareholder

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

6.4 Third Party Agreements

The Group has the following management agreement with third parties:

- ENL Commercial has a management contract with Superdist Limited for the provision of management services.
- A development management agreement with Dolphin Coast Marina Estate Ltd for managing the development of an IRS at La Balise. The contract is discharged by ENL Property.
- A contract with FRCI Group for the provision of secretarial services.
- A contract with New Mauritius Hotels Limited for the provision of secretarial services.
- A contract with New Mauritius Hotels Limited for the provision of insurance consultancy services.
- ENL Agri Limited has a management agreement with Circonstance Estate Ltd for the management of the agricultural operations, buildings and land assets of Circonstance Estate Ltd.

6.5 Relations with shareholders and other key stakeholders

6.5.1 Key stakeholders

The Company is committed to engage actively with its stakeholders to meet their expectations and interests in an effective and efficient manner. ENL's key stakeholders and the way it has responded to their expectations are described in the engagement with stakeholders' section from page 22 to page 23 of the Annual Report.

6.5.2 Shareholders' relations and communications

The Board of Directors places great importance on open and transparent communication with its shareholders. The Company communicates to its shareholders through its Annual Report, circulars issued in compliance with the Listing Rules of the SEM, press announcements, publication of unaudited quarterly and audited abridged financial statements of the Company, dividend declaration and the Annual Meeting of shareholders.

In compliance with the Companies Act 2001, shareholders are invited to the Annual Meeting of the company where they can raise and discuss matters relating to the Company with the Board.

The website (www.enl.mu), includes an investors' section which provides timely information to stakeholders. Interim and audited financial statements, press releases and so forth are readily accessible from there.

Analysts meetings, at which analysts are invited to interact with management, are organised periodically.

The Company's share price movement is available on our website: www.enl.mu/investors/enl-limited

6.5.3 Shareholders' calendar

March 2021	Publication of abridged audited financial statements for the year ended 30 June 2020
	Issue of Annual Report 2020
	Annual Meeting of shareholders initially convened for 10 March 2021 - cancelled due to confinement measures in force of Mauritius
April 2021	Publication of 1st Quarter results to 30 September 2020
	Publication of half-year results to 31 December 2020
May 2021	Annual Meeting of shareholders
	Publication of 3rd Quarter results to 31 March 2021

Note: There has been disruptions in the Shareholders calendar due to a delay in the finalisation of the audited financial statements at 30 June 2020.

6.5.4 Shareholders' agreement affecting the governance of the Company by the Board

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

6.5.5 Dividend

The Company has no formal dividend policy. Payment of dividends is subject to the profitability of the Company, cash flow, working capital and capital-expenditure requirements.

7. COMPANY SECRETARY

- ENL Secretarial Services Limited provides corporate secretarial services to ENL Limited.
- All Directors, particularly the Chairman, have access to the advice and services of the Company Secretary, delegated by ENL Secretarial Services Limited, for the purposes of the Board's affairs and the business.
- The Company Secretary is responsible for ensuring that Board procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the Board are complied with and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation.

8. EXTERNAL AUDIT

8.1 Provision of Non-Audit Services

During the year under review, KPMG did not provide any non-audit services to ENL Limited.

8.2 New Auditors

KPMG, the current auditors of the Company have been in office since December 2019 and has recently notified that they do not wish to be re-appointed as auditors of ENL for the financial year ending 30 June 2021. The Board of Directors of ENL is therefore recommending to the shareholders the appointment of Messrs. Ernst & Young as auditors for the financial year ending 30 June 2021.

Preety Gopaul, ACG
For ENL Secretarial Services Limited
Company Secretary

30 March 2021

BOARD OF DIRECTORS' **STATEMENTS**

1. OTHER STATUTORY DISCLOSURES

(Pursuant to Section 221 of The Companies Act 2001 and Section 88 of The Securities Act 2005)

30 June 2020

Activities

The activities of ENL Group are disclosed on pages 40 to 55 of the Annual Report 2020.

Directors

A list of the Directors of the Company and its subsidiaries is given on pages 90 to 93 of the Annual Report 2020.

Directors' Service Contracts

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

Contracts of Significance

During the year under review, there was no contract of significance to which ENL Limited, or one of its subsidiaries, was a party and in which a Director of ENL Limited was materially interested either directly or indirectly.

Directors' remuneration and benefits

Total remuneration and benefits received, or due and receivable, by the Directors from the Company and its subsidiaries were as follows:

Directors of ENL Limited	From the Company		From the Subsidiaries	
	2020	2019	2020	2019
	Rs'000	Rs'000	Rs'000	Rs'000
Executive				
Full-time	17,003	18,713	855	776
Part-time	950	6,993	37,671	27,009
Non-executive	2,400	2,707	682	140
Post-employment benefits – Executive Directors	-	-	2,729	4,400
	20,353	28,413	41,937	32,325

Directors of subsidiary companies who are not directors of the Company	2020	2019
Executive (2020: 57; 2019: 57)		
Full-time	289,422	312,447
Part-time	-	-
Non-executive (2020: 66; 2019: 76)	6,711	8,145
Post-employment benefits – Executive directors	4,509	4,738
	300,642	325,330

Directors' Interests in Shares

i. The interests of the Directors in the shares of ENL Limited as at 30 June 2020 are found on page 75 of the Annual Report.

ii. As at 30 June 2020, none of the Directors, except for those detailed below, held any direct interests in the equity of the subsidiaries of the Company:

	Ascencia Ltd (Class A Shares)		Ascencia Ltd (Preference Shares)		Rogers and Company Limited	
	No. of shares	%	No. of shares	%	No. of shares	%
Virginie Corneillet	2,000	0.0004	-	-	1,900	0.0008
Gérard Espitalier Noël	2,000	0.0004	-	-	1,500	0.0006
Gilbert Espitalier-Noël	-	-	-	-	18,320	0.0073
Hector Espitalier-Noël	-	-	-	-	2,700	0.0011
Jean-Raymond Hardy	-	-	-	-	17,000	0.0067
Johan Pilot	10,000	0.0021	-	-	5,000	0.0020

Interests of senior officers (excluding directors) in the shares of ENL Limited carrying voting rights

As at 30 June 2020, none of the senior officers (excluding directors), except for those detailed below, held any direct or indirect interests in the shares of the Company carrying voting rights:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
Philippe Espitalier-Noël	647,417	0.061	65,014,038	6.091

Shareholders

At 26 February 2021, the following shareholders were directly or indirectly interested in more than 5% in the shares of the Company carrying voting rights:

Name of shareholders	Interest (%)
La Sablonnière Holding Limited	65.58

Donations

	Group		Company	
	2020	2019	2020	2019
Donations made during the year:				
Political (Rs'000)	**15,050**	1,900	**8,050**	1,000
Corporate Social Responsibility (Rs'000)				
Statutory	**13,864**	7,850	**-**	-
Voluntary	**11,268**	7,150	**5,216**	1,316

Auditors' Remuneration

	Group		Company	
	2020	2019	2020	2019
Audit fees paid to:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
KPMG	**19,028**	-	**1,559**	-
BDO & Co	**-**	20,919	**-**	1,600
Other firms	**7,792**	8,100	**-**	-
Fees paid for the other services provided by:				
KPMG	**-**	-	**-**	-
BDO & Co	**-**	5,400	**-**	2,200
Other firms	**17,288**	6,700	**-**	-

2. STATEMENT OF DIRECTORS' RESPONSIBILITIES

In Respect of Financial Statements

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether international financial reporting standards have been followed and complied with;
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the company will continue in business; and
- ensure that the Code of Corporate Governance (the "Code") has been adhered to and where any material deviation from any guidance contained within the Code has occurred, explanations have been provided accordingly.

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

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

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

The Board is responsible for the system of internal control and risk management for the Company and its subsidiaries. The Board is committed to continuously maintain a sound system of risk management and adequate control procedures with a view to safeguarding the assets of the Group. The Board, through the Audit and Risk Management Committee, affirms that it has monitored the key strategic, financial, operational, people, systems risks and control in line with the current business environment.

The Board believes that the Group's systems of Internal control and risk management provide reasonable assurance that control and risk issues are identified, reported on and dealt with appropriately.

Nothing has come to the Board's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business. The financial statements are prepared from the accounting records on the basis of consistent use of appropriate accounting policies supported by reasonable and prudent judgments and estimates that fairly present the state of affairs of the Group and the Company.

3. STATEMENT OF COMPLIANCE TO CODE

(Section 75 (3) of the Financial Reporting Act)

Name of Public Interest Entity ('PIE'): ENL Limited

Reporting Period: 1 July 2019 to 30 June 2020

We, the Directors of ENL Limited, confirm to the best of our knowledge that the PIE has fully complied with the principles of the Code of Corporate Governance.

Jean Noël Humbert
Chairman

Hector Espitalier-Noël
Director

30 March 2021

COMPANY SECRETARY'S **CERTIFICATE**

(Pursuant to Section 166(d) of The Companies Act 2001)

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

Preety Gopaul, ACG
For ENL Secretarial Services Limited
Company Secretary

30 March 2021

LIST OF DIRECTORS OF THE COMPANY
AND ITS SUBSIDIARIES

ADNAREV LTD	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); EYNAUD FRANCOIS PAUL PHILIPPE (R); HUGNIN DE LOPPINOT BRIGITTE (✓); HUGNIN GUY (✓)
AGREX LIMITED	DOGER DE SPÉVILLE ALBAN ULRICH (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓)
ARIO SEYCHELLES LTD	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓)
ASCENCIA LIMITED	AH CHING CHEONG SHAOW WOO (✓); BOSHOFF ARMOND (✓); CONHYE KOOSIRAM (R); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); GALEA MARIE HENRI DOMINIQUE (✓); HOOLAS S ASHIS KUMAR (A); LAM KIN TENG DEAN ALLEN (✓); LOUW LUCILLE HELEN (✓); MAMET JEAN EVENOR DAMIEN (✓); PASCAL PIERRE YVES (✓); RAMDOSS ITYSHA SHARONA (R); TYACK FRÉDÉRIC GÉRARD (✓); VACHER BELINDA (A); VEERASAMY NADERASEN PILLAY (✓); WEIRICH ERIC HENDRIK (R)
ASSOCIATED CONTAINER SERVICES LIMITED	DE COMARMOND MARIE MAURICE ANDRÉ LOUIS (✓); NUNKOO NAYENDRANATH (✓); SANGEELEE NAVEEN (✓)
AXESS LIMITED	DUPONT MARIE JACQUES DESIRÉ DOMINIC (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); LAGESSE JEAN OLIVIER (✓); MARRIER D'UNIENVILLE JOSEPH ALEXIS ANTOINE (✓)
BAGAPROP LIMITED	BOSHOFF ARMOND (✓); ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); LOUW LUCILLE HELEN (✓); MAMET JEAN EVENOR DAMIEN (✓); TYACK FRÉDÉRIC GÉRARD (✓)
BAGATELLE HOTEL OPERATIONS COMPANY LIMITED	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); STEDMAN RICHARD SOHRAB (✓)
BEAVIA KENYA LIMITED (DORMANT)	CORROY MARIE SYBIL ANICK (✓); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓); MASRANI HASU (✓); PATEL KIRAN (✓); RAMCHURN - OOGARAH SOORYA DEVI (✓)
BEL OMBRE SEASHELLS CO. LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (A); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (A); KONE-DICOH KHADY-LIKA (A); NADASSEN KISHEN (A); ROBERT FRANCOIS RICHARD (A); STEDMAN RICHARD SOHRAB (A)
BLUESKY MAYOTTE SARL	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓)
BLUESKY MADAGASCAR SARL	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓); LANGLOIS GERARD PHILIPPE STEPHANE (✓); RAMCHURN - OOGARAH SOORYA DEVI (✓)
BLUEALIZÉ LTD	AREKION CHARLES HENRI THIERRY (A); BOUIC JOSEPH GUILLAUME KARL (✓); ESPITALIER-NOËL MARIE HECTOR PHILIPPE (A); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (R); HARDY JEAN MARIE BERTRAND (R); LANGLOIS GERARD PHILIPPE STEPHANE (R); NADASSEN KISHEN (A); STEDMAN RICHARD SOHRAB (A); YON GERMAIN JOSEPH (R)
BOOKSIMPLY LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (A); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (A); KONE-DICOH KHADY-LIKA (A); NADASSEN KISHEN (A); ROBERT FRANCOIS RICHARD (A); STEDMAN RICHARD SOHRAB (A)
BOX MANUFACTURING COMPANY LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); LAGESSE JEAN OLIVIER (✓); PARK GEORGES DIDIER NICHOLAS (✓)
BS REUNION (RUN TOURISME)	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓)
BS TRAVEL MANAGEMENT LIMITADA	CORROY MARIE SYBIL ANICK (R); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓); LANGLOIS GERARD PHILIPPE STEPHANE (A); RAMCHURN - OOGARAH SOORYA DEVI (✓)
BS TRAVEL MANAGEMENT LTD	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓); LANGLOIS GERARD PHILIPPE STEPHANE (✓); LAULLOO MOHAMMAD FAIZ HAFIZ (✓); RAMCHURN - OOGARAH SOORYA DEVI (✓); YON GERMAIN JOSEPH (✓)
CAP D'ABONDANCE LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); STEDMAN RICHARD SOHRAB (✓)
CARGO EXPRESS MADAGASCAR S.A.R.L.	DE COMARMOND MARIE MAURICE ANDRÉ LOUIS (✓); YUE CHI MING TONY (✓)
CASE NOYALE LIMITÉE	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); EYNAUD FRANCOIS PAUL PHILIPPE (R); HAREL JEROME GUY ANTOINE (✓); HART DE KEATING CHRISTOPHER (✓); LENOIR GUSTAVE E. JEAN PIERRE (✓); MONTOCCHIO FRANCOIS THIERRY (A); PILOT JOSEPH MICHEL (✓)
CCC LAH LIMITED	REY DOMINIQUE ANDRÉ THIERRY HUGUES (✓); STEDMAN RICHARD SOHRAB (✓)
CHERIBINNY LTD	AH CHING CHEONG SHAOW WOO (✓); BHOYROO MOHAMMAD YASHINN (✓); CHUNG KAI TO CYRIL YIN CHOON (R); RUHEE ASHLEY COOMAR (✓)
COMMERCIAL INVESTMENT PROPERTY FUND LIMITED	CORNEILLET VIRGINIE ANNE (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); LAGESSE JEAN OLIVIER (✓); TSANG MIN CHING PAUL (✓)
COMPAGNIE SUCRIÈRE DE BEL OMBRE LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); EYNAUD FRANCOIS PAUL PHILIPPE (R); HAREL JEROME GUY ANTOINE (✓); HART DE KEATING CHRISTOPHER (✓); LENOIR GUSTAVE E. JEAN PIERRE (✓); MONTOCCHIO FRANCOIS THIERRY (A); PILOT JOSEPH MICHEL (✓)
CROISIÈRES AUSTRALES LTÉE	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (A); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (R); HARDY JEAN MARIE BERTRAND (R); LANGLOIS GERARD PHILIPPE STEPHANE (R); STEDMAN RICHARD SOHRAB (A); UJOODHA DHANUN (R); YON GERMAIN JOSEPH (R)
DOMC LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓); MAMET M.J. JEAN-PIERRE (✓); NADASSEN KISHEN (✓); REY DOMINIQUE ANDRÉ THIERRY HUGUES (✓); STEDMAN RICHARD SOHRAB (✓)
COURCHAMPS DEVELOPMENT LIMITED	BROUSSE DE GERSIGNY SAMUEL PHILIPPE (✓); CAESENS KOENIG AMAURY BRUNO (✓); PILOT JOSEPH MARIE JOHAN (✓)
COURCHAMPS PROPERTIES LIMITED	BROUSSE DE GERSIGNY SAMUEL PHILIPPE (✓); CAESENS KOENIG AMAURY BRUNO (✓); PILOT JOSEPH MARIE JOHAN (✓)
EMBLEM PAINTS LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (A); LAGESSE JEAN OLIVIER (A)
ENATT LTD	ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); LOUW LUCILLE HELEN (✓); TYACK FRÉDÉRIC GÉRARD (✓); VAN DER WATT LOUIS LUKAS STEPHANUS (✓)
ENL AGRI LIMITED	DOGER DE SPEVILLE MICHEL CEDRIC (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓); NOËL JOSEPH CLAUDE ALAIN (✓)
ENL COMMERCIAL LIMITED	ESPITALIER-NOËL PATRICE JEAN PIERRE EDOUARD (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE EDOUARD GILBERT (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); ESPITALIER NOËL MARIE PATRICK ROGER (✓); GARRIOCH ANTHONY GÉRARD (✓); LAGESSE JEAN OLIVIER (✓); MARRIER D'UNIENVILLE JOSEPH ALEXIS ANTOINE (✓); REY SIMON-PIERRE (✓)
ENL CORPORATE SERVICES LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓); PILOT JOSEPH MARIE JOHAN (✓)
ENL CORPORATE VENTURES LIMITED	DEPIERRE YVAN (✓); ESPITALIER-NOËL MARIE EDOUARD GILBERT (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓); LE FUR GÉRARD ROGER (✓)
ENL FOUNDATION	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓); PILOT JOSEPH MARIE JOHAN (✓)
ENL LIMITED (FORMERLY KNOWN AS LA SABLONNIERE LIMITED)	CORNEILLET VIRGINIE ANNE (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE EDOUARD GILBERT (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); ESPITALIER-NOËL JOSEPH EDOUARD GÉRARD (✓); ESPITALIER NOËL MARIE PATRICK ROGER (✓); HARDY GÉRARD JEAN-RAYMOND (✓); HUMBERT NOËL JEAN (✓); MONTOCCHIO MARIE JOSEPH JEAN-PIERRE (✓); OOSMAN MUSHTAQ MOHAMED OOMAR NOORMOHAMED (✓); PILOT JOSEPH MARIE JOHAN (✓); REY SIMON-PIERRE (✓)
ENL PORTFOLIO MANAGERS LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓)
ENL PROPERTY LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE EDOUARD GILBERT (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); ESPITALIER NOËL MARIE PATRICK ROGER (✓); HARDY GÉRARD JEAN-RAYMOND (✓); PILOT JOSEPH MARIE JOHAN (✓); REY DOMINIQUE ANDRÉ THIERRY HUGUES (✓); TYACK FRÉDÉRIC GÉRARD (✓)
ENL SECRETARIAL SERVICES LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓)
ENQUICKFIX LIMITED	ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓)
ENVOLT LIMITED	CAESENS KOENIG AMAURY BRUNO (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); PILOT JOSEPH MARIE JOHAN (✓); REY DOMINIQUE ANDRÉ THIERRY HUGUES (✓)
ESP LANDSCAPERS LTD	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓); KOENIG RICHARD ROGER JOSEPH HENRI VIGIER (R); MARIETTE BENOIT ALAIN BERNARD (✓)
ESPRAL INTERNATIONAL LTD	DUPONT MARIE JACQUES DESIRÉ DOMINIC (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); GELDENHUYS TIMOTHEUS (✓); PILOT JOSEPH MARIE JOHAN (✓); REY DOMINIQUE ANDRÉ THIERRY HUGUES (✓)
ESTATE PROPERTY SOLUTIONS LTD	BLANDIN DE CHALAIN JEAN-MARIE NICOLAS (✓); DE WAAL ANTON (✓); DUPONT MARIE JACQUES DESIRÉ DOMINIC (✓); HEBERT THIERRY JACQUES M. A. (✓); POPLE RICHARD CLIVE (✓); TRIBOLET PAUL (✓)
EXPRESS LOGISTICS SOLUTIONS LTD	ABRAHAM BERTRAND DENIS (✓); DE COMARMOND MARIE MAURICE ANDRÉ LOUIS (✓); HUNG HAN YUN DENIS (✓); NUNKOO NAYENDRANATH (✓); SANGEELEE NAVEEN (✓)
F.O.M WAREHOUSES LTD	ABRAHAM BERTRAND DENIS (✓); AVRILLON FRANCIS VINCENT (✓); DE COMARMOND MARIE MAURICE ANDRÉ LOUIS (✓); HUNG HAN YUN DENIS (✓); NUNKOO NAYENDRANATH (✓)
FIELD FOOD FRESH FOODS LIMITED (FORMERLY KNOWN AS EXOTIFLORS LIMITED)	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓)
FLOREAL COMMERCIAL CENTRE LIMITED	BOULLÉ ROBERT (R); MAMET JEAN EVENOR DAMIEN (✓); TYACK FRÉDÉRIC GÉRARD (✓); VACHER BELINDA (A)
FORESITE PROPERTY HOLDING LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); MAMET JEAN EVENOR DAMIEN (✓); RADHAKEESOON ARUNA LATA VIDIA (✓)
FLOREAL LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓)
FREEPORT OPERATIONS (MAURITIUS) LTD	ABRAHAM BERTRAND DENIS (✓); DE COMARMOND MARIE MAURICE ANDRÉ LOUIS (✓); HUNG HAN YUN DENIS (✓); NUNKOO NAYENDRANATH (✓); SANGEELEE NAVEEN (✓)
FREIGHT LINK LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); LAGESSE JEAN OLIVIER (✓)
GENERAL CARGO SERVICES LIMITED (KENYA)	BHATT MEHUL HITESH KUMAR (✓); EVARD CHRISTOPH (✓); NUNKOO NAYENDRANATH (✓); SANGEELEE NAVEEN (✓)
GENCARGO (TRANSPORT) LIMITED (KENYA)	BHATT MEHUL HITESH KUMAR (✓); EVARD CHRISTOPH (✓); NUNKOO NAYENDRANATH (✓); SANGEELEE NAVEEN (✓)
GLOBEFIN CORPORATE SERVICES LTD	LEGRIGORE JEAN-FRANCOIS (✓); NATHOO ROSHAN (✓)
GLOBEFIN NOMINEES LTD	LEGRIGORE JEAN-FRANCOIS (✓); NATHOO ROSHAN (✓)
GLOBAL AIR CARGO SERVICES LTD	CARGILL CHRISTOPHER (R); DE COMARMOND MARIE MAURICE ANDRÉ LOUIS (A); HUNG HAN YUN DENIS (A)
GREWALS (MAURITIUS) LIMITED	BOULLÉ FABRICE FRANÇOIS (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER NOËL MARIE PATRICK ROGER (✓); HARDY JEAN-MARIE BENOIT DOGER DE SPEVILLE (✓); LAGESSE JEAN OLIVIER (✓)
HERITAGE EVENTS COMPANY LTD	EYNAUD FRANCOIS PAUL PHILIPPE (R); MENTEATH JONATHAN LAWRENCE (✓); MONTOCCHIO FRANCOIS THIERRY (✓)
HERITAGE GOLF MANAGEMENT LTD	DODDS RYAN MATTHEW (✓); EYNAUD FRANCOIS PAUL PHILIPPE (R); MONTOCCHIO FRANCOIS THIERRY (✓)
HOTEL OPERATIONS COMPANY LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); STEDMAN RICHARD SOHRAB (✓)
GROS BOIS DEVELOPMENT LIMITED	BROUSSE DE GERSIGNY SAMUEL PHILIPPE (✓); CAESENS KOENIG AMAURY BRUNO (✓); DUPONT MARIE JACQUES DESIRÉ DOMINIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); PILOT JOSEPH MARIE JOHAN (✓); REY DOMINIQUE ANDRÉ THIERRY HUGUES (✓)
ISLANDHOLIDAYS LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (A); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (A); KONE-DICOH KHADY-LIKA (A); NADASSEN KISHEN (A); ROBERT FRANCOIS RICHARD (A); STEDMAN RICHARD SOHRAB (A)
ISLAND LIVING SHARED SERVICES LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (A); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (A); KONE-DICOH KHADY-LIKA (A); NADASSEN KISHEN (A); ROBERT FRANCOIS RICHARD (A); STEDMAN RICHARD SOHRAB (A)
ISLAND LIVING LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); EYNAUD FRANCOIS PAUL PHILIPPE (R); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓); KONE-DICOH KHADY-LIKA (A); MONTOCCHIO FRANCOIS THIERRY (A); NADASSEN KISHEN (✓); ROBERT FRANCOIS RICHARD (✓); STEDMAN RICHARD SOHRAB (✓)
ISLANDIAN LTD	DUPONT MARIE DANIELLE CHRISTINE (✓); ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓); GRANGER GILLES (✓); GUILLAUD PHILIPPE PIERRE MARCEL (A); LANGLOIS GERARD PHILIPPE STEPHANE (✓); LE ROUX PERMALOO HANJALI DEVI (A); PAPET MATHIAS (✓); ROBERT FRANCOIS RICHARD (R); RUHEE ASHLEY COOMAR (R); STEDMAN RICHARD SOHRAB (✓); YON GERMAIN JOSEPH (R)
LE MARCHE DU MOULIN LTD	ARNULPHY JEAN ARNAUD (A); CAINE RUSSELL GLENN (R); JANKEEPERSAND SAILENDRASING (R)
JOINERY AND METAL DISTRIBUTION INTERNATIONAL LIMITED	ADAM EXPEDIT DANIEL BERTRAND (✓); DEWEER CEDRIC ROBERT ANDRE (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); LAGESSE JEAN OLIVIER (✓); PIAT PATRICK JEAN EVENOR (✓)
LE SUNSET COMMERCIAL CENTRE LIMITED	DUPONT MARIE JACQUES DESIRÉ DOMINIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓)
LES VILLAS DE BEL OMBRE LTEE	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (R); ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); EYNAUD FRANCOIS PAUL PHILIPPE (R); HART DE KEATING CHRISTOPHER (✓); MONTOCCHIO FRANCOIS THIERRY (A); PILOT JOSEPH MICHEL (✓)
LES VILLAS DE BEL OMBRE AMENITIES LTD	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (R); ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); EYNAUD FRANCOIS PAUL PHILIPPE (R); HART DE KEATING CHRISTOPHER (✓)
LOGISTICS SOLUTIONS LTD	ESPITALIER-NOËL MARIE EDOUARD GILBERT (✓); ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); MAMET JEAN EVENOR DAMIEN (✓); NUNKOO NAYENDRANATH (✓)
MOKA CITY LIMITED	AUDIBERT LOUIS DIDIER VITRY (Alt); BENI MADHU NITISH (✓); BROUSSE DE GERSIGNY SAMUEL PHILIPPE (✓); CAESENS KOENIG AMAURY BRUNO (Alt); DUPONT MARIE JACQUES DESIRÉ DOMINIC (Alt); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); GOKULSING NARESH (✓); MAMET JEAN EVENOR DAMIEN (✓); PILOT JOSEPH MARIE JOHAN (✓); REY DOMINIQUE ANDRÉ THIERRY HUGUES (✓)
MOKA RESIDENTIAL LIMITED	DUPONT MARIE JACQUES DESIRÉ DOMINIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); PILOT JOSEPH MARIE JOHAN (✓); REY DOMINIQUE ANDRÉ THIERRY HUGUES (✓)
MON DÉSERT ALMA SUGAR MILLING COMPANY LIMITED	BISSESSUR SUTTEEA BURUTHSINGH (A); CORNEILLET VIRGINIE ANNE (A); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); HARDY GÉRARD JEAN-RAYMOND (✓); OOSMAN MUSHTAQ MOHAMED OOMAR NOORMOHAMED (R); RAM DANRAJ (A); SEEAM KAMLESS (R)
MOTOR TRADERS LTD	DUVIVIER MARIE VIRGINIE (R); WONG CHOI WAH JEAN ARNAUD (A)
MTL LOGISTICS & DISTRIBUTION CO. LTD	SANGEELEE NAVEEN (✓)
NABRIDAS INTERNATIONAL LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); LAGESSE JEAN OLIVIER (✓)
NABRIDAS LTD	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); GALLET MARC GAETAN DENIS (✓); LAGESSE JEAN OLIVIER (✓)
OFICEA COMPANY LIMITED	BENI MADHU NITISH (✓); CAESENS KOENIG AMAURY BRUNO (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); GOKULSING NARESH (✓); PILOT JOSEPH MARIE JOHAN (✓)
PACKESTATE LIMITED (WINDING UP IN PROGRESS)	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); LAGESSE JEAN OLIVIER (✓)
P.A.P.O.L.C.S. LTD	DRIVER H. W. ANTHONY (✓); LALLCHAND JAWAHARLALL (✓); NUNKOO NAYENDRANATH (✓); OLIVIER VIVIAN (✓); RONOOWAH RISHI KAPOOR (✓); SANGEELEE NAVEEN (✓)
PAPOL HOLDING LTD	DRIVER H. W. ANTHONY (✓); ELYSEE DAVID (✓); NUNKOO NAYENDRANATH (✓); SANGEELEE NAVEEN (✓)
PLAINE DES PAPAYES PROPERTIES LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); LAGESSE JEAN OLIVIER (✓)
PLAISANCE AIR TRANSPORT SERVICES LTD	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓); LANGLOIS GERARD PHILIPPE STEPHANE (✓); LAULLOO MOHAMMAD FAIZ HAFIZ (✓); YON GERMAIN JOSEPH (✓)
PLASTINAX AUSTRAL LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); ESPITALIER-NOËL MARIE MAXIME HECTOR (✓); ESPITALIER NOËL MARIE PATRICK ROGER (✓); LAGESSE JEAN OLIVIER (✓); TYACK FRÉDÉRIC GÉRARD (✓)
RENNEL LIMITED	DEWEER CEDRIC ROBERT ANDRE (✓); ESPITALIER-NOËL MARIE ANDRÉ ERIC (✓); LAGESSE JEAN OLIVIER (✓); PARK GEORGES DIDIER NICHOLAS (✓)
RESTAURANT OPERATIONS COMPANY LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE (✓); STEDMAN RICHARD SOHRAB (✓)
RIVER COURT NOMINEES LIMITED	NATHOO ROSHAN (A); UJOODHA DHANUN (✓)
ROGERS AVIATION (MAURITIUS) LTD	BHOYROO MOHAMMAD YASHINN (✓); FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE (✓); LANGLOIS GERARD PHILIPPE STEPHANE (✓); RAMCHURN - OOGARAH SOORYA DEVI (✓)

✓: In office
A: Appointed
R: Resigned
Alt: Alternate

LIST OF DIRECTORS OF THE COMPANY

AND ITS SUBSIDIARIES

Company	Directors
ROGERS AVIATION COMORES S.A.R.L	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓
ROGERS AVIATION FRANCE S.A.R.L	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓
ROGERS AVIATION HOLDING CO LTD	BHOYROO MOHAMMAD YASHINN ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; EYNAUD FRANCOIS PAUL PHILIPPE ✓; FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓; LANGLOIS GERARD PHILIPPE STEPHANE ✓; RADHAKEESOON ARUNA LATA VIDIA ✓; TYACK FRÉDÉRIC GÉRARD ✓
ROGERS AVIATION INTERNATIONAL LTD (FORMERLY ARIO LTD)	BHOYROO MOHAMMAD YASHINN ✓; FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓; LANGLOIS GERARD PHILIPPE STEPHANE ✓; LAULLOO MOHAMMAD FAIZ HAFIZ ✓; RAMCHURN - OOGARAH SOORYA DEVI ✓
ROGERS AVIATION KENYA LTD (DORMANT)	CASSAM RAFICQ ✓; FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓; LAULLOO MOHAMMAD FAIZ HAFIZ ✓
ROGERS AVIATION MADAGASCAR S.A.R.L	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓; LANGLOIS GERARD PHILIPPE STEPHANE ✓; RAMCHURN - OOGARAH SOORYA DEVI ✓
ROGERS AVIATION MAYOTTE SARL	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓
ROGERS AVIATION MOZAMBIQUE LDA.	CORROY MARIE SYBIL ANICK R; FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓; LANGLOIS GERARD PHILIPPE STEPHANE A; RAMCHURN - OOGARAH SOORYA DEVI ✓
ROGERS AVIATION REUNION SARL	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓
ROGERS AVIATION SOUTH AFRICA (PROPRIETARY) LIMITED	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓; LANGLOIS GERARD PHILIPPE STEPHANE ✓; RAMCHURN - OOGARAH SOORYA DEVI ✓
ROGERS CAPITAL ACCOUNTING SERVICES LTD	AUBDOOL MUHAMMAD RIAD R; NATHOO ROSHAN ✓; SOOWAMBER MANESHA A; UJOODHA DHANUN ✓
RCAP EXECUTIVES LTD	MAGON GEORGE ✓; NATHOO ROSHAN ✓
ROGERS CAPITAL BUSINESS SERVICES LTD	NATHOO ROSHAN ✓; UJOODHA DHANUN ✓
ROGERS CAPITAL CAPTIVE INSURANCE MANAGEMENT SERVICES LTD	AH CHING CHEONG SHAOW WOO A; LI TING CHUNG RICHARD R; NATHOO ROSHAN A; RUHEE ASHLEY COOMAR ✓; UJOODHA DHANUN ✓
ROGERS CAPITAL CITY EXECUTIVES LTD	NATHOO ROSHAN ✓; RUHEE ASHLEY COOMAR ✓; UJOODHA DHANUN ✓
ROGERS CAPITAL CORPORATE SERVICES LIMITED	AH CHING CHEONG SHAOW WOO ✓; BHOYROO MOHAMMAD YASHINN ✓; CHUNG TICK KAN GEORGES ✓; CORNEILLET VIRGINIE ANNE ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; JINGREE JAYECHUND ✓; NATHOO ROSHAN ✓; NDJEMBA ABESSOLO JEAN PAUL A; RUHEE ASHLEY COOMAR A
ROGERS CAPITAL CORPORATE SERVICES (SINGAPORE) PTE LTD	KOH HWEE HUANG NANCY ✓; LI TING CHUNG RICHARD R; NATHOO ROSHAN ✓; RUHEE ASHLEY COOMAR ✓
ROGERS CAPITAL CORPORATE SERVICES (SEYCHELLES) LIMITED	LI TING CHUNG RICHARD ✓; RUHEE ASHLEY COOMAR ✓
ROGERS CAPITAL FINANCE LTD	AH CHING CHEONG SHAOW WOO ✓; BHOYROO MOHAMMAD YASHINN ✓; CHUNG KAI TO CYRIL YIN CHOON R; CORNEILLET VIRGINIE ANNE ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; GOPAUL SANJAY ✓; GUILLAUD PHILIPPE PIERRE MARCEL A; MAMET JEAN EVENOR DAMIEN A; RADHAKEESOON ARUNA LATA VIDIA ✓; RUHEE ASHLEY COOMAR ✓; TYACK FRÉDÉRIC GÉRARD ✓
ROGERS CAPITAL FUND SERVICES LTD	AUBDOOL MUHAMMAD RIAD R; NATHOO ROSHAN A; RUHEE ASHLEY COOMAR ✓; SOOWAMBER MANESHA A; UJOODHA DHANUN ✓
ROGERS CAPITAL INVESTMENT ADVISORS LTD	AH CHING CHEONG SHAOW WOO ✓; BISSESSUR SHREEKANTSINGH A; CORNEILLET VIRGINIE ANNE ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; RAMDOSS ITYSHA SHARONA R; RUHEE ASHLEY COOMAR ✓; VACHER BELINDA A
ROGERS CAPITAL LTD	AH CHING CHEONG SHAOW WOO ✓; BHOYROO MOHAMMAD YASHINN ✓; BOULLÉ FABRICE FRANÇOIS ✓; CHUNG TICK KAN GEORGES ✓; CORNEILLET VIRGINIE ANNE ✓; DESVAUX DE MARIGNY ANGELIQUE ANNE ✓; ESPITALIER-NOËL MARIE MAXIME HECTOR ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; GOPAUL SANJAY ✓; HAREL SIMON A; JINGREE JAYECHUND ✓; MAMET JEAN EVENOR DAMIEN A; RUHEE ASHLEY COOMAR ✓
ROGERS CAPITAL MANAGEMENT SERVICES LTD	AH CHING CHEONG SHAOW WOO ✓; BHOYROO MOHAMMAD YASHINN ✓; CHUNG TICK KAN GEORGES ✓; CORNEILLET VIRGINIE ANNE ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; JINGREE JAYECHUND ✓; RUHEE ASHLEY COOMAR ✓
ROGERS CAPITAL NOMINEE LTD	NATHOO ROSHAN A; RUHEE ASHLEY COOMAR ✓; UJOODHA DHANUN ✓
ROGERS CAPITAL NOMINEE 1 LTD	NATHOO ROSHAN A; RUHEE ASHLEY COOMAR ✓; UJOODHA DHANUN ✓
ROGERS CAPITAL NOMINEE 2 LTD	NATHOO ROSHAN A; RUHEE ASHLEY COOMAR ✓; UJOODHA DHANUN ✓
ROGERS CAPITAL OUTSOURCING LTD	ALLAGAPEN GARY DEVA ✓; BHOYROO MOHAMMAD YASHINN ✓; CORNEILLET VIRGINIE ANNE ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; HURKOO DEV HARISH ✓; RUHEE ASHLEY COOMAR ✓
ROGERS CAPITAL PAYMENT SOLUTIONS LTD	AH CHING CHEONG SHAOW WOO ✓; BHOYROO MOHAMMAD YASHINN ✓; MANGAR BINESH ✓; RUHEE ASHLEY COOMAR ✓
ROGERS CAPITAL PAYROLL SERVICES LTD	AUBDOOL MUHAMMAD RIAD R; NATHOO ROSHAN ✓; UJOODHA DHANUN ✓
ROGERS CAPITAL SPECIALIST SERVICES LTD	LE ROUX PERMALOO HANJALI DEVI A; LI TING CHUNG RICHARD R; NATHOO ROSHAN ✓; RUHEE ASHLEY COOMAR ✓; UJOODHA DHANUN ✓
ROGERS CAPITAL TECHNOLOGY SERVICES LTD	AH CHING CHEONG SHAOW WOO ✓; ANDRE EMMANUEL RENÉ ✓; BHOYROO MOHAMMAD YASHINN ✓; CORNEILLET VIRGINIE ANNE ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; GUILLAUD PHILIPPE PIERRE MARCEL A; HURKOO DEV HARISH ✓; NUNKOO NAYENDRANATH ✓
ROGERS CAPITAL TRUSTEES SERVICES LTD	JINGREE JAYECHUND ✓; NATHOO ROSHAN ✓; SHAH SHARMIL DHANRAJ ✓; UJOODHA DHANUN ✓
ROGERS CONSOLIDATED SHAREHOLDING LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC ✓; ESPITALIER-NOËL MARIE EDOUARD GILBERT ✓; ESPITALIER-NOËL MARIE MAXIME HECTOR ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓
ROGERS CORPORATE SERVICES LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; PILOT JOSEPH MICHEL A
ROGERS FOUNDATION LTD	DE COMARMOND MARIE MAURICE ANDRÉ LOUIS ✓; D'HOTMAN DE VILLIERS AUDREY ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; JULIENNE MARIE-JEAN CYRIL R; MAKOOND DEONANAN A; MAMET JEAN EVENOR DAMIEN ✓; PIAT JEAN-MARIE ALEXANDRE EVENOR A; PILOT JOSEPH MICHEL A; ROGERS FRANCOIS MICHEL R; SOPHIE MARIE WENDY FABIOLA A; VACHER BELINDA A
ROGERS IDS (VELOGIC FRANCE) SA	GIRARD SYLVAIN ✓; YUE CHI MING TONY ✓
ROGERS IDS MADAGASCAR SA	DE COMARMOND MARIE MAURICE ANDRÉ LOUIS ✓
ROGERS INTERNATIONAL DISTRIBUTION SERVICES - MOZAMBIQUE	CORROY MARIE SYBIL ANICK ✓; FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓; RAMCHURN - OOGARAH SOORYA DEVI ✓
ROGERS LOGISTICS INTERNATIONAL LTD	ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; NUNKOO NAYENDRANATH ✓; SANGEELEE NAVEEN ✓
ROGERS LOGISTICS SERVICES COMPANY LTD	ABRAHAM BERTRAND DENIS ✓; DE COMARMOND MARIE MAURICE ANDRÉ LOUIS ✓; HUNG HAN YUN DENIS ✓; NUNKOO NAYENDRANATH ✓; SANGEELEE NAVEEN ✓
S & W SYNERGY LTD	AUDIBERT LOUIS DIDIER VITRY ✓; DOGER DE SPEVILLE MARIE JOSEPH THIERRY ✓; ESPITALIER-NOËL MARIE MAXIME HECTOR ✓; LAGESSE LOÏC GÉRARD GAËTAN ✓
SAVANNAH PROPERTIES LIMITED	CORNEILLET VIRGINIE ANNE ✓; ESPITALIER-NOËL MARIE MAXIME HECTOR ✓
SEAFOOD BASKET LIMITED	ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; STEDMAN RICHARD SOHRAB ✓
SEVEN COLOURS SPA LTD	ESPITALIER-NOËL MARIE ANDRÉ ERIC ✓; EYNAUD FRANCOIS PAUL PHILIPPE R; HUGNIN DE LOPPINOT BRIGITTE ✓; HUGNIN GUY ✓
SB CATTLE LTD	ESPITALIER-NOËL MARIE MAXIME HECTOR ✓; HARDY GÉRARD JEAN-RAYMOND ✓
SMARTVERTISING LTD	ESPITALIER-NOËL MARIE MAXIME HECTOR ✓; HARDY GÉRARD JEAN-RAYMOND ✓
SOUTH WEST TOURISM DEVELOPMENT COMPANY LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC ✓; ESPITALIER-NOËL MARIE MAXIME HECTOR ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓
SPORTS-EVENT MANAGEMENT OPERATION CO LTD	DODDS RYAN MATTHEW ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; EYNAUD FRANCOIS PAUL PHILIPPE R; MARRIER D'UNIENVILLE JEAN ALBERT ✓; ROBERT FRANCOIS RICHARD ✓; STEDMAN RICHARD SOHRAB ✓
SUKPAK LTD	ARROWSMITH SARAH CARMEN ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; MERRICK RAYMOND ✓; NUNKOO NAYENDRANATH ✓; SANGEELEE NAVEEN ✓
SYGECO LIMITED	AUDIBERT LOUIS DIDIER VITRY ✓; CORNEILLET VIRGINIE ANNE ✓; D'ARGENT LOUIS JOSEPH GILBERT R; DE CHASTEIGNER DUMÉE-DUVAL MARIE NOËL VINCENT ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; HARDY GÉRARD JEAN-RAYMOND ✓; LE BLANC DENIS JACQUES HERVÉ A
SWEETWATER LTD	BASTIAAN JEREMY STEVEN ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; STEDMAN RICHARD SOHRAB ✓
TAMBOURISSA LIMITED	ESPITALIER-NOËL MARIE ANDRÉ ERIC ✓; ESPITALIER-NOËL MARIE MAXIME HECTOR ✓; PILOT JOSEPH MARIE JOHAN ✓
TELFAIR SQUARE LIMITED	AUDIBERT LOUIS DIDIER VITRY ✓
THE ENABLING ACADEMY LIMITED	CORNEILLET VIRGINIE ANNE A; DENISE-RAMA MARIE DORIANE JESSICA A; ESPITALIER-NOËL MARIE MAXIME HECTOR A
THE SAVANNAH SUGAR MILLING COMPANY LTD (WINDING UP IN PROGRESS)	BAUTOO VISHAL ✓; ESPITALIER-NOËL MARIE ANDRÉ ERIC ✓; ESPITALIER-NOËL MARIE MAXIME HECTOR ✓; ESPITALIER NOËL MARIE PATRICK ROGER ✓; HARDY GÉRARD JEAN-RAYMOND ✓; NOËL JOSEPH CLAUDE ALAIN ✓; RAMNUNDUN ANILKUMARR ✓
TERROIRS MAURICIENS LTD	PILOT JOSEPH MICHEL A
THE BEAUVALLON SHOPPING MALL LTD	EHLERS JAMES BRUCE ✓; MAMET JEAN EVENOR DAMIEN ✓; TYACK FRÉDÉRIC GÉRARD ✓
THERMOIL COMPANY LIMITED	AVRILLON FRANCIS VINCENT ✓; OLIVIER VIVIAN ✓
TI POUCE LIMITED	CORNEILLET VIRGINIE ANNE ✓; LAGESSE LOÏC GÉRARD GAËTAN ✓; LECORDIER TASSAWUR ✓
TRANSCONTINENT S.A.R.L.	FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓; GIRAUD PAUL FRANCE ✓; PITOT JEAN MICHEL A
TRANSWORLD INTERNATIONAL LTD	DE COMARMOND MARIE MAURICE ANDRÉ LOUIS ✓; NUNKOO NAYENDRANATH ✓
TURBINE INCUBATOR LIMITED	BOULLÉ FABRICE FRANÇOIS ✓; ESPITALIER-NOËL MARIE MAXIME HECTOR ✓; OXENHAM ALLAN WESLEY ✓; TSANG MIN CHING PAUL ✓
VELOGIC INDIA PRIVATE LIMITED	GOBINDRAM SHAH NAWAZ ✓; NUNKOO NAYENDRANATH ✓; SANGEELEE NAVEEN ✓
VELOGIC DEPOT & WAREHOUSE LTD	DE COMARMOND MARIE MAURICE ANDRÉ LOUIS ✓; NUNKOO NAYENDRANATH ✓
VELOGIC EXPRESS REUNION SAS	DE COMARMOND MARIE MAURICE ANDRÉ LOUIS ✓; NUNKOO NAYENDRANATH ✓; SANGEELEE NAVEEN ✓
VELOGIC GARAGE SERVICES LTD	ABRAHAM BERTRAND DENIS ✓; DE COMARMOND MARIE MAURICE ANDRÉ LOUIS ✓; HUNG HAN YUN DENIS ✓; NUNKOO NAYENDRANATH ✓; SANGEELEE NAVEEN ✓
VELOGIC HAULAGE SERVICES LTD	ABRAHAM BERTRAND DENIS ✓; DE COMARMOND MARIE MAURICE ANDRÉ LOUIS ✓; NUNKOO NAYENDRANATH ✓; SANGEELEE NAVEEN ✓
VELOGIC HOLDING COMPANY LTD	BHATT MEHUL HITESH KUMAR A; ESPITALIER-NOËL MARIE EDOUARD GILBERT ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; KONE-DICOH KHADY-LIKA ✓; MAMET JEAN EVENOR DAMIEN ✓; NUNKOO NAYENDRANATH ✓; RIGOUZZO LUC ANDRE EMMANUEL ✓; SANGEELEE NAVEEN ✓
VELOGIC LTD	DE COMARMOND MARIE MAURICE ANDRÉ LOUIS ✓; NUNKOO NAYENDRANATH ✓; SANGEELEE NAVEEN ✓
VERANDA TAMARIN LTD	CISNEROS MARIA ANTOINETTE YOLANDE ✓; CISNEROS GILBERT JEAN ANTOINE ✓; COLIN JEAN MICHEL BARTHELEMY A; DUPONT MARIE DANIELLE CHRISTINE A; EYNAUD FRANCOIS PAUL PHILIPPE R; MAMET JEAN EVENOR DAMIEN A; MONTOCCHIO FRANCOIS THIERRY ✓; STEDMAN RICHARD SOHRAB A
VIVACIS SOLIDARITY LTD	D'HOTMAN DE VILLIERS AUDREY A; ESPITALIER-NOËL MARIE HECTOR PHILIPPE A; MAKOOND DEONANAN A; MAMET JEAN EVENOR DAMIEN A; PIAT JEAN-MARIE ALEXANDRE EVENOR A; PILOT JOSEPH MICHEL A; RADHAKEESOON ARUNA LATA VIDIA A; SOPHIE MARIE WENDY FABIOLA A; VACHER BELINDA A
VK LOGISTICS LTD	BHATT MEHUL HITESH KUMAR ✓; EVARD CHRISTOPH ✓; HUGNIN THIERRY ✓; NUNKOO NAYENDRANATH ✓; SANGEELEE NAVEEN ✓
VLH LTD	BERMAN LAURENCE MARIE R; ESPITALIER-NOËL MARIE ANDRÉ ERIC ✓; ESPITALIER-NOËL MARIE HECTOR PHILIPPE ✓; EYNAUD FRANCOIS PAUL PHILIPPE R; FAYD'HERBE DE MAUDAVE LOUIS RENE ALEXANDRE ✓; HUGNIN DE LOPPINOT BRIGITTE R; HUGNIN GUY ✓; KONE-DICOH KHADY-LIKA A; MAMET JEAN EVENOR DAMIEN ✓; MONTOCCHIO FRANCOIS THIERRY ✓; MOTET JOSEPH JACQUES ✓; STEDMAN RICHARD SOHRAB ✓
VLH TRAINING LTD	ESPITALIER-NOËL MARIE ANDRÉ ERIC ✓; EYNAUD FRANCOIS PAUL PHILIPPE R; HUGNIN DE LOPPINOT BRIGITTE ✓; HUGNIN GUY ✓
VSR (VELOGIC REUNION)	SANGEELEE NAVEEN ✓

✓: In office
A: Appointed
R: Resigned
Alt: Alternate

Customer
CENTRICITY

"NABRIDAS OPENED A NEW POOL SHOP IN PAILLES, WITH A DIFFERENTIATED CONCEPT SO AS TO BE CLOSER TO ITS CUSTOMERS AND OFFER THEM A UNIQUE EXPERIENCE"

WE CREATE **RELEVANT**, **EFFICIENT**, AND **PROFITABLE** END-TO-END **RELATIONSHIPS** WITH OUR **CUSTOMERS**.

Report on the Audit of the consolidated and separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of ENL Limited (the Group and the Company), which comprise the statements of financial position at 30 June 2020 and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 107 to 233.

In our opinion, these consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of ENL Limited at 30 June 2020, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act and Financial Reporting Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the Audit of the consolidated and separate financial statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG, a Mauritian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF ENL LIMITED

Report on the Audit of the consolidated and separate Financial Statements

Key audit matters (cont'd)

Valuation of land and buildings and investment properties (applicable to consolidated and separate financial statements)

Refer to note 5, property, plant and equipment and note 6, investment properties to the financial statements.

Key audit matter	How the matter was addressed in our audit
At 30 June 2020, the Group and the Company had land and buildings (included in Property, plant and equipment) amounting to Rs 28,192m and Rs 630m and investment properties amounted to Rs 19,795m and Rs 12,906m respectively. Land and buildings which consist mainly of agricultural land are stated at their revalued amount under the revaluation model in terms of IAS 16 Property, plant and equipment (IAS 16), based on periodic revaluations carried out by qualified independent professional valuers, less subsequent depreciation and impairment for buildings. The fair value of land and buildings is arrived at by using either the open market value approach, income approach or depreciated replacement cost approach as appropriate. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value as determined annually by a valuation carried out by independent external valuers which is based on the discounted cash flow model and market value basis as appropriate.	Our audit included the following: – Evaluating the design and implementation of the relevant controls relating to the valuation of land and buildings and investment properties. – Assessing the qualifications and objectivity of the qualified independent professional valuers engaged by the Group and Company for the valuation of land and buildings and investment properties. – Assessing the appropriateness of the valuation methods used by the external valuation specialists in determining the fair values of land and buildings and investment properties at 30 June 2020. – Engaging with the external valuation specialists and challenging the reasonableness of key inputs and assumptions used in the fair value determination. This was performed by involving our own valuation specialists who evaluated and corroborated the unobservable inputs, including potential impact of COVID-19, through benchmarking against observable market data.

Report on the Audit of the consolidated and separate Financial Statements

Key audit matters (cont'd)

Valuation of land and buildings and investment properties (applicable to consolidated and separate financial statements) (cont'd)

Refer to note 5, property, plant and equipment and note 6, investment properties to the financial statements.

Key audit matter	How the matter was addressed in our audit
The determination of the fair value of land and buildings and investment properties involves judgements and estimates that materially affect the carrying amounts of the revalued/fair valued assets. The key inputs in determining the fair value include the price per arpent for land and price per square meters for buildings. The significance of the land and buildings and investment properties on the Group's and Company's statements of financial position and the significant judgements and assumptions involved in arriving at the fair value resulted in them being identified as a key audit matter.	Assessing the appropriateness of the disclosures made in the financial statements in accordance with the requirements of the standards.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF ENL LIMITED

Report on the Audit of the consolidated and separate Financial Statements

Key audit matters (cont'd)

Valuation of investments in subsidiary companies and associated companies – Level 3 investments (applicable to the separate financial statements)

Refer to note 9, investment in subsidiary companies and note 10, investment in associated companies to the financial statements.

Key audit matter	How the matter was addressed in our audit
The accounting policy of the Company is to fair value its investments in subsidiary companies and associated companies. At 30 June 2020, the Company had the following investments measured at fair value and categorised as level 3 under the fair value hierarchy: Investments in subsidiary companies: Rs 13,661m Investments in associated companies: Rs 39m out of Rs 719m. The valuations of the level 3 investments are based on different valuation methods, including: – Discounted cash flows (DCF) method, – EBITDA multiple method, and – Net Assets Value (NAV) where underlying assets are fair valued. For DCF, the key unobservable inputs are the discount rates and the growth rates. For EBITDA multiple method, the key inputs are the EBITDA multiple, discounts applied based on comparable entities and normalised earnings. Due to the significant level of judgement and estimation exercised in the valuation of level 3 investments in subsidiary companies and associated companies, we determined this to be a key audit matter in our audit of the separate financial statements.	Our audit procedures included the following: – Obtain an understanding how management determines the fair value of the investments and evaluating the design and implementation of the controls over the valuation process. – Evaluating the reasonableness of the key unobservable inputs applied in the DCF method such as discount rates and growth rates, with the assistance of our corporate finance specialists, by benchmarking the parameters used against available market data and company metrics. – Assessing the normalized earnings for reasonability by comparing to company earnings for the last 3 years. – Evaluating the valuation methodology and assumptions used in the forecast with the assistance of our corporate finance specialists by assessing the reasonableness of the forecasts and benchmarking the assumptions used against available market data. – Assessing the mathematical accuracy of the underlying calculations used in the valuation models.

Report on the Audit of the consolidated and separate Financial Statements

Key audit matters (cont'd)

Valuation of investments in subsidiary companies and associated companies – Level 3 investments (applicable to the separate financial statements) (cont'd)

Refer to note 9, investment in subsidiary companies and note 10, investment in associated companies to the financial statements.

Key audit matter	How the matter was addressed in our audit
	– Evaluating the adequacy of the financial statement disclosures in accordance with IFRS 13 Fair Value Measurement (IFRS 13) and IFRS 9 Financial Instruments (IFRS 9).

Impairment of goodwill and valuation of separately identifiable intangible assets arising on business acquisitions in the consolidated financial statements

Refer to note 8, intangible assets to the financial statements.

Key audit matter	How the matter was addressed in our audit
The Group has goodwill after impairment amounting to Rs 793m and other intangible assets of Rs 832m at 30 June 2020. (a) 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 and estimating and incorporating the potential impact of COVID-19 in the calculations.	Our audit procedures included the following: – Inspecting the forecasted financial information, through checking arithmetic accuracy and agreeing the forecasted financial information to budgets approved by the board of directors; – Comparing prior period budgets to actual results in order to assess the degree of accuracy with which the past forecasts were estimated; – Obtaining an understanding on how the potential impacts of COVID-19 were incorporated in the financial forecasts;

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF ENL LIMITED

Report on the Audit of the consolidated and separate Financial Statements

Key audit matters (cont'd)

Impairment of goodwill and valuation of separately identifiable intangible assets arising on business acquisitions in the consolidated financial statements (cont'd)

Refer to note 8, intangible assets to the financial statements.

Key audit matter	How the matter was addressed in our audit
(b) As disclosed in note 51, a prior year restatement was made with respect to goodwill. Other intangible assets of Rs 414m arising on business acquisitions which were previously not recognised, were estimated and recorded in the preceding year opening balances with a corresponding prior year adjustment to previously reported goodwill. The valuation of the separately identifiable intangible assets required the application of a number of significant assumptions for each acquisition date such as estimation of useful economic lives of the assets, growth rates and attrition rates to be applied to cash flows used and setting the appropriate discount rate. Due to the significant level of judgement and estimation exercised by management in the impairment assessment process and in the valuation of the acquired intangible assets, we consider these to be key audit matters.	– Evaluating the key assumptions including sales growth, terminal growth and discount rates used in the impairment assessment. This was performed by benchmarking the assumptions with historical performance and with market data where applicable; and – Performing sensitivity analysis of the significant inputs and assessed the level of headroom because of reasonable changes in the main assumptions. Our audit procedures in respect of the valuation of identifiable intangible assets included: – Assessing the qualifications and objectivity of the external expert engaged by the Group for the identification and valuation of the acquired intangible assets; and – Involving our corporate finance specialists to evaluate the key assumptions used to identify and determine the valuation of the intangible assets and reperforming the valuation by developing their own set of assumptions.

Report on the Audit of the consolidated and separate Financial Statements

Key audit matters (cont'd)

Prior year adjustments

Refer to note 51 to the financial statements.

Key audit matter	How the matter was addressed in our audit
Following our appointment as auditors of the Group and Company for the year ended 30 June 2020, we were required to perform audit procedures on the opening balances of the statements of financial position and on the consistent application of the accounting policies. A number of prior period adjustments were identified as part of our audit requiring restatement of certain elements of the consolidated and separate financial statements. This required significant audit effort, including the time of senior members of our audit team and involvement of our specialists, in assessing the impact of these restatements and is therefore considered a key audit matter.	Our audit procedures included the following: – Evaluating the predecessor auditors' working papers to obtain evidence regarding the opening balances and to assess whether the opening balances reflect the application of appropriate accounting policies. With the assistance of our technical accounting specialists, we: – Evaluated the appropriateness of accounting treatment for identified prior period errors, based on our understanding of the transactions and audit evidence obtained; and – Comparing the prior year's closing balances to the current year's opening balances (or restated opening balances where applicable) in the consolidated and separate financial statements; – Evaluated the adequacy of the financial statement disclosures in accordance with the requirements of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF ENL LIMITED

Report on the Audit of the consolidated and separate Financial Statements

Other matter relating to comparative information

The consolidated and separate financial statements of the Group and the Company as at and for the year ended 30 June 2019 and 30 June 2018 (from which the statements of financial position at the beginning of the preceding period, 1 July 2019 has been derived), excluding the retrospective adjustments described in Note 51 to the consolidated and separate financial statements, were audited by another firm of auditors who expressed an unmodified opinion on those financial statements on 27 September 2019.

As part of our audit of the consolidated and separate financial statements at and for the year ended 30 June 2020, we also audited the retrospective adjustments described in Note 51 to the consolidated and separate financial statements that were applied to restate the comparative information presented at and for the year ended 30 June 2019 and the statement of financial position at 1 July 2019.

We were not engaged to audit, review, or apply any procedures to the consolidated and separate financial statements for the years ended 30 June 2019 or 30 June 2018 (not presented herein) or to the consolidated and separate statements of financial position as at the beginning of the preceding period 1 July 2019, other than with respect to the retrospective adjustments described in Note 51 to the consolidated and separate financial statements.

Accordingly, we do not express an opinion or any other form of assurance on comparative information. However, in our opinion, the retrospective adjustments described in Note 51 to the consolidated and separate financial statements are appropriate and have been properly applied.

Other Information

The directors are responsible for the other information. The other information comprises all the information contained in the annual report but does not include the consolidated and separate financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report on the Audit of the consolidated and separate Financial Statements

Responsibilities of directors for the consolidated and separate financial statements

The directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act and Financial Reporting Act, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF ENL LIMITED

Report on the Audit of the consolidated and separate Financial Statements

Auditors' responsibilities for the audit of the consolidated and separate financial statements (cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ENL LIMITED

Report on the Audit of the consolidated and separate Financial Statements

Use of our report

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

Report on other legal and regulatory requirements

Mauritius Companies Act

We have no relationship with or interests in the Group and the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

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

Financial Reporting Act

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance (the "Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Company has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

KPMG

KPMG
Ebene, Mauritius

John Chung, BSc FCA
Licensed by FRC

Date: **30 March 2021**

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2020

	Notes	THE GROUP 2020 Rs'000	THE GROUP 2019 Restated Rs'000	THE GROUP July 1, 2018 Restated Rs'000	THE COMPANY 2020 Rs'000	THE COMPANY 2019 Restated Rs'000
ASSETS						
Non-current assets						
Property, plant and equipment	5	**31,162,858**	26,428,881	24,832,995	**674,542**	651,219
Investment properties	6	**19,795,178**	18,339,039	18,152,166	**12,906,131**	13,482,734
Deferred expenditure	7	**211,200**	122,786	75,657	**-**	-
Intangible assets	8	**1,624,705**	1,564,449	1,762,995	**257,578**	140,177
Investments in subsidiary companies	9	**-**	-	-	**13,661,320**	14,684,511
Investments in associated companies	10	**8,614,945**	9,938,845	9,479,735	**719,020**	1,802,140
Investments in jointly controlled entities	11	**42,375**	37,772	1,069	**-**	-
Financial assets at fair value through other comprehensive income	12(b)	**454,316**	587,670	530,700	**131,045**	159,892
Financial assets at fair value through profit or loss	12(c)	**19,100**	12,100	25,900	**-**	-
Other financial assets at amortised cost	13	**123,086**	54,069	54,841	**1,837,262**	780,986
Loans and advances	14	**1,273,400**	961,770	266,970	**-**	-
Deferred tax assets	23(b)	**195,755**	148,261	122,320	**72,355**	59,923
Deferred rent assets	24(b)	**1,179**	1,087	-	**1,314**	469
Retirement benefit assets	26	**28,000**	43,100	35,700	**-**	-
		63,546,097	58,239,829	55,341,048	**30,260,567**	31,762,051
Current assets						
Inventories	15	**2,443,049**	2,298,352	1,936,008	**-**	-
Consumable biological assets	16	**258,504**	254,304	295,105	**-**	-
Loans and advances	14	**889,600**	699,500	188,400	**-**	-
Trade and other receivables	17	**1,825,277**	2,194,716	3,432,747	**7,452**	6,388
Assets related to contracts with customers	18	**5,032**	23,081	-	**-**	-
Amounts receivable from group companies	19	**-**	-	-	**1,061,373**	463,881
Other financial assets at amortised cost	13	**2,189,161**	1,583,571	-	**38,937**	40,890
Financial assets at fair value through profit or loss	12(c)	**44,760**	49,586	59,701	**44,760**	49,586
Cash and cash equivalents	39(c)	**3,089,643**	2,016,981	1,969,705	**789,390**	608,846
		10,745,026	9,120,091	7,881,666	**1,941,912**	1,169,591
Non-current assets classified as held for sale	20(b)	**40,790**	119,121	311,866	**-**	-
Total assets		**74,331,913**	67,479,041	63,534,580	**32,202,479**	32,931,642
EQUITY AND LIABILITIES						
Capital and reserves						
Share capital	21 (b)	**3,607,987**	3,607,987	8,349	**3,607,987**	3,607,987
Treasury shares	21(e)	**(250,000)**	(250,000)	-	**(250,000)**	(250,000)
Fair value, revaluation and other reserves	36	**14,362,105**	12,187,836	5,225,773	**4,125,230**	7,634,035
Retained earnings		**8,530,066**	9,754,043	1,129,693	**16,555,429**	14,130,665
Equity holders' interests		**26,250,158**	25,299,866	6,363,815	**24,038,646**	25,122,687
Non-controlling interests		**13,786,513**	11,619,456	29,950,243	**-**	-
Total equity and reserves		**40,036,671**	36,919,322	36,314,058	**24,038,646**	25,122,687
LIABILITIES						
Non-current liabilities						
Borrowings	22	**22,114,848**	20,062,165	17,116,250	**7,110,628**	7,192,905
Liabilities related to contracts with customers	28	**155,500**	-	-	**-**	-
Deferred tax liabilities	23	**921,262**	898,164	802,803	**-**	-
Retirement benefit obligations	26	**1,091,115**	897,598	881,408	**358,975**	327,799
Deferred rent liabilities	24(c)	**-**	1,467	-	**-**	612
Deferred income	25	**7,412**	-	-	**-**	-
		24,290,137	21,859,394	18,800,461	**7,469,603**	7,521,316
Current liabilities						
Trade and other payables	27	**3,671,583**	4,048,045	3,915,447	**37,708**	57,190
Liabilities related to contracts with customers	28	**616,342**	361,288	-	**-**	-
Amounts payable to group companies	29	**-**	-	-	**409,432**	29,356
Current tax liabilities	35(b)	**82,226**	69,945	76,371	**-**	1,954
Borrowings	22	**5,632,454**	4,049,599	4,152,216	**247,090**	30,391
Proposed dividends	37	**-**	168,748	23,969	**-**	168,748
		10,002,605	8,697,625	8,168,003	**694,230**	287,639
Liabilities directly associated with non-current assets classified as held for sale	20(c)	**2,500**	2,700	252,058	**-**	-
Total liabilities		**34,295,242**	30,559,719	27,220,522	**8,163,833**	7,808,955
Total equity and liabilities		**74,331,913**	67,479,041	63,534,580	**32,202,479**	32,931,642

These financial statements were approved and authorised for issue by the Board of Directors on 30 March 2021

Jean Noël Humbert
Chairman

Hector Espitalier-Noël
Director

The notes on pages 113 to 233 form an integral part of these financial statements.

Independent auditors' report on pages 96 to 106.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED JUNE 30, 2020

	Notes	THE GROUP 2020 Rs'000	THE GROUP 2019 Restated Rs'000	THE COMPANY 2020 Rs'000	THE COMPANY 2019 Restated Rs'000
Revenue	30(b)	**14,352,769**	16,026,624	**225,555**	254,619
Expenses:					
Cost of sales	32(f)	**(7,418,952)**	(8,356,374)	**-**	-
Other operating expenses	31(a)	**(1,448,130)**	(1,382,954)	**(76,371)**	(36,182)
Administrative expenses	31(b)	**(4,673,410)**	(4,832,674)	**(239,765)**	(143,378)
Impairment loss on financial assets	13,14,17,19	**(519,300)**	(60,400)	**(1,818)**	(15,153)
Movement in consumable biological assets	16	**9,920**	(46,447)	**-**	-
Operating profit/(loss)		**302,897**	1,347,775	**(92,399)**	59,906
Fair value gain on revaluation of investment properties	6	**403,700**	696,098	**1,868,672**	281,872
Fair value loss on financial assets at fair value through profit or loss	12(c)	**(4,701)**	(12,000)	**(4,826)**	(6,406)
Profit on disposal of land and investments	32(g)	**1,801**	112,390	**871,735**	42,672
Compensation for losses	32(a)	**-**	(41,563)	**-**	-
Compensation for waiver of rights to lessee on land and buildings		**(3,894)**	-	**(3,894)**	(1,187)
Excess of fair value of the share of net assets over acquisition price	32(b)	**4,930**	5,533	**-**	-
Amortisation of market related intangibles on purchase price allocation exercise	32(c)	**(37,600)**	(37,600)	**-**	-
Impairment of goodwill and others	32(d)	**(22,525)**	(14,100)	**-**	(17,239)
Share of profits less losses of associated companies and jointly controlled entities, net of tax	10(b),11(b)	**(349,457)**	416,416	**-**	-
Release to income on transfer of retirement benefit obligations		**-**	-	**-**	36,253
Reversal of impairment of long term loan receivable	13(b)	**-**	-	**268,190**	-
Land conversion rights	32(e)	**117,400**	-	**117,400**	-
Finance costs	33	**(1,255,565)**	(1,168,500)	**(388,742)**	(199,218)
(Loss)/profit before taxation		**(843,014)**	1,304,449	**2,636,136**	196,653
Taxation	35(a)	**(114,330)**	(243,022)	**3,878**	(7,915)
(Loss)/profit for the year		**(957,344)**	1,061,427	**2,640,014**	188,738
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		**3,547,988**	304,037	**4,708**	-
Remeasurement of post employment benefit obligations, net of tax		**(195,161)**	(2,469)	**(45,666)**	(759)
Change in fair value of equity instruments at fair value through other comprehensive income		**(138,236)**	(22,938)	**(3,514,349)**	(2,040,258)
		3,214,591	278,630	**(3,555,307)**	(2,041,017)
Items that may be reclassified subsequently to profit or loss:					
Currency translation differences		**(11,300)**	(17,800)	**-**	-
Share of other comprehensive income of associated companies and jointly controlled entities	10(b)	**(754,377)**	390,509	**-**	-
		(765,677)	372,709	**-**	-
Other comprehensive income for the year, net of tax		**2,448,914**	651,339	**(3,555,307)**	(2,041,017)
Total comprehensive income for the year		**1,491,570**	1,712,766	**(915,293)**	(1,852,279)
(Loss)/profit attributable to:					
Owners of the company		**(784,465)**	361,309	**2,640,014**	188,738
Non-controlling interests		**(172,879)**	700,118	**-**	-
		(957,344)	1,061,427	**2,640,014**	188,738
Total comprehensive income attributable to:					
Owners of the company		**1,185,681**	796,817	**(915,293)**	(1,852,279)
Non-controlling interests		**305,889**	915,949	**-**	-
		1,491,570	1,712,766	**(915,293)**	(1,852,279)
(Loss)/earnings per share	38 Rs.	**(2.09)**	1.58	**7.04**	0.82

The notes on pages 113 to 233 form an integral part of these financial statements.

Independent auditors' report on pages 96 to 106.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2020

THE GROUP	Notes	Share capital Rs'000	Treasury shares Rs'000	Fair value, revaluation and other reserves: Holding company and subsidiaries Rs'000	Fair value, revaluation and other reserves: Associated companies Rs'000	Retained earnings: Holding company and subsidiaries Rs'000	Retained earnings: Associated companies Rs'000	Total Rs'000	Non-controlling interests Rs'000	Total equity Rs'000
		Attributable to owners of the parent								
Balance at July 1, 2019										
- as previously reported		3,607,987	(250,000)	9,285,495	864,883	10,080,824	1,644,453	25,233,642	11,898,256	37,131,898
- effect of prior year adjustments	51	-	-	2,214,336	(176,878)	(2,211,704)	240,470	66,224	(278,800)	(212,576)
- as restated		3,607,987	(250,000)	11,499,831	688,005	7,869,120	1,884,923	25,299,866	11,619,456	36,919,322
Issue of shares to non-controlling shareholders		-	-	-	-	-	-	-	1,480,877	1,480,877
Effect of change in ownership interest not resulting in loss of control		-	-	(7,322)	-	(60,513)	-	(67,835)	568,700	500,865
Acquisition and disposal of group companies		-	-	1,194	-	-	-	1,194	805	1,999
Transfers		-	-	(39,361)	-	39,361	-	-	-	-
Loss for the year		-	-	-	-	(390,589)	(393,876)	(784,465)	(172,879)	(957,344)
Other comprehensive income for the year		-	-	2,689,296	(469,538)	(142,965)	(106,647)	1,970,146	478,768	2,448,914
Dividends	37	-	-	-	-	(168,748)	-	(168,748)	-	(168,748)
Dividends paid by subsidiaries and associated companies to non-controlling shareholders		-	-	-	-	-	-	-	(189,214)	(189,214)
Balance at June 30, 2020		**3,607,987**	**(250,000)**	**14,143,638**	**218,467**	**7,145,666**	**1,384,400**	**26,250,158**	**13,786,513**	**40,036,671**

The notes on pages 113 to 233 form an integral part of these financial statements.

Independent auditors' report on pages 96 to 106.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2020

THE GROUP	Notes	Share capital	Treasury shares	Fair value, revaluation and other reserves: Holding company and subsidiaries	Fair value, revaluation and other reserves: Associated companies	Retained earnings: Holding company and subsidiaries	Retained earnings: Associated companies	Total	Non-controlling interests	Total equity
		Attributable to owners of the parent								
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at July 1, 2018										
- as previously reported		8,349	-	3,228,594	115,175	2,430,305	485,039	6,267,462	30,133,446	36,400,908
- effect of prior year adjustments	51	-	-	1,894,913	(12,909)	(1,799,956)	14,305	96,353	(183,203)	(86,850)
		8,349	-	5,123,507	102,266	630,349	499,344	6,363,815	29,950,243	36,314,058
- effect of changes in accounting policies		-	-	-	-	(65,396)	-	(65,396)	(217,275)	(282,671)
Treasury shares acquired		-	(250,000)	-	-	-	-	(250,000)	-	(250,000)
Issue of shares		3,599,638	-	-	-	-	-	3,599,638	-	3,599,638
Issue of shares to non-controlling shareholders		-	-	-	-	-	-	-	153,222	153,222
Effect of change in ownership interest not resulting in loss of control following amalgamation		-	-	6,108,273	582,977	7,158,769	1,310,909	15,160,928	(18,669,316)	(3,508,388)
Transfers		-	-	(14,016)	-	14,285	(384)	(115)	-	(115)
Movement in reserves		-	-	-	(96,165)	-	(14,686)	(110,851)	(76,784)	(187,635)
Profit for the year		-	-	-	-	323,510	37,799	361,309	700,118	1,061,427
Other comprehensive income for the year		-	-	282,067	98,927	2,573	51,941	435,508	215,831	651,339
Dividends	37	-	-	-	-	(194,970)	-	(194,970)	-	(194,970)
Dividends paid by subsidiaries and associated companies to non-controlling shareholders		-	-	-	-	-	-	-	(436,583)	(436,583)
Balance at June 30, 2019		**3,607,987**	**(250,000)**	**11,499,831**	**688,005**	**7,869,120**	**1,884,923**	**25,299,866**	**11,619,456**	**36,919,322**

The notes on pages 113 to 233 form an integral part of these financial statements.

Independent auditors' report on pages 96 to 106.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2020

THE COMPANY	Notes	Share capital	Treasury shares	Fair value, revaluation and other reserves	Retained earnings	Total equity
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at July 1, 2019						
- as previously reported		3,607,987	(250,000)	12,134,806	9,660,243	25,153,036
- effect of prior year adjustments	51	-	-	(4,500,771)	4,470,422	(30,349)
- as restated		3,607,987	(250,000)	7,634,035	14,130,665	25,122,687
Profit for the year		-	-	-	2,640,014	2,640,014
Other comprehensive income for the year		-	-	(3,508,805)	(46,502)	(3,555,307)
Dividends	37	-	-	-	(168,748)	(168,748)
Balance at June 30, 2020		**3,607,987**	**(250,000)**	**4,125,230**	**16,555,429**	**24,038,646**
Balance at July 1, 2018		8,349	-	5,526,240	16,713	5,551,302
Amalgamation adjustment		-	-	4,768,569	13,500,427	18,268,996
Treasury shares acquired		-	(250,000)	-	-	(250,000)
Issue of shares		3,599,638	-	-	-	3,599,638
Transfer on disposal of equity investments at fair value through other comprehensive income		-	-	(620,516)	620,516	-
Profit for the year		-	-	-	188,738	188,738
Other comprehensive income for the year		-	-	(2,040,258)	(759)	(2,041,017)
Dividends	37	-	-	-	(194,970)	(194,970)
Balance at June 30, 2019		**3,607,987**	**(250,000)**	**7,634,035**	**14,130,665**	**25,122,687**

The notes on pages 113 to 233 form an integral part of these financial statements.

Independent auditors' report on pages 96 to 106.

STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2020

	Notes	THE GROUP 2020 Rs'000	THE GROUP 2019 Restated Rs'000	THE COMPANY 2020 Rs'000	THE COMPANY 2019 Restated Rs'000
Cash flows from operating activities					
Cash generated from/(used in) operations	39(a)	**775,839**	638,591	**(46,929)**	(40,081)
Tax paid		**(144,244)**	(160,605)	**(1,992)**	(572)
Net cash generated from/(used in) operating activities		**631,595**	477,986	**(48,921)**	(40,653)
Cash flows from investing activities					
Purchase of property, plant and equipment		**(891,707)**	(957,291)	**(1,197)**	(2,127)
Purchase of intangible assets		**(20,457)**	(53,351)	**-**	-
Additions to investment properties		**(517,071)**	(723,392)	**(72)**	-
Purchase of shares in subsidiaries		**-**	-	**(1,509,575)**	(1,472,061)
Purchase of financial assets at fair value through other comprehensive income		**(65,928)**	(90,598)	**-**	-
Purchase of investment in associates		**-**	(1,749)	**(615)**	(1,749)
Purchase of treasury shares (as part of the acquisition of an investment)		**-**	(250,000)	**-**	(250,000)
Acquisition of subsidiaries net of cash		**(13,148)**	(23,342)	**-**	-
Disposal of subsidiaries net of cash		**-**	(17,365)	**-**	-
Proceeds from disposal of financial assets at fair value through other comprehensive income		**59,603**	16,029	**98,555**	1,362,559
Proceeds from disposal of land, property, plant and equipment and investment properties		**38,372**	203,886	**2,795,185**	139,186
Proceeds from disposal of assets held for sale		**105,940**	53,200	**-**	-
Additions to bearer biological assets		**(9,651)**	(2,342)	**-**	-
Compensation for waiver to rights to lessee on land and buildings		**-**	-	**2,297**	70,500
Capital reduction from investments		**271**	-	**537,271**	-
Loans granted		**(6,915)**	(4,484)	**(1,259,989)**	(830,817)
Loans refunded		**1,225**	1,460	**142,592**	906,124
Interest received		**211,037**	89,448	**52,711**	19,598
Net cash (used in)/generated from investing activities		**(1,108,429)**	(1,759,891)	**857,163**	(58,787)
Cash flows from financing activities					
Issue of shares to non-controlling shareholders		**1,678,702**	102,475	**-**	-
Issue of notes		**-**	2,328,493	**-**	2,328,493
Grant received		**7,734**	-	**-**	-
Capital reduction made by subsidiaries attributable to non-controlling shareholders		**-**	(57,776)	**-**	-
Proceeds from borrowings		**9,708,158**	5,095,259	**257,600**	4,500
Payments on borrowings		**(6,969,066)**	(4,411,904)	**(138,114)**	(1,195,342)
Principal payments on lease liabilities		**(188,254)**	(62,324)	**(5,658)**	(1,079)
Interest paid		**(1,215,370)**	(1,105,948)	**(403,783)**	(113,525)
Dividends paid		**(337,497)**	(50,190)	**(337,497)**	(50,190)
Dividends paid by subsidiaries to non-controlling shareholders		**(321,975)**	(395,185)	**-**	-
Net cash generated from/(used in) financing activities		**2,362,432**	1,442,900	**(627,452)**	972,857
Increase in cash and cash equivalents		**1,885,598**	160,995	**180,790**	873,417
Movement in cash and cash equivalents					
At July 1,					
- as previously reported		**449,042**	219,576	**608,551**	(1,844)
- effect of prior year adjustments	51	**(67,600)**	-	**-**	-
- as restated		**381,442**	219,576	**608,551**	(1,844)
Amalgamation adjustment		**-**	-	**-**	(263,030)
Effects of exchange rate changes		**(47,504)**	871	**49**	8
Increase in cash and cash equivalents		**1,885,598**	160,995	**180,790**	873,417
At June 30,	39(c)	**2,219,536**	381,442	**789,390**	608,551

The notes on pages 113 to 233 form an integral part of these financial statements.

Independent auditors' report on pages 96 to 106.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

1. GENERAL INFORMATION

ENL Limited is a limited liability company incorporated and domiciled in Mauritius. The holding company is La Sablonnière Holding Limited, incorporated in Mauritius. Both companies' registered office is at ENL House, Vivéa Business Park, Moka. The ultimate holding entity is Société Caredas, a 'société civile' registered in 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 the shareholders of the company.

2. SIGNIFICANT ACCOUNTING POLICIES

The 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.

(a) Basis of preparation

The financial statements of ENL Limited comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). 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:

(i) land and buildings are carried at revalued amounts;

(ii) investment properties are carried at fair value;

(iii) financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are stated at their fair value;

(iv) consumable biological assets are stated at carried value; and

(v) relevant financial assets and financial liabilities are stated at amortised cost;

(vi) 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.

Note 2 sets out the accounting policies that relate to the financial statements as a whole. The accounting policies apply to both group and company unless otherwise stated. Where an accounting policy is specific to one note, the policy is described in the note to which it relates.

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

The following Standards, Amendments to published Standards and Interpretations are effective in the reporting period and did not have a material impact on the group's financial statements except for IFRS 16 - Leases.

IFRS 16 Leases

The group has applied IFRS 16 Leases with effect from 1 July 2019 using the modified retrospective approach. Comparative information has therefore not been restated and continues to be reported under IAS 17 Leases and IFRIC 4 Determining whether an arrangement contains a lease.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations effective in the reporting period (cont'd)

IFRS 16 Leases (cont'd)

Policy effective from 1 July 2019 (IFRS 16)

At inception, the group assesses whether a contract is, or contains, a lease and that the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset when

- the contract involves the use of an identified asset, explicitly or implicitly specified, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the group has the right to direct the use of the asset by having the right to decision-making related to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the group has the right to direct the use of the asset if either:
  - the group has the right to operate the asset; or
  - the group designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

At inception or on reassessment of a contract that contains a lease component, the group allocate the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component."

On transition to IFRS 16, the group elected to apply the practical expedient providing the group relief from reassessing whether contracts in place at the date of initial application are, or contain, a lease. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 July 2019.

The group used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17;

(a) Applied a single discount rate to a portfolio of leases with similar characteristics;

(b) Adjusted the right-of-use assets by the amount of IAS 37 onerous contract provision immediately before the date of initial application, as an alternative to an impairment review;

(c) Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and of low value assets;

(d) Excluded initial direct costs from measuring the right-of-use asset at the date of initial application; and

(e) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Policy effective before 1 July 2019 (IAS 17)

Prior to 1 July 2019, the determination of whether an arrangement was, or contained a lease was based on the substance of the arrangement at inception date of whether the fulfilment of the arrangement was dependent on the use of a specific asset or assets or the arrangement conveyed a right to use the asset. A reassessment was made after inception of the lease only if one of the following applied:

(a) There was a change in contractual terms, other than a renewal or extension of the arrangement;

(b) A renewal option was exercised or extension granted, unless the term of the renewal or extension was then initially included in the lease term;

(c) There was a change in the determination of whether fulfilment was dependent on a specified asset; or

(d) There was a substantial change to the asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations effective in the reporting period (cont'd)

Policy effective before 1 July 2019 (IAS 17) (cont'd)

Where a reassessment was made, lease accounting was to be commenced or ceased from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c) or (d) and at the date of renewal or extension period for scenario (b).

The impact of changes of the group's transition to IFRS 16 is disclosed in note 45 and details with respect to right-of-use assets and lease liabilities are as given in note 5 property, plant and equipment and 22 borrowings respectively.

IFRIC 23 Uncertainty over Income Tax Treatments

"IFRIC 23 clarifies the accounting for income tax treatments that have yet to be accepted by tax authorities. Specifically, IFRIC 23 provides clarity on how to incorporate this uncertainty into the measurement of tax as reported in the financial statements. IFRIC 23 does not introduce any new disclosures but reinforces the need to comply with existing disclosure requirements about judgements made, assumptions and other estimates used and the potential impact of uncertainties that are not reflected."

Prepayment Features with Negative Compensation (Amendments to IFRS 9)

The amendments clarify that financial assets containing prepayment features with negative compensation can now be measured at amortised cost or at fair value through other comprehensive income (FVOCI) if they meet the other relevant requirements of IFRS 9.

Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)

The amendments clarify that an entity applies IFRS 9 to long-term interests in an associate and joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)

"The IASB's amendments to IAS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, it is now mandatory for entities to use the updated actuarial assumptions to determine the current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income."

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

Certain Standards, Amendments to published standards and interpretations are effective for annual periods beginning on or after 1 July 2019 that are mandatory for the group's accounting periods beginning on or after 1 July 2019 or later periods, but which the group has not early adopted except for Covid-19- Related Rent Concessions - Amendment to IFRS 16 issued on 28 May 2020.

Amendments to References to Conceptual Framework in IFRS Standards

The IASB revised the Conceptual Framework because certain important issues were not covered and certain guidance was unclear or out of date. The revised Conceptual Framework, issued by the IASB in March 2018, includes a new chapter on measurement; guidance on reporting financial performance; improved definitions of an asset and a liability, and guidance supporting these definitions; and clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Standards, Amendments to published standards and Interpretations issued but not yet effective (cont'd)

Amendments to References to Conceptual Framework in IFRS Standards (cont'd)

The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing Amendments to References to the Conceptual Framework in IFRS Standards. This was done to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction.

Although we expect this to be rare, some companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of the effective date, unless the new guidance contains specific scope outs.

The amendments are effective for annual periods beginning on or after 1 January 2020 and are not expected to have a significant impact on the group's financial statements.

Definition of a Business (Amendments to IFRS 3)

Defining a business is important because the financial reporting requirements for the acquisition of a business are different from the requirements for the purchase of a group of assets that does not constitute a business. The proposed amendments are intended to provide entities with clearer application guidance to help distinguish between a business and a group of assets when applying IFRS 3.

In October 2018, the IASB issued this amendment to make it easier for companies to decide whether activities and assets they acquire are a business or merely a group of assets. The amendments:

- confirm that a business must include inputs and a process, and clarified that: (i) the process must be substantive and (ii) the inputs and process must together significantly contribute to creating outputs.
- narrow the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and
- add a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The amendments are effective for annual periods beginning on or after 1 January 2020 and are not expected to have a significant impact on the group's financial statements.

Definition of Material (Amendments to IAS 1 and IAS 8)

The IASB refined its definition of material to make it easier to understand. It is now aligned across IFRS Standards and the Conceptual Framework. The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of 'material' which is quoted below from the final amendments.

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The IASB has also removed the definition of material omissions or misstatements from IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments are effective from 1 January 2020 but may be applied earlier. However, the IASB does not expect significant change – the refinements are not intended to alter the concept of materiality.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Standards, Amendments to published standards and Interpretations issued but not yet effective (cont'd)

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

Amendments to IFRS 9, IAS 39 and IFRS 7 have now been issued to address uncertainties related to the ongoing reform of interbank offered rates (IBOR). The amendments provide targeted relief for financial instruments qualifying for hedge accounting in the lead up to IBOR reform.

The amendments address issues affecting financial reporting in the period leading up to IBOR reform, are mandatory and apply to all hedging relationships directly affected by uncertainties related to IBOR reform.

The amendments are effective for annual periods beginning on or after 1 January 2020 and are not expected to have a significant impact on the group's financial statements.

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged.

The amendments are effective for annual periods beginning on or after 1 January 2023 and are not expected to have a significant impact on the group's financial statements.

IFRS 17 Insurance Contracts

IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a new comprehensive model ("general model") for the recognition and measurement of liabilities arising from insurance contracts. In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as reinsurance contracts held; direct participating contracts; and investment contracts with discretionary participation features.

Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rates and other financial risks in profit or loss or other comprehensive income.

The new standard includes various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity's financial statements.

The group is in the process of determining the impact of IFRS 17 and will provide more detailed disclosure on the impact in future financial statements.

The standard is effective for annual periods beginning on or after 1 January 2023 (was initially 1 January 2021 but has been delayed by the IASB). Early adoption is permitted. The group is currently assessing the impact of IFRS 17 on the accounting of its investments in associated company, Swan General Ltd.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Standards, Amendments to published standards and Interpretations issued but not yet effective (cont'd)

COVID-19 Related Rent Concessions (Amendment to IFRS 16)

The group has early adopted COVID-19-Related Rent Concessions – Amendment to IFRS 16 issued on 28 May 2020. The amendment introduces an optional practical expedient for leases in which the group is a lessee, i.e. for leases to which the group applies the practical expedient, the group is not required to assess whether eligible rent concessions that are a direct consequence of the COVID-19 coronavirus pandemic are lease modifications. The group has applied the amendment retrospectively. The amendment has no impact on retained earnings at 1 July 2019.

(b) Impairment of non-financial assets

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment is tested whenever there is an indication that the asset may be impaired. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease to the extent of the corresponding revaluation surplus. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(c) Foreign currency translation

Items included in the financial statements of each of the group's entities are measured using 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 company's functional and presentation currency. Foreign currency transactions are translated into Mauritian rupees using exchange rates prevailing at 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. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as financial assets at fair value through other comprehensive income, are included in other comprehensive income.

(d) Derivative financial instruments

Derivative which comprise of foreign exchange forward contracts are initially recognised at fair value on the dates the derivatives contracts are entered into and are subsequently re-measured at their fair value. These derivatives are not designated for hedge accounting.

Changes in the fair value of derivatives are recognised immediately in the profit or loss. These derivatives are trading derivatives and are classified as current asset or liability. Changes in fair values of derivatives are included in the profit or loss within finance costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial assets at amortised cost

Financial assets at amortised cost include other financial assets at amortised cost, trade and other receivables, amounts receivable from group companies, loans and advances and cash and cash equivalents. They are initially recognized at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method, less provision for impairment.

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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 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.

(f) Financial liabilities

Financial liabilities include trade and other payables, amounts payable to group companies and borrowings. They are initially recognised at fair value and subsequently carried at amortised cost using the effective method.

The group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statements of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(h) Comparatives

Where necessary, comparative figures have been amended to conform with changes in presentation or in accounting policies in the current year.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The group's activities expose it to a variety of financial risks, including:

- Market risk (including currency risk, price risk and cash flow interest risk);
- Credit risk;
- Liquidity risk; and
- Risk associated with the group's agricultural activities.

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.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

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
June 30, 2019 Restated	EURO	USD	GBP	Rs & others	Total	Rs & others
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Non current financial assets	-	56,200	-	1,559,409	1,615,609	940,878
Non current financial liabilities	(1,051,700)	(465,000)	(33,000)	(18,512,465)	(20,062,165)	(7,192,905)
Long term exposure	(1,051,700)	(408,800)	(33,000)	(16,953,056)	(18,446,556)	(6,252,027)
Current financial assets	736,037	543,803	18,848	5,268,747	6,567,435	1,169,591
Current financial liabilities	(529,192)	(1,204,228)	-	(6,964,205)	(8,697,625)	(287,639)
Short term exposure	206,845	(660,425)	18,848	(1,695,458)	(2,130,190)	881,952
Total exposure	(844,855)	(1,069,225)	(14,152)	(18,648,514)	(20,576,746)	(5,370,075)
June 30, 2020						
Non current financial assets	**-**	**59,900**	**-**	**1,810,002**	**1,869,902**	**1,968,307**
Non current financial liabilities	**(65,600)**	**(378,200)**	**(22,600)**	**(1,976,649)**	**(2,443,049)**	**(7,110,628)**
Long term exposure	**(65,600)**	**(318,300)**	**(22,600)**	**(166,647)**	**(573,147)**	**(5,142,321)**
Current financial assets	**491,547**	**353,904**	**969**	**7,197,053**	**8,043,473**	**1,941,912**
Current financial liabilities	**(663,004)**	**(1,123,478)**	**(25,100)**	**(8,191,023)**	**(10,002,605)**	**(694,230)**
Short term exposure	**(171,457)**	**(769,574)**	**(24,131)**	**(993,970)**	**(1,959,132)**	**1,247,682**
Total exposure	**(237,057)**	**(1,087,874)**	**(46,731)**	**(1,160,617)**	**(2,532,279)**	**(3,894,639)**

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

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	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Profit for the year (+ / -)	**13,717**	19,282	**-**	-
Equity (+ / -)	**13,717**	19,282	**-**	-

The group uses forward contracts, whenever possible, to hedge its exposure to foreign currency risk. Each subsidiary is responsible for hedging the net position in each currency by using currency borrowings. The risk is also managed through short term swap of currencies.

Derivative financial instruments

At June 30, 2020, the group had foreign exchange contracts for a notional amount of Rs 204.2m (2019: Rs 537.1m) and a corresponding fair value of Rs 216.6m (2019: Rs 536.1m).

(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 10.4m (2019: Rs 12.8) and Rs 8.1m (2019: Rs 9.9m) 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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) Market risk (cont'd)

(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, 2020, 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	
	2020	2019	**2020**	2019
		Restated		Restated
	Rs'000	Rs'000	**Rs'000**	Rs'000
Effect higher/lower interest expense on post tax profit and equity	**94,256**	87,181	**21,471**	10,636

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 13 – Other financial assets at amortised cost, Note 14 - Loans and advances, Note 18 – Assets related to contracts with customers, Note 17 – 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 2.2.1 of the corporate governance report.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(c) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulties 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. The group aims at maintaining flexibility in funding by keeping committed credit lines available. The remaining contractual maturities for financial liabilities are provided in the following notes: note 37 - Dividends, note 22 - Borrowings, note 27 - Trade and other payables and note 28 - Liabilities related to contracts with customers.

(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 Fair value estimation

The fair value of financial instruments traded on active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker or regulatory agency and the prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1. Instruments included in level 1 comprise primarily quoted equity investments classified as trading securities or available for sale.

The fair value of financial instruments that are not traded on an active market is determined using valuation techniques. The group uses a variety of methods namely capitalised earnings, net asset basis and dividend yield where applicable and makes assumptions that are based on market conditions existing at the end of each reporting period. These instruments are included in level 3. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Fair value estimation (cont'd)

The carrying amount of the financial assets would be an estimated Rs.1,076m (2019: Rs.1,012m) for the group and Rs.195m (2019: Rs.268m) for the company higher/lower in the event their fair values were increased/decreased by 5%. The fair value of those financial assets and liabilities not presented on the group's statements of financial position at their fair values are not materially different from their carrying amounts.

3.3 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, 2020 and at June 30, 2019 were as follows:

	THE GROUP		THE COMPANY	
	2020	2019 Restated	**2020**	2019 Restated
	Rs'000	Rs'000	**Rs'000**	Rs'000
Total debts	**26,716,006**	24,111,764	**7,357,718**	7,223,296
Cash and bank balances	**(3,089,643)**	(2,016,981)	**(789,390)**	(608,846)
Net debts	**23,626,363**	22,094,783	**6,568,328**	6,614,450
Total equity	**40,036,671**	36,919,322	**24,038,646**	25,122,687
Debt-to-adjusted capital ratio	**0.590**	0.598	**0.273**	0.263

There were no changes in the group's approach to capital risk management during the year.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

4.1 Critical accounting estimates and assumptions

The 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.

Judgements

Note 9 Investments in subsidiary companies: whether the group has de facto control over an investee;

Note 10 Investments in associated companies: whether the group has significant influence over an investee;

Note 11 Investments in jointly controlled entities: whether the group has significant influence over an investee; and

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

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

Note 12 Investments in financial assets: determining the fair value of investments in financial asset on the basis of significant unobservable inputs;

Note 14 Loans and advances: measurement of ECL allowance for loans and advances: key assumptions in determining the inputs to the ECL model;

Note 16 Consumable biological assets: determining the fair value of biological assets on the basis of significant unobservable inputs;

Note 17 Trade and other receivables: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate;

Note 18 Assets related to contracts with customers: measurement of ECL allowance for contract assets: key assumptions in determining the weighted-average loss rate;

Note 23 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 26 Retirement benefit obligations: measurement of defined benefit assets/obligations: key actuarial assumptions.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.1 Critical accounting estimates and assumptions (cont'd)

Assumptions and estimation uncertainties (cont'd)

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 3.2 Fair value estimation: sensitivity analysis

Note 12 Investments in financial assets: sensitivity analysis

Note 14 Loans and advances: measurement of ECL allowance for loans and advances: key assumptions in determining the inputs to the ECL model;

Note 17 Trade and other receivables: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate;

Note 18 Assets related to contracts with customers: measurement of ECL allowance for contract assets: key assumptions in determining the weighted-average loss rate;

Note 26 Retirement benefit obligations: 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.

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/Improvement to buildings	**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.

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 replantation costs relating to bearer canes and anthurium plants. Cane replantation costs are capitalised and amortised over a period of seven years, one year after the expenses have been incurred. Anthurium plants are valued at cost less amortisation.

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.

Revaluation reserves are transferred to retained earnings over the useful life of revalued assets.

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. The latest valuation was performed in June 2020.

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.

Borrowing costs

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. Borrowing costs capitalised during the year is Rs 1,862,234 at PLR +1%.

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

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Property, plant and equipment (see note (b))	**30,109,207**	26,428,881	**653,957**	651,219
Rights of use assets (see note (e))	**1,053,651**	-	**20,585**	-
At June 30,	**31,162,858**	26,428,881	**674,542**	651,219

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

(b) THE GROUP

(i) <u>2020</u>	Freehold land	Buildings & yard	Machinery & equipment	Motor vehicles	Furniture, fittings & others	Bearer plants	Assets in progress	Total
COST AND VALUATION	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,								
- as previously reported	10,143,912	10,884,265	3,253,249	930,233	682,539	449,941	41,118	26,385,257
- effect of prior year adjustments (note 51)	4,312,465	136,045	(347,912)	(13,900)	-	199,677	100,421	4,386,796
- as restated	14,456,377	11,020,310	2,905,337	916,333	682,539	649,618	141,539	30,772,053
Acquisition through business								
combination (note 43)	-	-	700	-	-	-	-	700
Additions	265,308	392,700	320,198	132,931	30,466	14,957	59,347	1,215,907
On disposal of subsidiary	-	-	(84)	(3,789)	(3,913)	-	-	(7,786)
Disposals	(372,109)	(94,906)	(107,661)	(130,002)	(23,197)	-	-	(727,875)
Write offs	-	-	-	-	(33)	-	-	(33)
Revaluation adjustment	2,849,097	735,065	-	-	-	-	-	3,584,162
Transfers	308	45,357	4,627	-	-	-	(25,821)	24,471
Translation difference	-	18,400	24,900	(4,000)	-	-	-	39,300
At June 30,	**17,198,981**	**12,116,926**	**3,148,017**	**911,473**	**685,862**	**664,575**	**175,065**	**34,900,899**
DEPRECIATION AND IMPAIRMENT								
At July 1,								
- as previously reported	-	923,657	2,517,357	620,797	214,677	318,008	-	4,594,496
- effect of prior year adjustments (note 51)	-	(16,691)	(360,400)	(18,900)	-	144,667	-	(251,324)
- as restated	-	906,966	2,156,957	601,897	214,677	462,675	-	4,343,172
Acquisition through business								
combination (note 43)	-	-	300	-	-	-	-	300
Disposal of subsidiary	-	-	(58)	(2,624)	(2,046)	-	-	(4,728)
Charge for the year	-	189,842	287,832	118,446	30,871	27,115	-	654,106
Disposals	-	-	(101,950)	(121,872)	(22,506)	-	-	(246,328)
Write offs	-	-	-	-	(30)	-	-	(30)
Impairment losses	-	26,400	-	-	-	-	-	26,400
Translation difference	-	100	21,300	(2,600)	-	-	-	18,800
At June 30,	**-**	**1,123,308**	**2,364,381**	**593,247**	**220,966**	**489,790**	**-**	**4,791,692**
NET BOOK VALUES								
At June 30,	**17,198,981**	**10,993,618**	**783,636**	**318,226**	**464,896**	**174,785**	**175,065**	**30,109,207**

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

(b) THE GROUP (CONT'D)

(ii) 2019

	Freehold land	Buildings & yard	Machinery & equipment	Motor vehicles	Furniture, fittings & others	Bearer plants	Assets in progress	Total
COST AND VALUATION	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,								
- as previously reported	10,577,771	10,218,097	3,405,974	904,994	257,457	445,299	25,183	25,834,775
- effect of prior year adjustments (note 51)	3,152,356	(43,897)	(347,000)	(13,900)	-	194,569	28,382	2,970,510
- as restated	13,730,127	10,174,200	3,058,974	891,094	257,457	639,868	53,565	28,805,285
Acquisition through business combination (note 43)	-	-	13,899	3,969	4,369	-	-	22,237
Additions	170,527	638,798	43,832	120,086	436,481	9,750	87,974	1,507,448
Disposals	(188,451)	(26,219)	(211,980)	(98,816)	(15,818)	-	-	(541,284)
Release to profit and loss	(16,776)	-	-	-	-	-	-	(16,776)
Write offs	-	-	(3,900)	-	(24)	-	-	(3,924)
Revaluation adjustment	304,037	-	-	-	-	-	-	304,037
Transfers	(218,189)	231,531	4,012	-	74	-	-	17,428
Transfer to investment properties (note 6)	675,102	-	-	-	-	-	-	675,102
Translation difference	-	2,000	500	-	-	-	-	2,500
At June 30,	**14,456,377**	**11,020,310**	**2,905,337**	**916,333**	**682,539**	**649,618**	**141,539**	**30,772,053**
DEPRECIATION AND IMPAIRMENT								
At July 1,								
- as previously reported	-	732,810	2,440,437	593,566	196,854	277,658	-	4,241,325
- effect of prior year adjustments (note 51)	-	(16,828)	(357,000)	(18,890)	-	123,683	-	(269,035)
- as restated	-	715,982	2,083,437	574,676	196,854	401,341	-	3,972,290
Acquisition through business combination (note 43)	-	-	8,113	2,258	2,746	-	-	13,117
Charge for the year	-	181,772	257,498	115,239	28,328	61,334	-	644,171
Disposals	-	(445)	(188,391)	(90,276)	(13,227)	-	-	(292,339)
Write offs	-	-	(3,900)	-	(24)	-	-	(3,924)
Transfers	-	9,657	-	-	-	-	-	9,657
Translation difference	-	-	200	-	-	-	-	200
At June 30,	**-**	**906,966**	**2,156,957**	**601,897**	**214,677**	**462,675**	**-**	**4,343,172**
NET BOOK VALUES	**14,456,377**	**10,113,344**	**748,380**	**314,436**	**467,862**	**186,943**	**141,539**	**26,428,881**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

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

(b) THE GROUP (CONT'D)

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

(iv) Additions include Rs.40.8m (2019: Rs.90.8m) of assets under finance leases.

(v) Assets under finance leases included in property, plant and equipment comprise of:

	THE GROUP 2020	THE GROUP 2019
Machinery and equipment	**Rs'000**	Rs'000
Cost	**117,797**	223,690
Accumulated depreciation	**(82,766)**	(140,344)
Net book values	**35,031**	83,346
Motor vehicles		
Cost	**340,252**	478,387
Accumulated depreciation	**(147,480)**	(225,217)
Net book values	**192,772**	253,170
Furniture, fittings and others		
Cost	**1,136**	1,665
Accumulated depreciation	**(956)**	(947)
Net book values	**180**	718
Total	**227,983**	337,234

(vi) The group's land and buildings were revalued by Qualified independent professional valuers. 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.

The revaluation surplus net of deferred income taxes was credited to revaluation reserves in shareholders' equity.

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

2020	**Level 2**	**Level 3**
	Rs'000	**Rs'000**
Freehold land	**17,198,981**	-
Buildings	-	**10,993,618**
Total	**17,198,981**	**10,993,618**

2019 (Restated)	Level 2	Level 3
	Rs'000	Rs'000
Freehold land	14,456,377	-
Buildings	-	10,113,344
Total	14,456,377	10,113,344

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.

There were no transfers between level 1 and 2 during the year.

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

(b) THE GROUP (CONT'D)

(vii) The table below shows the changes in level 3 instruments for the year ended June 30, 2020 and 2019.

	THE GROUP	
	2020	2019 Restated
At July 1,	**Rs'000**	Rs'000
- as previously reported	**9,960,608**	9,485,287
- effect of prior year adjustments (note 51)	**152,736**	(27,069)
- as restated	**10,113,344**	9,458,218
Additions	**392,700**	638,798
Disposals	**(94,906)**	(25,774)
Transfer	**45,357**	221,874
Revaluation adjustment	**735,065**	-
Impairment losses	**(26,400)**	-
Depreciation	**(189,842)**	(181,772)
Translation difference	**18,300**	2,000
At June 30,	**10,993,618**	10,113,344

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

Information about fair value measurements using significant unobservable inputs (level 3) are as follows:

Description	**Range of unobservable inputs per metre square**
	Rs'000
Buildings	150 - 8,000

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 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
Direct market comparison approach: estimates the value of a property by comparing it to similar properties recently sold in the market.	Rate per square metre/arpent (Rs.)	The estimated fair value would increase/ (decrease) if rate per square metre/ arpent (Rs.) were higher/ (lower).

(ix) 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**
2020	**Rs'000**	**Rs'000**	**Rs'000**
Cost	**295,960**	**4,735,123**	**5,031,083**
Accumulated depreciation	**-**	**(1,510,763)**	**(1,510,763)**
Net book values	**295,960**	**3,224,360**	**3,520,320**
2019 (Restated)	Rs'000	Rs'000	Rs'000
Cost	278,773	4,396,461	4,675,234
Accumulated depreciation	-	(1,331,167)	(1,331,167)
Net book values	278,773	3,065,294	3,344,067

(x) Depreciation charge of Rs.575.3m and Rs.78.8m (2019: Rs.572.5m and Rs.49.2m) 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.

(xi) Bank borrowings are secured on some of the group's property, plant and equipment. Please refer to note 22 for further details.

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

(c) THE COMPANY

	Land	Buildings	Improvement to buildings	Agricultural equipment	Transport equipment	Motor vehicles	Furniture & fittings	Office equipment	Total
(i) **2020**	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
COST AND VALUATION									
At July 1,									
- as previously reported	9,868,605	129,317	2,087	21,972	58,609	15,226	2,574	7,173	10,105,563
- effect of prior year adjustments (note 51)	(9,271,455)	(93,765)	-	-	-	-	-	-	(9,365,220)
- as restated	597,150	35,552	2,087	21,972	58,609	15,226	2,574	7,173	740,343
Additions	-	-	-	-	-	97	-	4,118	4,215
Disposals	-	-	-	-	(4,314)	-	-	(12)	(4,326)
Revaluation adjustment	625	4,919	-	-	-	-	-	-	5,544
At June 30,	**597,775**	**40,471**	**2,087**	**21,972**	**54,295**	**15,323**	**2,574**	**11,279**	**745,776**
DEPRECIATION									
At July 1,									
- as previously reported	-	16,614	30	9,507	58,056	7,548	1,515	6,714	99,984
- effect of prior year adjustments (note 51)	-	(10,860)	-	-	-	-	-	-	(10,860)
- as restated	-	5,754	30	9,507	58,056	7,548	1,515	6,714	89,124
Charge for the year	-	2,340	209	554	372	2,563	200	781	7,019
Disposal adjustments	-	-	-	-	(4,312)	-	-	(12)	(4,324)
At June 30,	-	8,094	239	10,061	54,116	10,111	1,715	7,483	91,819
NET BOOK VALUES	**597,775**	**32,377**	**1,848**	**11,911**	**179**	**5,212**	**859**	**3,796**	**653,957**

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

(c) THE COMPANY

	Land	Buildings	Improvement to buildings	Agricultural equipment	Transport equipment	Motor vehicles	Furniture & fittings	Office equipment	Total
(ii) **2019**	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
COST AND VALUATION									
At July 1,									
- amalgamation adjustment as previously reported	10,227,232	134,342	2,502	21,972	58,609	17,721	2,223	7,252	10,471,853
- effect of prior year adjustments (note 51)	(9,630,082)	(98,790)	-	-	-	-	-	-	(9,728,872)
- as restated	597,150	35,552	2,502	21,972	58,609	17,721	2,223	7,252	742,981
Reversal	-	-	(1,885)	-	-	-	-	-	(1,885)
Additions	-	-	2,035	-	-	-	746	145	2,926
Disposals	(110,597)	(5,025)	(565)	-	-	(2,495)	(371)	(224)	(119,277)
Scrapped	-	-	-	-	-	-	(24)	-	(24)
Transfer to non-current assets held for sale (note 20)	(38,763)	-	-	-	-	-	-	-	(38,763)
Transfer from non-current assets held for sale (note 20)	8,358	-	-	-	-	-	-	-	8,358
Transfer to investment properties	141,002	5,025	-	-	-	-	-	-	146,027
At June 30,	**597,150**	**35,552**	**2,087**	**21,972**	**58,609**	**15,226**	**2,574**	**7,173**	**740,343**
DEPRECIATION									
At July 1,									
- amalgamation adjustment as previously reported	-	14,030	-	9,230	57,697	8,258	1,670	6,619	97,504
- effect of prior year adjustments (note 51)	-	(9,558)	-	-	-	-	-	-	(9,558)
- as restated	-	4,472	-	9,230	57,697	8,258	1,670	6,619	87,946
Charge for the year	-	1,282	30	277	359	1,499	74	190	3,711
Disposal adjustments	-	(445)	-	-	-	(2,209)	(205)	(95)	(2,954)
Scrapped	-	-	-	-	-	-	(24)	-	(24)
Transfer to investment properties (note 6)	-	445	-	-	-	-	-	-	445
At June 30,	-	5,754	30	9,507	58,056	7,548	1,515	6,714	89,124
NET BOOK VALUES	**597,150**	**29,798**	**2,057**	**12,465**	**553**	**7,678**	**1,059**	**459**	**651,219**

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
2020	**Rs'000**	**Rs'000**	**Rs'000**
Cost	**1,592**	**11,135**	**12,727**
Accumulated depreciation	**-**	**(214)**	**(214)**
Net book values	**1,592**	**10,921**	**12,513**
2019 (Restated)	Rs'000	Rs'000	Rs'000
Cost	1,592	11,135	12,727
Accumulated depreciation	-	(214)	(214)
Net book values	1,592	10,921	12,513

(iv) Bank borrowings are secured on some of the company's property, plant and equipment. Please refer to note 22 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 measures 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.

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 in that specific region.

(e) Rights of use assets

Accounting policy

The group has applied IFRS 16 Leases using the modified retrospective approach and therefore comparative has not been restated and continues to be reported under IAS 17 Leases and IFRIC 4 Determining whether an Arrangement Contains a Lease. The details of the impact of changes are disclosed in note 45.

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	1-60
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.

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

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

(i) THE GROUP

2020	Land and buildings	Plant, machinery and motor vehicles	Total
COST	Rs'000	Rs'000	Rs'000
At July 1,			
- as previously reported	-	-	-
- impact of change in accounting policy (note 45)	**993,385**	**93,529**	**1,086,914**
- as restated	**993,385**	**93,529**	**1,086,914**
Additions	**115,206**	**14,690**	**129,896**
Termination of lease contracts	**(2,100)**	**-**	**(2,100)**
At June 30,	**1,106,491**	**108,219**	**1,214,710**
DEPRECIATION			
At July 1,	-	-	-
Charge for the year	**131,974**	**29,085**	**161,059**
At June 30,	**131,974**	**29,085**	**161,059**
NET BOOK VALUES			
At June 30,	**974,517**	**79,134**	**1,053,651**

(ii) THE COMPANY

2020	Office equipment	Land and buildings	Plant, machinery and motor vehicles	Total
COST	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,				
- as previously reported	-	-	-	-
- impact of change in accounting policy (note 45)	**102**	**21,023**	**3,508**	**24,633**
- as restated and at June 30,	**102**	**21,023**	**3,508**	**24,633**
DEPRECIATION				
At July 1,	-	-	-	-
Charge for the year	**81**	**3,648**	**319**	**4,048**
At June 30,	**81**	**3,648**	**319**	**4,048**
NET BOOK VALUES				
At June 30,	**21**	**17,375**	**3,189**	**20,585**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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 has recent experience in the location and category of the investment being valued. Changes in fair value are included in statements of 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 statements of 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 the statements of profit or loss and other comprehensive income 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 the statements of profit or loss and other comprehensive income.

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.

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.

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
(b) *Fair value model*	**Rs'000**	Rs'000	**Rs'000**	Rs'000
At July 1,				
- as previously reported	**22,661,242**	21,185,687	**4,066,429**	-
- effect of prior year adjustments (note 51)	**(4,322,203)**	(3,033,521)	**9,416,305**	13,293,024
- as restated	**18,339,039**	18,152,166	**13,482,734**	13,293,024
Additions	**952,245**	1,074,203	**3,021**	3,175
Disposals	**(47,280)**	(406,517)	**(234,198)**	(211,116)
Effect of straightlining adjustment on rental income	**21,424**	128,834	**-**	262
Transfer to property, plant and equipment (note 5)	**-**	(675,102)	**-**	-
Transfer to sale of land	**(24,500)**	-	**(2,207,641)**	(1,218)
Transfer from investment in associate	**56,570**	-	**-**	-
Transfer from/(to) inventories (stock of land)	**73,269**	(502,836)	**-**	-
Transfer to non-current assets classified as held for sale (note 20)	**(20,589)**	(97,500)	**-**	-
Transfer from intangible assets (note 8)	**-**	-	**-**	155,159
Transfer to compensation for waiver of rights	**-**	(33,609)	**(6,457)**	(34,796)
Translation difference	**44,900**	7,200	**-**	-
Other movements	**-**	3,669	**-**	(3,628)
Increase in fair value	**403,700**	696,098	**1,868,672**	281,872
Release to statement of comprehensive income	**(3,600)**	(7,567)	**-**	-
At June 30,	**19,795,178**	18,339,039	**12,906,131**	13,482,734

	THE GROUP		THE COMPANY	
(c) The following amounts have been recognised in profit or loss:	**2020**	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rental income derived from investment properties	**1,232,103**	1,113,028	**60,180**	33,916
Direct operating expenses generating rental income	**416,924**	405,756	**-**	-
Direct operating expenses that did not generate rental income	**54,308**	43,688	**-**	-

6. INVESTMENT PROPERTIES (CONT'D)

(d) The investment properties were valued on June 30, 2020 by Qualified independent professional valuers namely Ramiah-Isabel Consultancy Ltd, Messrs John Lang Lasalle and Noor Dilmohamed and Associates.

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.

The valuation was performed 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.

(ii) The fair value of the properties have been computed using the discounted cash flow method ("DCF"). The expected future net income for 5 years 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.

On the other hand, building improvements have been valued to their fair value 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.

Information about fair value measurements using significant unobservable inputs:	Range of unobservable inputs per arpent
Land	**Rs'000**
Established built up /vacant residential and industrial plot - land	**5,000-35,000**
Building	**Rs/sqm**
Established built up /vacant residential and industrial plot - building	**3,880-93,977**

Direct market comparison approach has been used by the independent professional valuer and are based on recent transactions for similar properties in similar location.

Real estate properties were valued on an open market basis by Gexim Real Estate Ltd, independent professional qualified valuers and are classified as level 2.

The valuation consideration takes into account the following:
- the location of the property;
- that this area forms part of an established IRS development with clearances and permits in hand;
- existing new tarred road and utilities;
- the existing facilities; and
- a stable market.

Commercial and industrial properties were valued at year end by Messrs Jones Lang Lasalle, independent professional qualified valuer. These investment properties are classified as level 3 in the fair value hierarchy.

The fair value of the properties were valued using the discounted cash flow method (DCF). The expected future net income for 5 years 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.

Main inputs used in the valuation of commercial properties are as follows:

Reversionary rate	**7.75% - 8.75%**
Discount rate	**10.75% - 14.50%**
Market rental growth	**1% - 5%**
Expense growth	**1% - 7.5%**
Net operating income from properties (Rs'000)	**2,200 - 443,000**
DCF period	**5 years**

6. INVESTMENT PROPERTIES (CONT'D)

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 (primary vs secondary), tenant credit quality and lease terms.	Expected market rental growth (1% - 5%) Void periods (1 to 6 months) Occupancy rate (90% - 100%) Rent-free periods (no rent-free period) Risk-adjusted discount rates (10.75% - 14.5%)	The estimated fair value would increase (decrease) if: • expected market rental growth were higher (lower); • void periods were shorter • rent-free periods were shorter (longer); or • the risk-adjusted discount rate were lower (higher).

(e) The group has pledged part of its investment properties to secure borrowings. Please refer to note 22 for further details.

(f) Details of the investment properties and information about the fair value hierarchy are as follows:

2020	THE GROUP		THE COMPANY	
	Level 2	**Level 3**	**Level 2**	**Level 3**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Land and buildings	**4,483,027**	**15,312,151**	**12,861,981**	**44,150**
2019	**THE GROUP**		**THE COMPANY**	
	Level 2	Level 3	Level 2	Level 3
	Rs'000	Rs'000	Rs'000	Rs'000
Land and buildings	7,814,601	10,524,438	13,337,284	145,450

(g) The table below shows the changes in level 3 instruments for the year ended June 30, 2020 and 2019.

	THE GROUP		THE COMPANY	
THE GROUP	**2020**	2019	**2020**	2019
At July 1	**Rs'000**	Rs'000	**Rs'000**	Rs'000
- as previously reported	**14,463,286**	12,323,770	**145,450**	-
- effect of prior year adjustments (note 51)	**(3,938,848)**	(3,067,263)	**-**	-
- as restated	**10,524,438**	9,256,507	**145,450**	-
Amalgamation adjustment	**-**	-	**-**	152,500
Additions	**4,770,880**	1,224,174	**-**	-
Transfer from/(to) inventories (stock of land)	**71,833**	(71,600)	**-**	-
Transfer to compensation for waiver of rights	**-**	(33,609)	**-**	-
Disposals	**(43,073)**	(406,517)	**(101,400)**	(8,850)
Transfer to non-current assets held for sale	**(20,589)**	(97,500)	**-**	-
Transfer from intangible assets (note 8)	**56,570**	-	**-**	-
Transfer (to)/from level 2	**(6,037)**	-	**-**	-
Transfer from property, plant and equipment (note 5)	**-**	(182,784)	**-**	-
Translation difference	**-**	7,200	**-**	-
Effect of straightlining adjustment on rental income	**21,424**	128,834	**-**	-
Other movements	**-**	3,669	**-**	-
(Decrease)/increase in fair value	**(63,295)**	696,064	**100**	1,800
At June 30,	**15,312,151**	10,524,438	**44,150**	145,450

(h) 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. 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, the basis of valuation is the market value, which is the value for which such asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

7. DEFERRED EXPENDITURE

(a) Accounting policy

Advanced payments

Advanced payments refer to payments made to external parties for the construction of a second golf course. The amount shall only be transferred to property, plant and equipment upon completion of the construction of the golf course.

Land parcelling expenses

Costs associated with the parcelling of land are capitalised and subsequently released to profit or loss in the period in which the sale of land is realised.

Premium on leasehold land

Premium paid on leasehold land is accounted for as deferred expenditure and is included in profit or loss over the number of years remaining on those leases.

Others

In order to match cost and revenue of providing services over the period of the contracts, certain expenditure related thereto is deferred. Professional fees related to the provision of services under the contracts are also included in other deferred expenditure and will be released over the contract period.

Advanced payments refer to payments made to external parties for the construction of a second golf course. The amount shall only be transferred to property, plant and equipment upon completion of the construction of the golf course.

(b)

	2020					2019
	Land parcelling expenses	**Premium on leasehold land**	**Land development expenses**	**Others**	**Total**	Total
THE GROUP	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	Rs'000
At July 1,						
- as previously reported	12,848	10,200	111,382	326,900	461,330	436,932
- effect of prior year adjustments (note 51)	(6,516)	(10,200)	(110,938)	(210,890)	(338,544)	(293,775)
- as restated	6,332	-	444	116,010	122,786	143,157
Additions	145,268	-	-	3,500	148,768	75,150
Transfer to property, plant and equipment	-	-	-	-	-	(31)
Release to profit or loss	-	-	(444)	-	(444)	-
Translation difference	-	-	-	30,490	30,490	(690)
Amortisation charge	-	-	-	(90,400)	(90,400)	(94,800)
At June 30,	**151,600**	**-**	**-**	**59,600**	**211,200**	122,786

THE COMPANY	**2020**	2019
	Land parcelling expenses	Land parcelling expenses
At July 1,	**Rs'000**	Rs'000
- as previously reported	**8,472**	-
- effect of prior year adjustments (note 51)	**(8,472)**	-
- as restated	**-**	-
Amalgamation adjustment	**-**	10,544
Disposals	**-**	(4,029)
Additions	**-**	3,175
Release for the year	**-**	(1,218)
Effect of prior year adjustments	**-**	(8,472)
At June 30,	**-**	-

Additions to deferred expenditure relate to subsequent expenditure.

8. INTANGIBLE ASSETS

(a) Accounting policy

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.

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

Computer software:	2 - 8 years
Customer relationships:	8 years
Concession rights:	9 - 60 years

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

Land conversion rights 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.

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.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

8. INTANGIBLE ASSETS (CONT'D)

(b) THE GROUP

(i) **2020**	Computer software	Goodwill on acquisition of subsidiaries and trading rights	Land derocking	Land conversion rights	Franchise	Milling rights	Other intangible assets	Total
COST	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,								
- as previously reported	342,667	1,203,208	199,679	140,177	19,625	142,902	222,707	2,270,965
- effect of prior year adjustments (note 51)	-	(414,241)	(199,679)	-	-	(142,902)	576,400	(180,422)
- as restated	342,667	788,967	-	140,177	19,625	-	799,107	2,090,543
Additions	5,453	17,001	-	117,400	-	-	16,500	156,354
Disposals	(4,600)	-	-	-	-	-	-	(4,600)
Deconsolidation of subsidiaries	(1,330)	-	-	-	-	-	-	(1,330)
Exchange differences	2,900	-	-	-	-	-	6,100	9,000
At June 30,	**345,090**	**805,968**	**-**	**257,577**	**19,625**	**-**	**821,707**	**2,249,967**
AMORTISATION AND IMPAIRMENT								
At July 1,								
- as previously reported	270,327	(11,447)	144,671	-	5,600	68,194	22,114	499,459
- effect of prior year adjustments (note 51)	(800)	-	(144,671)	-	-	(68,194)	240,300	26,635
- as restated	269,527	(11,447)	-	-	5,600	-	262,414	526,094
Charge for the year	22,894	12,341	-	-	247	-	45,500	80,982
Impairment	6,000	6,845	-	-	1,236	-	-	14,081
Deconsolidation of subsidiaries	(1,013)	5,118	-	-	-	-	-	4,105
At June 30,	**297,408**	**12,857**	**-**	**-**	**7,083**	**-**	**307,914**	**625,262**
NET BOOK VALUES								
At June 30,	**47,682**	**793,111**	**-**	**257,577**	**12,542**	**-**	**513,793**	**1,624,705**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

8. INTANGIBLE ASSETS (CONT'D)

(b) THE GROUP (CONT'D)

(ii) **2019**	Computer software	Goodwill on acquisition of subsidiaries and trading rights	Land derocking	Land conversion rights	Franchise	Milling rights	Other intangible assets	Total
COST	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,								
- as previously reported	352,014	1,225,452	194,571	295,336	13,448	150,091	207,907	2,438,819
- effect of prior year adjustments (note 51)	-	(412,478)	(194,571)	-	-	(150,091)	576,400	(180,740)
- as restated	352,014	812,974	-	295,336	13,448	-	784,307	2,258,079
Acquisition through business combination (note 43)	850	-	-	-	-	-	-	850
Additions	33,142	-	-	-	-	-	14,800	47,942
Disposals	(34,380)	-	-	-	-	-	-	(34,380)
Impairment	(9,000)	(14,100)	-	-	-	-	-	(23,100)
Deconsolidation of subsidiaries	-	(5,200)	-	-	-	-	-	(5,200)
Other movements	-	1,511	-	-	-	-	-	1,511
Transfer to investment properties (note 6)	-	-	-	(155,159)	-	-	-	(155,159)
At June 30,	**342,626**	**795,185**	**-**	**140,177**	**13,448**	**-**	**799,107**	**2,090,543**
AMORTISATION AND IMPAIRMENT								
At July 1,								
- as previously reported	287,340	(10,500)	123,687	-	4,406	68,194	20,514	493,641
- effect of prior year adjustments (note 51)	-	-	(123,687)	-	-	(66,470)	191,600	1,443
- as restated	287,340	(10,500)	-	-	4,406	1,724	212,114	495,084
Acquisition through business combination (note 43)	205	-	-	-	-	-	-	205
Charge for the year	25,721	247	-	-	-	-	50,300	76,268
Impairment	(9,400)	-	-	-	-	(1,724)	-	(11,124)
Disposals adjustments	(34,339)	-	-	-	-	-	-	(34,339)
At June 30,	**269,527**	**(10,253)**	**-**	**-**	**4,406**	**-**	**262,414**	**526,094**
NET BOOK VALUES								
At June 30,	**73,099**	**805,438**	**-**	**140,177**	**9,042**	**-**	**536,693**	**1,564,449**

8. 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 either on the fair value of the cash-generating units determined by external valuers at June 30, 2020 or on the basis of expected cash flows. 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, impairment of Rs.6.8m was recognised during the year (2019: Rs.14.1m) due to decline in performance of some subsidiaries.

(v) Land conversion rights have been tested for impairment.

(vi) Bank borrowings are secured on some of the group's intangible assets. Please refer to note 22 for further details.

(c) THE COMPANY

	Computer software	Land conversion rights	Total
(i) **2020**	Rs'000	Rs'000	Rs'000
COST			
At July 1,	3,872	140,177	144,049
Additions	1	117,400	117,401
At June 30,	**3,873**	**257,577**	**261,450**
AMORTISATION AND IMPAIRMENT			
At July 1,	3,872	-	3,872
Charge for the year	-	-	-
At June 30,	**3,872**	**-**	**3,872**
NET BOOK VALUES			
At June 30,	**1**	**257,577**	**257,578**

	Computer software	Land conversion rights	Total
(ii) **2019**	Rs'000	Rs'000	Rs'000
COST			
At July 1,	-	-	-
Amalgamation adjustment	3,872	295,336	299,208
Transfer to investment properties	-	(155,159)	(155,159)
At June 30,	**3,872**	**140,177**	**144,049**
AMORTISATION AND IMPAIRMENT			
At July 1,	-	-	-
Amalgamation adjustment	3,872	-	3,872
Charge for the year	-	-	-
At June 30,	**3,872**	**-**	**3,872**
NET BOOK VALUES			
At June 30,	**-**	**140,177**	**140,177**

(d) Critical accounting estimates

Estimated impairment of goodwill

The group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in paragraph (a). These calculations require the use of estimates.

9. 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 reduced to recognise any impairment 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.

The excess of the consideration over the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the consideration is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss as bargain purchase.

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.

(b)

THE COMPANY	**2020**			2019
	Official Market	**Unquoted**	**Total**	Total
	Rs'000	**Rs'000**	**Rs'000**	Rs'000
At July 1,	**658,400**	**14,026,111**	**14,684,511**	5,557,054
Amalgamation adjustment	**-**	**-**	**-**	9,970,120
Disposals	**-**	**-**	**-**	(1,209,868)
Additions	**-**	**1,882,781**	**1,882,781**	1,572,062
Capital reduction	**-**	**(507,000)**	**(507,000)**	(30,000)
Fair value adjustments	**(200,621)**	**(2,198,351)**	**(2,398,972)**	(1,174,857)
At June 30,	**457,779**	**13,203,541**	**13,661,320**	14,684,511

The fair value of investments in subsidiary companies was determined at June 30, 2020 by Qualified independent professional valuers. The valuation was based on a combination of adjusted net assets, discounted cash flow basis and capitalised earnings.

(c) 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.

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

	2020	2019
	Rs'000	Rs'000
Level 3	**13,661,320**	14,684,511

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(d) The changes in level 3 instruments for the year ended June 30, 2020 and 2019 were as follows:

	2020	2019
THE COMPANY	**Rs'000**	Rs'000
At July 1,	**14,684,511**	5,557,054
Amalgamation adjustment	**-**	9,970,120
Disposals	**-**	(1,209,868)
Additions	**1,882,781**	1,572,062
Capital reductions	**(507,000)**	(30,000)
Fair value adjustments	**(2,398,972)**	(1,174,857)
At June 30,	**13,661,320**	14,684,511

The table below sets out information about significant unobservable inputs used at June 30, 2020 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

	Valuation technique 2020 & 2019	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
Investments in subsidiary companies	Discounted cash flow	Discount rate	9.11% - 16.39%	The estimated fair value would increase/ (decrease) if discount rate were lower/ (higher).
	EBITDA multiple	Multiple	3.7x - 14.6x	The estimated fair value would increase/ (decrease) if discount rate were lower/ (higher).
		Discount rate	11.15% - 45%	The estimated fair value would increase/ (decrease) if discount were lower/ (higher).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(e) The list of the group's subsidiary companies at June 30, 2020 and 2019 were as follows:

	2020					2019					
	Proportion of ownership interest					Proportion of ownership interest					
Name of company	**Stated capital**	**Holding company**	**Subsidiary companies**	**Effective holding**	**Non-controlling interests**	Stated capital	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	Rs '000	**%**	**%**	**%**	**%**	Rs '000	%	%	%	%	
Corporate office:											
ENL Portfolio Managers Limited (vi)	**-**	**N/A**	**N/A**	**N/A**	**N/A**	-	N/A	N/A	N/A	N/A	Dormant
ENL Foundation	**1**	**100.00**	**-**	**100.00**	**-**	1	100.00	-	100.00	-	CSR
ENL Corporate Services Limited	**5,500**	**100.00**	**-**	**100.00**	**-**	5,500	100.00	-	100.00	-	Service provider
Turbine Incubator Limited	**1**	**100.00**	**-**	**100.00**	**-**	1	100.00	-	100.00	-	Business incubator (non-profit making company)
ENL Limited (ii)	**-**	**N/A**	**N/A**	**N/A**	**N/A**	-	N/A	N/A	N/A	N/A	Investment holding
Land and investments:											
ENL Corporate Ventures Limited	**133,208**	**100.00**	**-**	**100.00**	**-**	133,208	100.00	-	100.00	-	Corporate venture fund
ENL Finance Limited (ii)	**-**	**N/A**	**N/A**	**N/A**	**N/A**	-	N/A	N/A	N/A	N/A	Investment holding
ENL Land Ltd (ii)	**-**	**N/A**	**N/A**	**N/A**	**N/A**	-	N/A	N/A	N/A	N/A	Investment holding
ENL Secretarial Services Ltd	**1**	**100.00**	**-**	**100.00**	**-**	-	N/A	N/A	N/A	N/A	Service provider
Rogers Corporate Services Ltd	**357,543**	**-**	**59.73**	**59.73**	**40.27**	357,543	-	100.00	59.73	40.27	Dormant
Rogers & Co Ltd	**252,000**	**6.73**	**53.00**	**59.73**	**40.27**	252,000	6.73	53.00	59.73	40.27	Investment holding
Rogers Consolidated Shareholding Limited	**16,860**	**100.00**	**-**	**100.00**	**-**	16,860	100.00	-	100.00	-	Investment holding
Societé Reunion	**8,620**	**100.00**	**-**	**100.00**	**-**	8,620	100.00	-	100.00	-	Investment holding
Tambourissa Limited	**581,152**	**100.00**	**-**	**100.00**	**-**	581,152	100.00	-	100.00	-	Investment holding
FinTech:											
Cheribinny Limited (i)	**45,947**	**-**	**100.00**	**58.84**	**41.16**	-	N/A	N/A	N/A	N/A	Consumer finance
Rogers Capital Nominee 2 Ltd (viii)	**-**	**-**	**100.00**	**58.84**	**41.16**	-	-	100.00	58.81	41.19	Global business
Rogers Capital City Executives Ltd (viii)	**50**	**-**	**100.00**	**58.84**	**41.16**	50	-	100.00	58.81	41.19	Global business
Rogers Capital Outsourcing Ltd (viii)	**15,000**	**-**	**100.00**	**58.84**	**41.16**	15,000	-	100.00	58.81	41.19	IT services
Rogers Capital Technology Services Ltd (viii)	**15,977**	**-**	**100.00**	**58.84**	**41.16**	15,977	-	100.00	58.81	41.19	IT services
Enterprise Information Systems Ltd (Kenya) (viii)	**-**	**-**	**100.00**	**58.84**	**40.27**	-	-	100.00	58.81	41.19	IT services
Rogers Capital Accounting Services Ltd (viii)	**-**	**-**	**100.00**	**58.84**	**41.16**	-	-	100.00	58.81	41.19	Global business
Rogers Capital Actuarial Services Ltd	**-**	**N/A**	**N/A**	**N/A**	**N/A**	1,100	-	100.00	58.81	41.19	Actuarial services
Rogers Capital Business Services Ltd (viii)	**-**	**-**	**100.00**	**58.84**	**41.16**	-	-	100.00	58.81	41.19	Global business
Rogers Capital Corporate Services (Singapore) Pte Ltd (viii)	**238**	**-**	**100.00**	**58.84**	**41.16**	238	-	100.00	58.81	41.19	Global business
Rogers Capital Corporate Services (Seychelles) Ltd (viii)	**404**	**-**	**100.00**	**58.84**	**41.16**	404	-	100.00	58.81	41.19	Global business
Rogers Capital Corporate Services Ltd (viii)	**782**	**-**	**100.00**	**58.84**	**41.16**	782	-	100.00	58.81	41.19	Global business
Rogers Capital Finance Ltd (viii)	**600,020**	**-**	**100.00**	**58.84**	**41.16**	250,000	-	100.00	58.81	41.19	Dormant
Rogers Capital Nominee Ltd (viii)	**-**	**-**	**100.00**	**58.84**	**41.16**	-	-	100.00	58.81	41.19	Global business
Rogers Capital Fund Services Ltd (viii)	**527**	**-**	**100.00**	**58.84**	**41.16**	500	-	100.00	58.81	41.19	Global business
Rogers Capital Nominee 1 Ltd (viii)	**-**	**-**	**100.00**	**58.84**	**41.16**	-	-	100.00	58.81	41.19	Global business
Rogers Capital Captive Insurance Management Services Ltd (viii)	**2,215**	**-**	**100.00**	**58.84**	**41.16**	2,215	-	100.00	58.81	41.19	Global business
Rogers Capital Specialist Services Ltd (viii)	**100**	**-**	**100.00**	**58.84**	**41.16**	100	-	100.00	58.81	41.19	Global business
River Court Nominees Limited (viii)	**100**	**-**	**100.00**	**58.84**	**41.16**	100	-	100.00	58.81	41.19	Global business
Rogers Capital Payroll Services Ltd (viii)	**10**	**-**	**100.00**	**58.84**	**41.16**	10	-	100.00	58.81	41.19	Payroll services
Rogers Capital Trustees Services Ltd (viii)	**1,400**	**-**	**100.00**	**58.84**	**41.16**	1,400	-	100.00	58.81	41.19	Global business
Rogers Capital Investment Advisors Ltd (viii)	**11,000**	**-**	**100.00**	**58.84**	**41.16**	11,000	-	100.00	58.81	41.19	Asset management
Rogers Capital Ltd (viii)	**999,759**	**17.66**	**69.00**	**58.84**	**41.16**	699,739	25.06	56.50	58.81	41.19	Investment holding
Globefin Corporate Services Ltd	**-**	**-**	**100.00**	**58.82**	**41.18**	-	-	100.00	58.82	41.18	Global business
Globefin Nominee Ltd	**11**	**-**	**100.00**	**58.82**	**41.18**	10	-	100.00	58.82	41.18	Global business
Rogers Capital Management Services Ltd	**601**	**-**	**100.00**	**58.82**	**41.18**	601	-	100.00	58.82	41.18	Investment
Rogers Capital Payment Solutions Ltd	**-**	**-**	**100.00**	**58.82**	**41.18**	-	-	100.00	58.82	41.18	Payment Solutions

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(e) The list of the group's subsidiary companies at June 30, 2020 and 2019 were as follows (cont'd):

	2020					2019					
		Proportion of ownership interest					Proportion of ownership interest				
Name of company	Stated capital	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Stated capital	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	Rs '000	%	%	%	%	Rs '000	%	%	%	%	
Commerce and industry:											
Axess Limited	277,072	-	100.00	100.00	-	277,072	-	100.00	100.00	-	Sale and servicing of motor vehicles
Box Manufacturing Company Limited	12,094	-	100.00	100.00	-	7,894	-	100.00	100.00	-	Manufacture of carton boxes
Cogir Limitée (v)	-	N/A	N/A	N/A	N/A	-	N/A	N/A	N/A	N/A	Construction
Commercial Investment Property Fund Limited	162,480	-	100.00	100.00	-	112,300	-	100.00	100.00	-	Owner of properties
ENL Commercial Limited (ii and iii)	1,396,341	100.00	-	100.00	-	1,281,061	100.00	-	100.00	-	Investment holding
Grewals (Mauritius) Limited	165,595	N/A	100.00	100.00	-	165,595	-	100.00	100.00	-	Saw millers and timber merchants
Indoor & Outdoor Living Ltd	-	-	N/A	N/A	N/A	46,136	N/A	99.99	99.99	0.01	Supply of towels and other related products
Nabridas International Ltd	100	-	100.00	100.00	-	100	-	100.00	100.00	-	Dealer in swimming pools
Nabridas Ltd	26,750	-	100.00	100.00	-	26,750	-	100.00	100.00	-	Producer and dealer in swimming pools
Packestate Limited (v)	-	N/A	N/A	N/A	N/A	-	N/A	N/A	N/A	N/A	Rental of industrial buildings
Plastinax Austral Limitée	189,467	-	99.40	99.40	0.60	189,467	-	99.40	99.40	0.60	Manufacture of sunglasses
Joinery and Metal Distribution International Ltd (vii)	10,500	-	75.76	75.76	24.24	10,500	-	75.76	75.76	24.24	Distributor of aluminium products
Logistics:											
Associated Container Services Ltd (viii)	93,877	-	100.00	39.15	60.85	18,301	-	100.00	39.80	60.20	Port related services
Cargo Express Madagascar S.A.R.L	168	-	100.00	39.56	60.44	168	-	100.00	39.56	60.44	Freight forwarding
Express Logistics Solutions Ltd	1	-	100.00	39.56	60.44	1	-	100.00	39.56	60.44	Dormant
FOM Warehouse Ltd (viii)	100	-	96.00	19.91	80.09	100	-	96.00	49.55	50.45	Port related services
Freeport Operations (Mtius)Ltd (viii)	178,429	-	100.00	39.15	60.85	133,447	-	100.00	39.79	60.21	Port related services
General Cargo Services Limited	889	-	100.00	20.18	79.82	889	-	100.00	20.18	79.82	Port related services
Gencargo (Transport) Limited (viii)	1,422	-	100.00	20.18	79.82	1,422	-	80.00	16.14	83.86	Transport services
Global Air Cargo Services Ltd (i)	433	-	50.00	39.72	60.28	-	N/A	N/A	N/A	N/A	Freight forwarding
Logistics Solution Ltd (viii)	525,690	-	100.00	39.15	60.85	360,483	-	100.00	39.80	60.20	Investment holding
MTL Logistics & Distributions Ltd (viii)	1,688	-	100.00	39.15	60.85	1,688	-	100.00	39.80	60.20	Transport company
P.A.P.O.L.C.S. Ltd	100	-	80.00	18.99	81.01	100	-	80.00	18.99	81.01	Stevedoring
Papol Holding Limited	100	-	60.00	23.74	76.26	100	-	60.00	23.74	76.26	Investment holding
Rogers International Distribution Services Limitada	39,493	-	100.00	39.56	60.44	39,493	-	100.00	39.56	60.44	Freight forwarding
Rogers International Distribution Services S.A	1,790	-	100.00	39.56	60.44	28,921	-	100.00	39.56	60.44	Freight forwarding
Rogers International Distribution Services S.A.R.L	8		100.00	39.56	60.44	8	-	100.00	39.56	60.44	Freight forwarding
Rogers Logistics International Ltd	156,352	-	100.00	39.56	60.44	80,204	-	100.00	39.56	60.44	Freight forwarding
Rogers Logistics Services Company Ltd	100	-	100.00	39.56	60.44	100	-	100.00	39.56	60.44	Freight forwarding
Rogers Shipping Ltd	721	-	100.00	27.15	72.85	721	-	100.00	27.15	72.85	Freight forwarding
Rogers Shipping Pte Ltd	3	-	51.00	20.18	79.82	3	-	51.00	20.18	79.82	Shipping agency
Southern Marine & Co Ltd	500	-	100.00	27.15	72.85	500	-	100.00	27.15	72.85	Shipping services
Sukpak Ltd	1,200	-	70.00	27.69	72.31	1,200	-	70.00	27.69	72.31	Packing of special sugars
Rennel Limited	9,900	-	100.00	100.00	-	9,900	-	100.00	100.00	-	Courier service
Freight Link Limited	1,001	-	100.00	100.00	-	1,001	-	100.00	100.00	-	Courier service

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(e) The list of the group's subsidiary companies at June 30, 2020 and 2019 were as follows (cont'd):

	2020					2019					
		Proportion of ownership interest					Proportion of ownership interest				
Name of company	Stated capital	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Stated capital	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	Rs '000	%	%	%	%	Rs '000	%	%	%	%	
Logistics (cont'd):											
Thermoil Company Ltd	100	-	78.00	46.59	53.41	100	-	78.00	46.59	53.41	Bitumen agency
Transworld International Ltd	25	-	100.00	39.56	60.44	25	-	100.00	39.56	60.44	Dormant
Velogic Depot and Warehouse Ltd	300	-	100.00	39.56	60.44	300	-	100.00	39.56	60.44	Dormant
Velogic Express Reunion	8,341	-	100.00	39.56	60.44	8,341	-	100.00	39.56	60.44	Courier
Velogic Garage Services Ltd (viii)	10,999	-	100.00	39.15	60.85	50	-	100.00	39.80	60.20	Transport company
Velogic Haulage Services Ltd (viii)	31,514	-	100.00	39.15	60.85	975	-	100.00	39.80	60.20	Transport services
Velogic Holding Company Ltd	1,019,294	-	66.20	39.56	60.44	1,019,294	-	66.20	39.56	60.44	Investment holding
Velogic India Private Ltd	11,156	-	100.00	39.56	60.44	11,156	-	100.00	39.56	60.44	Freight forwarding
Velogic Ltd	83,985	-	100.00	39.56	60.44	83,985	-	100.00	39.56	60.44	Freight forwarding
Velogic Sea Frigo R'Frigo S.A	4,085	-	100.00	39.56	60.44	4,085	-	100.00	39.56	60.44	Freight forwarding
VK Logistics Ltd	163,814	-	51.00	20.18	79.82	163,814	-	51.00	20.18	79.82	Investment holding
Hospitality:											
Adnarev Ltd (viii)	76,464	-	100.00	41.02	58.98	76,464	-	100.00	47.90	52.10	Hotel
Ario (Seychelles) Ltd	47	-	100.00	59.73	40.27	47	-	100.00	59.73	40.27	GSA of airlines
BEAVIA Kenya Limited	35	-	70.00	41.81	58.19	35	-	70.00	41.81	58.19	Travel agency
Bel Ombre Seashells Co Ltd (i)	1		100.00	41.03	58.97	-	N/A	N/A	N/A	N/A	Seashell museum
Blue Alize Ltd (viii)	-	-	80.00	32.81	67.19	-	-	80.00	38.35	61.65	Catamaran sightseeing tours
Blue Sky Madagascar SARLU	1,080	-	100.00	59.73	40.27	1,070	-	100.00	59.73	40.27	Travel agency
Blue Sky Réunion SAS	5,513	-	100.00	59.73	40.27	2,813	-	100.00	59.73	40.27	Travel agency
BookSimply Ltd (i)	1		100.00	41.03	58.97	-	N/A	N/A	N/A	N/A	Reservation of leisure activities
Border Air Ltd (i)	-		100.00	59.73	40.27	-	N/A	N/A	N/A	N/A	GSA of airlines
BS Travel Management Limitada	216	-	100.00	59.73	40.27	216	-	100.00	59.73	40.27	GSA of airlines
BS Travel Management Ltd	25,000	-	100.00	59.73	40.27	25,000	-	100.00	59.73	40.27	Travel agency
BS Travel Mayotte		-	100.00	59.73	40.27	325	-	100.00	59.73	40.27	Travel agency
Croisières Australes Ltée	3,225	-	100.00	41.02	58.98	3,225	-	100.00	59.73	40.27	Catamaran sightseeing tours
DOMC Ltd (viii)	80,400	-	40.00	20.16	79.84	57,000	-	51.00	24.43	75.57	Leisure
Cap D'Abondance Ltd (viii)	13,000	-	100.00	41.02	58.98	-	-	100.00	47.90	52.10	Leisure
Heritage Events Company Limited (viii)	100	-	100.00	41.02	58.98	100	-	100.00	47.90	52.10	Investment holding
Heritage Golf Club Ltd (viii)	310,350	-	100.00	59.73	40.27	310,350	-	100.00	39.36	60.64	Golf course
Heritage Golf Management Ltd (viii)	500	-	75.00	29.64	70.36	500	-	75.00	35.96	64.04	Golf management
Hotels Operations Company Ltd (viii)	10	-	100.00	41.02	58.98	10	-	100.00	47.90	52.10	Hotels operations
Restaurants Operations Company Ltd (viii)	10	-	100.00	41.02	58.98	10	-	100.00	47.90	52.10	Restaurants operations
Islandian Ltd	70,094		97.60	58.30	41.70	70,094	-	97.60	54.06	45.94	Online tour operating
Islandian SARL	461	-	90.50	54.06	45.94	461	-	90.50	54.06	45.94	Online tour operating
Plaisance Air Transport Services Ltd	1,500	-	100.00	59.73	40.27	1,500	-	100.00	59.73	40.27	Warehousing
Resaplanet Ltd	19,094	-	90.50	54.06	45.94	19,094	-	90.50	54.06	45.94	Online tour operating
Rogers Aviation (Mauritius) Ltd	2,525	-	100.00	59.73	40.27	2,525	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Comores S.A.R.L	824	-	100.00	59.73	40.27	824	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation France S.A.R.L	20,760	-	100.00	59.73	40.27	20,760	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Holding Company Ltd	115,410	-	100.00	59.73	40.27	115,410	-	100.00	59.73	40.27	Investment holding
Rogers Aviation International Ltd	51,390	-	100.00	59.73	40.27	51,390	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Kenya Ltd	396	-	100.00	59.73	40.27	396	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Madagascar S.A.R.L	1,910	-	100.00	59.73	40.27	1,910	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Mayotte S.A.R.L	490	-	100.00	59.73	40.27	490	-	100.00	59.73	40.27	GSA of airlines
Rogers Aviation Mozambique Limitada	54	-	100.00	59.73	40.27	54	-	100.00	59.73	40.27	GSA of airlines

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(e) The list of the group's subsidiary companies at June 30, 2020 and 2019 were as follows (cont'd):

	2020					2019					
		Proportion of ownership interest					Proportion of ownership interest				
Name of company	Stated capital	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Stated capital	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	Rs '000	%	%	%	%	Rs '000	%	%	%	%	
Hospitality:											
Case Noyale Ltée	7	-	53.60	22.30	77.70	7	-	53.60	22.30	77.70	Agriculture and leisure
Rogers Aviation Reunion	20,001	-	100.00	59.73	40.27	20,001	-	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
Rogers Aviation South Africa (PTY) Ltd	-	-	100.00	59.73	40.27	-	-	100.00	59.73	40.27	GSA of airlines
Seven Colours Spa Ltd (viii)	20,025	-	100.00	42.35	57.65	20,025	-	100.00	47.90	52.10	Management services
Sports-Event Management Operation Co Ltd (viii)	7,501	-	100.00	27.71	72.29	7,500	-	25.00	31.18	68.82	Leisure
Sweetwater Ltd (viii)	11,300	-	55.00	21.74	78.26	11,300	-	55.00	26.34	73.66	Leisure
Transcontinent S.A.R.L (viii)	617	-	66.60	40.02	59.98	617	-	66.60	39.78	60.22	Travel agency
Veranda Tamarin Ltd (viii)	210,000	-	50.00	20.16	79.84	210,000	-	51.00	24.43	75.57	Hotel
VLH Ltd (viii)	1,501,304	-	68.70	41.34	58.66	733,329	-	83.00	47.90	52.10	Hotel
VLH Training Ltd (viii)	1,015	-	100.00	42.35	57.65	1,015	-	100.00	47.90	52.10	Management services
Bagatelle Hotel Operations Company Limited (viii)	20,424	-	100.00	41.02	58.98	20,424	-	100.00	47.90	52.10	Provision of hotel and hospitality services
CCC LAH Limited (viii)	14,500	-	86.20	35.57	64.43	14,500	-	86.20	41.33	58.67	Restaurant operator
Island Living Ltd (viii)	213,382	-	100.00	41.02	58.98	112,381	-	80.20	47.90	52.10	Investment holding
Seafood Basket Limited (viii)	25,107	-	100.00	41.02	58.98	25,106	-	100.00	47.90	52.10	Restaurant operator
Agro-industry:		-									
Agrex Limited	7,540	-	100.00	100.00	-	7,540	-	100.00	100.00	-	Sale of agro-supply products
Agria Ltd (formerly Cie. Sucrière de Bel Ombre Ltd) (viii)	33,300	-	53.50	22.19	77.81	33,300	-	53.50	22.25	77.75	Agriculture & investment
ENL Agri Ltd	479,741	100.00	-	100.00	-	479,741	100.00	-	100.00	-	Agricultural activities
Enquickfix Limited	1,201	-	100.00	100.00	-	1,201	-	100.00	100.00	-	Dormant
ESP Landscapers Ltd (viii)	10,000	-	100.00	100.00	-	10,000	-	100.00	84.45	15.55	Landscaping services
Exotiflors Limited	700	-	100.00	100.00	-	700	-	100.00	100.00	-	Dormant
Mon Desert Alma Sugar Milling Company Limited	83,934	-	80.00	80.00	20.00	157,816	-	80.00	80.00	20.00	Agricultural activities
Sygeco Limited	801	-	100.00	100.00	-	801	-	100.00	100.00	-	Provision of syndic services
Property:											
Ascencia Limited (viii)	4,460,068	-	61.00	46.45	53.55	4,411,401	-	61.94	47.01	52.99	Property Fund
Bagaprop Limited (viii)	1,252,101	-	100.00	46.45	53.55	1,252,101	-	100.00	47.01	52.99	Property
Enatt Ltd	74,790	19.71	37.10	56.80	43.20	74,790	19.71	37.10	56.80	43.20	Property and asset management
ENL Property Limited	4,907,999	100.00	-	100.00	-	3,720,000	100.00	-	100.00	-	Property development services
Envolt Ltd	50,501	100.00	-	100.00	-	50,501	100.00	-	100.00	-	Producer of electricity
Espral International Ltd	9,900	-	100.00	100.00	-	9,900	-	100.00	100.00	-	Real estate marketing
Espral Limited (iv)	-	N/A	N/A	N/A	N/A	-	N/A	N/A	N/A	N/A	Land development services
Foresite Property Holding Ltd	1,028,269	-	100.00	59.73	40.27	1,028,269	-	100.00	59.73	40.27	Property
FPHL Infra Ltd	27,531	-	80.27	80.27	19.73	27,531	-	100.00	80.27	19.73	Dormant

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(e) The list of the group's subsidiary companies at June 30, 2020 and 2019 were as follows (cont'd):

	2020					2019					
		Proportion of ownership interest					Proportion of ownership interest				
Name of company	Stated capital	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Stated capital	Holding company	Subsidiary companies	Effective holding	Non-controlling interests	Main business
	Rs '000	%	%	%	%	Rs '000	%	%	%	%	
Property:											
Gardens of Bagatelle Ltd (vi)	-	N/A	N/A	N/A	N/A	-	N/A	N/A	N/A	N/A	Property
Le Marche du Moulin Ltd	1,156	-	100.00	32.19	67.81	1,156	-	100.00	32.19	67.81	Retail
Les Villas de Bel Ombre Amenities Ltd	35	-	100.00	53.65	46.35	35	-	100.00	53.65	46.35	Construction of sports complex and beach club for IRS home owners association
Le Floreal Commercial Centre Limited	324,000	-	100.00	46.45	53.55	324,000	-	100.00	46.45	53.55	Property
Le Sunset Commercial Limited	80,000	-	100.00	100.00	-	80,000	-	100.00	100.00	-	Real estate and property developer
Les Villas de Bel Ombre Ltée	291,135	40.00	60.00	53.35	46.65	291,135	40.00	60.00	53.35	46.65	Construction and sale of villas
Moka City Ltd (viii)	4,398,946	-	65.59	65.59	34.41	2,398,947	-	79.69	79.69	20.31	Land and property developer
Motorcity Ltd (ix)	-	N/A	N/A	N/A	N/A	151,675	-	100.00	88.48	11.52	Property
Motor Traders Ltd	700	-	100.00	59.73	40.27	700	-	100.00	59.73	40.27	Property
Reliance Facilities Ltd	-	N/A	N/A	N/A	N/A	-	N/A	N/A	N/A	N/A	Dormant
Reliance Security Services Ltd	-	N/A	N/A	N/A	N/A	-	N/A	N/A	N/A	N/A	Dormant
Reliance Systems Ltd	-	N/A	N/A	N/A	N/A	-	N/A	N/A	N/A	N/A	Dormant
S&W Synergy Ltd (viii)	41,911	34.88	53.50	69.96	30.04	41,911	34.88	42.63	77.51	22.49	Management of sports complex
Savannah Properties Ltd	1	100.00	-	100.00	-	1	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	4,950	-	68.90	41.12	58.88	4,950	-	68.90	41.12	58.88	Investment holding
Oficea Company Limited (viii)	1,697,960	1.99	77.55	79.54	20.46	886,285	3.01	85.47	88.48	11.52	Rental of offices
Villas Valriche Resorts Ltd	1	-	100.00	32.19	67.81	1	-	100.00	32.19	67.81	Rental pool management company
Courchamps Development	199,735	-	66.50	66.50	33.50	199,735	-	66.50	66.50	33.50	Property
Courchamps Properties	495,000	-	100.00	100.00	-	495,000	-	100.00	100.00	-	Property
Moka Residentiel	40,000	-	100.00	100.00	-	40,000	-	100.00	100.00	-	Property
SB Cattle	21,000	100.00	-	100.00	-	21,000	100.00	-	100.00	-	Farming
Beau Vallon Shopping Mall	208,400	-	100.00	51.62	48.38	208,400	-	100.00	51.62	48.38	Property
Telfair Square (viii)	116,001	-	100.00	65.84	34.16	116,001	-	100.00	79.70	20.30	Property
Gros Bois Development	180,001	-	100.00	100.00	-	150,001	-	100.00	100.00	-	Property

N/A refers to all information that is not available.

Ordinary shares are issued by the above subsidiaries and their statutory reporting date is June 30, 2020.

Bank borrowings are secured on some of the group's investments. Please refer to note 22 for further details.

(i) These are new subsidiaries of the group.

(ii) ENL Land Ltd, ENL Finance Limited, ENL Commercial Limited, ENL Limited and La Sablonniere Limited have amalgamated with and into La Sablonniere Limited during financial year ended June 30, 2019. Following the amalgamation La Sablonniere Limited has changed its name to ENL Limited.

(iii) Another company named, ENL Commercial Limited, has been incorporated during the financial year ended June 30, 2019.

(iv) In 2019, Espral Ltd has been amalgamated with ENL Property, with ENL Property remaining as the surviving entity.

(v) Packestate and Cogir Limitée have been deconsolidated in 2019.

(vi) Investment in these subsidiaries have been derecognised during the year.

(vii) Joinery and Metal Distribution International Ltd has been transferred from associate to subsidiary during the financial year ended June 30, 2019 as the group acquired majority stake for strategic purposes.

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

(ix) Motorcity Ltd was amalgamated into Oficea Ltd on July 1, 2019.

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

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

	Country of incorporation/ Place of business
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
BS Travel Mayotte	Mayotte
BEAVIA Kenya Limited	Republic of Kenya
Blue Sky Réunion SAS	Reunion Island
Cargo Express Madagascar S.A.R.L.	Republic of Malagasy
Enterprise Information Systems Ltd (Kenya)	Republic of Kenya
Gencargo (Transport) Limited	Republic of Kenya
General Cargo Services Limited	Republic of Kenya
Islandian S.A.R.L	Reunion Island
Roqers Capital Corporate Services (Singapore) Pte Ltd	Republic of Singapore
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 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 International Distribution Services S.A.	French Republic
Rogers Shippinq Pte Ltd	Republic of Singapore
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

(g) 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:

	(Loss)/profit allocated to non-controlling shareholders	Accumulated non-controlling interests at June 30,
	Rs'000	Rs'000
2020		
Rogers & Co Ltd	**(111,020)**	**13,425,167**
2019		
Rogers & Co Ltd	806,260	12,863,540

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(h) 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	(Loss)/ profit for the year	Other comprehensive income for the year	Total comprehensive income for the year	Dividend paid to non-controlling shareholders
2020	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Rogers & Co Ltd	**5,762,700**	**32,944,800**	**7,351,600**	**12,084,600**	**9,169,300**	**(418,400)**	**29,200**	**(389,200)**	**204,600**
2019									
Rogers & Co Ltd	5,241,500	31,151,800	6,391,700	10,756,400	10,246,600	1,174,200	234,700	1,408,900	295,900

(ii) Summarised cash flow information:

	Operating activities	Investing activities	Financing activities	Net increase/ (decrease) in cash and cash equivalents
2020	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Rogers & Co Ltd	**575,500**	**(382,300)**	**642,100**	**835,300**
2019				
Rogers & Co Ltd	(151,800)	(943,900)	505,900	(589,800)

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

(i) 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.

10. 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.

Dilution gains and losses arising on investments in associated companies are recognised in profit or loss.

(b) THE GROUP	**2020**	2019
	Rs'000	Rs'000
At July 1,		
- as previously reported	**9,883,961**	9,351,461
- effect of prior year adjustments (note 51)	**54,884**	128,274
- as restated	**9,938,845**	9,479,735
Additions	**824,984**	99,727
Disposals	**(882,800)**	(7,932)
Transfer to investments in subsidiary companies	**-**	(12,671)
Share of profits less losses of associated companies	**(354,060)**	223,502
Share of other comprehensive income of associated companies	**(739,933)**	388,548
Movement in non-distributable reserve	**-**	(189,000)
Impairment of goodwill	**(14,444)**	-
Other movements	**(157,647)**	(43,064)
At June 30,	**8,614,945**	9,938,845

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

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

			2020 & 2019			
			Proportion of ownership interest			
	Year end	Country of incorporation	Holding company	Subsidiary companies	Effective holding	Principal activity
Agro-industry:			%	%	%	
Avipro Co Ltd (ii)	June 30,	Mauritius	-	N/A	N/A	Poultry farming and food processing
Bioculture (Mauritius) Ltd	Dec 31,	Mauritius	-	25.40	15.17	Breeding and export of primates
Charles Telfair Ltd	June 30,	Mauritius	8.33	16.67	18.29	Tertiary education
Management and Development Company Limited (ii)	June 30,	Mauritius	-	34.98	39.00	Investment holding
Société Amstramdram	June 30,	Mauritius	-	48.98	48.98	Investment holding
Emerald (Mauritius) Ltd	June 30,	Mauritius	50.00	-	50.00	Dormant
Commerce and industry:						
We SimplyFile Ltd	June 30,	Mauritius	-	35.00	35.00	Document management solutions
Formation Recrutement et Conseil en Informatique Limitee	June 30,	Mauritius	-	47.14	47.14	Provider of IT services
Interex S.A.	June 30,	Madagascar	-	50.00	50.00	Courier services
Mauritian Commodities and Allied Services Company Ltd	Sep 30,	Mauritius	-	25.60	15.29	Coal supplier
Retail Lab Ltd	June 30,	Mauritius	-	50.00	28.40	Marketing activities
Sainte Marie Crushing Plant Ltd	June 30,	Mauritius	-	8.80	5.26	Manufacture and sale of building materials
Superdist Ltd	Dec 31,	Mauritius	-	45.00	45.00	IT hardware wholesaler
Building & Civil Engineering Co. Ltd	June 30,	Mauritius	-	30.00	30.00	Construction

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

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

			2020 & 2019			
			Proportion of ownership interest			
	Year end	Country of incorporation/ Place of business	Holding company	Subsidiary companies	Effective holding	Principal activity
			%	%	%	
Property:						
B.R.E Ltd	June 30,	Mauritius	-	29.79	29.79	Property
Footfive Limited	June 30,	Mauritius	-	25.00	25.00	Rental of gymnasium
Le Morne Development Corporation Ltd	Sep 30,	Mauritius	-	20.00	11.95	Property
Semaris Limited (iii)	June 30,	Mauritius	15.24	22.90	28.98	Property
Hospitality:						
Air Cargo Service Madagascar Ltd	Dec 31,	Madagascar	-	50.00	29.87	Ground handling services
Blue Connect Ltd	Sep 30,	Mauritius	-	30.00	17.92	Business process outsourcing outsourcing
Lagoona Cruise Ltd	June 30,	Mauritius	-	33.00	19.71	Boat cruises activities
Mozambique Airport Handling Services Limitada	Sep 30,	Mozambique	-	29.00	17.32	Ground handling services
New Mauritius Hotels Limited	Sep 30,	Mauritius	15.24	22.90	28.92	Hospitality
Société Pur Blanca	Sep 30,	Mauritius	-	49.00	29.27	Investment
FinTech:						
Swan Financial Solutions Ltd	Dec 31,	Mauritius	-	20.00	11.95	Insurance
Swan General Ltd	Dec 31,	Mauritius	-	29.40	17.56	Insurance

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

For companies with non co-terminous year end, management accounts to June 30 have been included in the consolidated financial statements. The financial information of Swan General Ltd used for equity accounting is for the nine months ended March 31, 2020. The group changed its period for equity accounting of Swan General Ltd from year ended June 30 to year ended March 31 due to the impracticability of obtaining audited figures of Swan General Ltd for June 30, 2020.

Bank borrowings are secured on some of the group's assets. Please refer to note 22 for further details.

(i) At June 30, 2020, the fair value of the group's interest in New Mauritius Hotels Limited, Semaris Ltd and Swan General Ltd, which are listed on the Stock Exchange of Mauritius were Rs.892.9m, Rs.174.6m and Rs.421.1m respectively (2019: Rs.3,541m for New Mauritius Hotels Limited and Rs.836.0m for Swan General Ltd respectively) based on the quoted market price available which is a level 1 input in terms of IFRS 13.

(ii) The shares in Avipro Co Ltd were acquired by Management and Development Company Limited (MADCO) and the company was issued MADCO shares in exchange.

(iii) This is a new associate of the group.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

10. 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 income for the year	Total comprehensive income for the year
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2020									
Charles Telfair Ltd	**June 30,**	**127,374**	**362,033**	**42,240**	**120,702**	**201,723**	**55,884**	**(30,534)**	**25,349**
Formation Recrutement & Conseil en Informatique Limitée	**June 30,**	**123,476**	**53,020**	**95,171**	**36,043**	**326,282**	**17,133**	**2,394**	**19,526**
Management and Development Company Limited	**June 30,**	**4,977,766**	**10,979,037**	**3,328,774**	**3,755,499**	**11,364,239**	**240,254**	**(190,561)**	**49,693**
New Mauritius Hotels Limited	**Sep 30,**	**3,122,200**	**32,837,800**	**6,691,800**	**22,098,800**	**7,475,000**	**(935,300)**	**(1,590,500)**	**(2,525,800)**
Semaris Limited	**June 30,**	**4,399,200**	**2,085,400**	**1,050,100**	**2,268,600**	**176,500**	**(682,300)**	**254,100**	**(428,200)**
Superdist Limited	**Dec 31,**	**156,486**	**12,593**	**69,937**	**10,791**	**583,040**	**23,469**	**-**	**23,469**
Swan General Ltd	**Dec 31,**	**13,226,800**	**34,750,200**	**815,200**	**43,594,500**	**6,813,200**	**580,200**	**(416,000)**	**164,200**
2019									
Charles Telfair Ltd	June 30,	69,354	343,084	37,269	74,052	194,608	52,500	2,757	55,257
Formation Recrutement & Conseil en Informatique Limitée	June 30,	102,298	56,796	61,918	41,421	271,209	22,705	(2,026)	20,679
Management and Development Company Limited	June 30,	4,621,991	9,902,465	3,129,497	2,531,531	11,866,707	655,670	16,156	671,826
New Mauritius Hotels Limited	Sep 30,	7,889,100	29,126,400	6,472,000	16,552,400	9,684,600	15,400	887,800	903,200
Superdist Limited	Dec 31,	166,998	3,503	98,942	3,180	323,283	23,012	436	23,448
Swan General Ltd	Dec 31,	47,446,000	2,493,800	677,100	45,417,600	7,367,200	383,700	7,000	390,700

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

10. 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:

2020	Opening net assets at July 1	Adjustments on initial application of IFRS 9 and 15	Merger adjustment	Additions	Profit/ (loss) for the year	Dividends	Other comprehensive income for the year	Other movement	Closing net assets at June 30	Ownership interest	Interest in associates	Goodwill	Carrying value
Name of company	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**%**	**Rs'000**	**Rs'000**	**Rs'000**
Charles Telfair Ltd	**301,117**	**-**	**-**	**-**	**55,884**	**-**	**(30,534)**	**-**	**326,465**	**18.29**	**59,710**	**-**	**60,835**
Formation Recrutement & Conseil en Informatique Limitée	**55,755**	**-**	**-**	**-**	**17,133**	**(30,000)**	**2,394**	**-**	**45,281**	**47.14**	**21,345**	**-**	**21,345**
Management and Development Company Limited	**6,207,388**	**N/A**	**N/A**	**N/A**	**240,254**	**-**	**(190,561)**	**(145,756)**	**6,111,325**	**39.00**	**2,383,417**	**-**	**2,383,417**
New Mauritius Hotels Limited	**12,617,977**	**N/A**	**N/A**	**N/A**	**(935,300)**	**(127,700)**	**(1,590,500)**	**(2,795,077)**	**7,169,400**	**28.92**	**2,073,390**	**-**	**2,073,390**
Semaris Limited	**3,595,000**	**-**	**-**	**-**	**(682,300)**	**-**	**254,100**	**-**	**3,166,800**	**28.98**	**917,739**	**-**	**917,739**
Superdist Limited	**55,744**	**-**	**-**	**-**	**23,469**	**-**	**-**	**9,137**	**88,350**	**45.00**	**39,758**	**-**	**39,758**
Swan General Ltd	**3,344,800**	**N/A**	**N/A**	**N/A**	**580,200**	**N/A**	**(416,000)**	**N/A**	**3,509,000**	**17.56**	**626,418**	**-**	**626,418**
2019													
Name of company													
Avipro Co Ltd	2,851,800	-	(2,851,800)	-	-	-	-	-	-	N/A	-	-	-
Charles Telfair Ltd	260,860	-	-	-	52,500	(15,000)	2,757	-	301,117	18.29	55,074	965	56,199
Formation Recrutement & Conseil en Informatique Limitée	65,016	(847)	-	-	22,705	(30,000)	(2,026)	907	55,755	47.14	26,283	-	26,283
Management and Development Company Limited	2,904,291	(7,184)	2,851,800	-	516,201	(100,000)	10,493	31,787	6,207,388	39.00	2,420,881	-	2,420,881
New Mauritius Hotels Limited	11,809,658	-	-	25,751	15,400	(120,632)	887,800	-	12,617,977	28.92	3,649,119	-	3,649,119
Superdist Limited	52,296	-	-	-	23,012	(20,000)	436	-	55,744	45.00	25,085	-	25,085
Swan General Ltd	2,954,100	-	-	-	383,700	-	7,000	-	3,344,800	17.56	587,347	-	587,347

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

	2020	2019
	Rs'000	Rs'000
Carrying amount of interests	**2,492,043**	3,173,931
Share of (loss)/profit	**(110,282)**	(80,308)
Share of other comprehensive income	**(201,774)**	126,729
Share of total comprehensive income	**(312,056)**	46,421

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(g) THE COMPANY

	2020			2019
	Level 2	**Level 3**	**Total**	Total
	Rs'000	**Rs'000**	**Rs'000**	Rs'000
At July 1	**1,767,520**	**34,620**	**1,802,140**	-
Amalgamation adjustment	**-**	**-**	**-**	2,833,447
Additions	**487,842**	**30**	**487,872**	1,978
Disposals	**-**	**-**	**-**	(165,447)
Capital reduction	**(487,258)**	**-**	**(487,258)**	-
Fair value adjustment	**(1,087,944)**	**4,210**	**(1,083,734)**	(867,838)
At June 30,	**680,160**	**38,860**	**719,020**	1,802,140

(h) The value of the securities was determined at June 30, 2020 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.

The table below sets out information about significant unobservable inputs used at June 30, 2020 in measuring financial instruments categorised as level 3 in the fair value hierarchy.

	Valuation technique 2020	Valuation technique 2019	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
Charles Telfair Company Ltd	Adjusted market multiple	Adjusted market multiple	Expected value/ EBITDA	5.6x	The expected fair value will increase/ (decrease) by Rs 0.7m, if the adjusted market multiple will be higher or lower by 1%.

(i) 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.

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.

11. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

(a) Accounting policy

Consolidated financial statements

Jointly controlled entities are joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets and obligations for the liabilities of the joint arrangement. 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

	2020	2019
	Rs'000	Rs'000
At July 1,		
- as previously reported	**37,772**	1,069
Additions	**-**	44,200
Consolidation adjustment on transfer from jointly controlled entities to subsidiary	**-**	13,500
Share of profits less losses for the year	**4,603**	(21,497)
Movement in net assets	**-**	500
At June 30,	**42,375**	37,772

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

			2020			2019			
			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
			%	**%**	**%**	%	%	%	
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, 2020.

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 22 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.

12. 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.

(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. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are reflected at cost.

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 2020**	THE GROUP 2019	**THE COMPANY 2020**	THE COMPANY 2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1				
- as previously reported	**543,570**	524,100	**159,892**	-
- effect of prior year adjustments (note 51)	**44,100**	6,600	**-**	-
- as restated	**587,670**	530,700	**159,892**	-
Amalgamation adjustment	**-**	-	**-**	157,540
Additions	**51,658**	106,993	**3,795**	43
Transfer to subsidiary	**(1,598)**	-	**-**	-
Disposals	**(45,393)**	(10,985)	**-**	(127)
Fair value adjustments	**(138,021)**	(39,038)	**(32,642)**	2,436
At June 30	**454,316**	587,670	**131,045**	159,892

12. INVESTMENTS IN FINANCIAL ASSETS (CONT'D)

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

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

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Quoted/level 1:				
- Air Mauritius Limited (Ordinary shares)	**-**	39,400	**-**	-
- New Mauritius Hotels Limited (Preference shares)	**40**	50	**40**	40
- Tropical Paradise Co Ltd (Ordinary shares)	**90,510**	117,000	**90,510**	117,000
- Tropical Paradise Co Ltd (Preference shares)	**28,300**	34,560	**28,300**	34,560
- Others	**14,285**	17,185	**-**	-
	133,135	208,195	**118,850**	151,600
Unquoted/level 3:				
- Air Mauritius Holding Ltd (Ordinary shares)	**-**	85,100	**-**	-
- Avipro Co Ltd (Redeemable preference shares)	**-**	45,000	**-**	-
- Others	**321,181**	249,375	**12,195**	8,292
	321,181	379,475	**12,195**	8,292
Total	**454,316**	587,670	**131,045**	159,892

(iii) Financial assets measured at fair value through other comprehensive income include the group's strategic equity investments not held for trading and debt securities held to collect and sell. 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, 2020 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)

- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

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

During the financial year, Air Mauritius Limited went into voluntary administration. Hence, the valuation of Air Mauritius Limited was transferred from Level 1 to Level 3. The table below sets out information about significant unobservable inputs used at June 30, 2020 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

	Valuation technique 2020	Valuation technique 2019	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
THE GROUP					
Air Mauritius Limited	Write-down	-	-	-	-
Air Mauritius Holding Limited	Write-down	-	-	-	-
THE GROUP AND THE COMPANY					
Others	Net asset value	Net asset value	-	-	-

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

	THE GROUP	
	2020	2019
	Rs'000	Rs'000
Non-current		
(i) At July 1		
- as previously reported	**-**	-
- effect of prior year adjustments (note 51)	**12,100**	25,900
- as restated	**12,100**	25,900
Additions	**6,875**	16,000
Disposals	**-**	(37,700)
Fair value adjustments - administrative expenses	**-**	7,900
Fair value adjustments	**125**	-
At June 30,	**19,100**	12,100

(ii) *Current*

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

	2020			
	Official market	**DEM listed**	**Unquoted**	**Total**
THE GROUP	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At July 1,	**25,781**	**21,525**	**2,280**	**49,586**
Transfer	**2,340**	**(2,340)**	**-**	**-**
Fair value adjustments	**(3,870)**	**(956)**	**-**	**(4,826)**
At June 30,	**24,251**	**18,229**	**2,280**	**44,760**

	2019			
	Official market	DEM listed	Unquoted	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,	30,767	26,650	2,284	59,701
Disposal	-	-	(2)	(2)
Dividend in specie	1,754	133	-	1,887
Fair value adjustments	(6,740)	(5,258)	(2)	(12,000)
At June 30,	25,781	21,525	2,280	49,586

12. INVESTMENTS IN FINANCIAL ASSETS (CONT'D)

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

	2020			
THE COMPANY	**Official market**	**DEM listed**	**Unquoted**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
At July 1,	**25,781**	**21,525**	**2,280**	**49,586**
Transfer	**2,340**	**(2,340)**	**-**	**-**
Fair value adjustments	**(3,870)**	**(956)**	**-**	**(4,826)**
At June 30,	**24,251**	**18,229**	**2,280**	**44,760**

(ii) *Current*

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

	2019			
THE COMPANY	**Official market**	**DEM listed**	**Unquoted**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
At July 1,	-	-	-	-
Amalgamation adjustment	27,513	24,310	2,284	54,107
Additions	1,754	133	-	1,887
Disposal	-	-	(2)	(2)
Fair value adjustments	(3,486)	(2,918)	(2)	(6,406)
At June 30,	**25,781**	**21,525**	**2,280**	**49,586**

(iii) *Current*

At June 30, 2020

THE GROUP	**Level 1**	**Level 3**	**Total**
	Rs'000	**Rs'000**	**Rs'000**
Financial assets at fair value through profit or loss	**42,480**	**2,280**	**44,760**

THE COMPANY	**Level 1**	**Level 3**	**Total**
	Rs'000	**Rs'000**	**Rs'000**
Financial assets at fair value through profit or loss	**42,480**	**2,280**	**44,760**

(iv) *Current*

The table below shows changes in level 3 instruments for the year ended June 30, 2020:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**2,280**	2,284	**2,280**	-
Amalgamation adjustment	**-**	-	**-**	2,284
Disposals	**-**	(2)	**-**	(2)
Fair value adjustment	**-**	(2)	**-**	(2)
At June 30,	**2,280**	2,280	**2,280**	2,280

(v) 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.

The table below sets out information about significant unobservable inputs used at June 30, 2020 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

THE GROUP AND THE COMPANY	Valuation technique 2020	Valuation technique 2019	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
Others	Net asset value	Net asset value	-	-	-

(vi) 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) <u>Critical accounting estimates</u>

<u>Fair value of securities not quoted on an active market</u>

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.

13. 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. Other receivables are current and repayable within the next financial year.

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.15.3m (2019:Rs.15m) for the group and Rs.14.9m (Rs.14.7m) for the company respectively was accounted for.

(b)

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
Non-current	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Loans to related parties	**-**	-	**800,000**	11,838
Add: reversal of impairment losses	**-**	-	**268,190**	-
	-	-	**1,068,190**	11,838
Loans to other companies - unsecured	**60,200**	53,600	**-**	-
Loans to other companies - secured	**393**	469	**393**	469
Other receivables	**62,493**	-	**768,679**	768,679
Less : Loss allowance for debt investments at amortised cost (see note (f))	**-**	-	**-**	-
	123,086	54,069	**1,837,262**	780,986
Current				
Loans to related parties	**9,810**	-	**9,671**	9,665
Other receivables	**2,194,621**	1,598,586	**44,193**	45,897
Less : Loss allowance for debt investments at amortised cost (see note (f))	**(15,270)**	(15,015)	**(14,927)**	(14,672)
	2,189,161	1,583,571	**38,937**	40,890
	2,312,247	1,637,640	**1,876,199**	821,876

(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 related parties are repayable within 6 years and carry interest at the rate of 6.25%.

Current loans to related parties are repayable on demand and are interest free.

(e) Other receivables

The non-current other receivables for the company relate to the sale of land and advances made to a subsidiary company. The amount is unsecured and interest free. It is not expected to recall payment for the next twelve months.

The current other receivables for the group include mainly deposits and advances.

(f) Impairment and risk exposure

The loss allowance for the financial assets at amortised cost as at June 30, 2020 reconciles to the opening loss allowance on July 1, 2019 and to the closing loss allowance as at June 30, 2020.

THE GROUP	**2020 Other receivables**	2019 Other receivables
	Rs'000	Rs'000
Loss allowance at July 1,	**(15,015)**	-
Allowance recognised in profit or loss during the year	**(255)**	(15,015)
Loss allowance at June 30,	**(15,270)**	(15,015)

THE COMPANY	**2020**			2019
	Related parties	**Other receivables**	**Total**	Total
	Rs'000	**Rs'000**	**Rs'000**	Rs'000
Loss allowance at July 1,	**9,665**	**5,007**	**14,672**	-
Amalgamation adjustment	**-**	**-**	**-**	9,660
Allowance recognised in profit or loss during the year	**6**	**249**	**255**	5,012
Loss allowance at June 30,	**9,671**	**5,256**	**14,927**	14,672

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

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Mauritian rupee	**2,312,247**	1,634,382	**1,876,199**	821,876
US Dollar	**-**	3,201	**-**	-
Euro	**-**	57	**-**	-
	2,312,247	1,637,640	**1,876,199**	821,876

14. LOANS AND ADVANCES

(a) Accounting policy

(i) Recognition and initial measurement

The group initially recognises loans and advances towards finance leases, loans and advances towards hire purchase, other loans and advances and borrowings on the date on which they are originated. All other financial instruments are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss (''FVTPL''), transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price.

(ii) Classification and subsequent measurement

<u>Financial assets</u>

On initial recognition, a financial asset is classified as measured at: amortised cost or fair value through profit or loss (''FVTPL'').

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interests (''SPPI'').

All other financial assets are classified as measured at FVTPL.

<u>Business model assessment</u>

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, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- 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. This includes cash and cash equivalents, loans towards finance leases, loans and advances towards hire purchase, other loans and advances and other assets. These assets are held to collect contractual cash flows.

<u>Assessment of whether contractual cash flows are solely payments of principal and interest</u>

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).

<u>Non-recourse loans</u>

In some cases, loans made by the group that are secured by collateral of the borrower limit the group's claim to cash flows of the underlying collateral (non-recourse loans). The group applies judgment in assessing whether the non-recourse loans meet the SPPI criterion. The group typically considers the following information when making this judgement:

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
- the group's risk of loss on the asset relative to a full-recourse loan;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
- whether the group will benefit from any upside from the underlying assets.

14. LOANS AND ADVANCES (CONT'D)

(a) Accounting policy (cont'd)

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the group changes its business model for managing financial assets.

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 profit or loss.
- Financial liabilities at amortised cost; these liabilities are subsequently measured at amortised cost using the effective interest method.

(iii) Derecognition

Financial assets

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire (see also (iv)), or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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 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.

Financial liabilities

The group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv) Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then the group evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place (see below for write-off policy). This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost does not result in derecognition of the financial asset, then the group first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

Financial liabilities

The group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

(v) 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.

14. LOANS AND ADVANCES (CONT'D)

(a) Accounting policy (cont'd)

(vi) Fair value measurement

'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 in the principal or, in its absence, the most advantageous market to which the group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

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

(vii) Impairment

Impairment of financial assets

The group recognises loss allowances for expected credit losses (''ECL'') on the following financial instruments that are not measured at FVTPL:

- loans and advances towards hire purchase;
- loans and advances towards finance leases;
- other loans and advances; and
- other assets.

No impairment loss is recognised on equity investments.

The group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- financial instruments that are determined to have low credit risk at the reporting date; and
- financial instruments on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

The group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The group does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan, finance lease and hire purchase commitments: 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; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the group expects to recover.

Overview of ECL principles

The group applies the IFRS 9 general approach to measure ECL which uses a 12 month and lifetime ECL for net investment in leases and other credit agreements. To measure the ECL, the financial assets have been grouped based on shared credit risk characteristics and the days past due.

14. LOANS AND ADVANCES (CONT'D)

(a) Accounting policy (cont'd)

(vii) Impairment (cont'd)

The impairment requirements apply to financial assets measured at amortised cost i.e. net investment in leases and other credit agreements. At initial recognition, allowance (or provision in the case of commitments and guarantees) is required for expected ECL resulting from default events that are possible within the next 12 months ('12-month ECL'). In the event of a significant increase in credit risk, allowance (or provision) is required for ECL resulting from all possible default events over the expected life of the financial instrument ('lifetime ECL'). Financial assets where 12-month ECL is recognised are considered to be 'stage 1'; financial assets which are considered to have experienced a significant increase in credit risk are in 'stage 2'; and financial assets for which there is objective evidence of impairment are considered to be in default or otherwise credit impaired are in 'stage 3'.

Lifetime ECL represents the ECL 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.

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 lifetime expected probability of default ("LTEPD") are based on the company's historical credit losses based on the weighted transition rates of financial assets over their lifetime. An additional loss allowance for financial assets is recognised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of financial asset. The PD are adjusted to reflect current and forward-looking information on macroeconomic factors (Gross Domestic Product GDP) affecting the ability of the customers to settle the financial assets.

Significant increase in credit risk is determined using 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 30 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 90 days past due and where the obligor is unlikely to pay without recourse against available collateral.

Impairment is the difference between contractual and expected cash flows of a financial asset (e.g., finance lease, hire purchase or loan). ECL provision is discounted to present value using the original implicit rate/ effective interest rate. The group presents allowance for impairment separately from the gross balance of respective assets rather than directly reducing their carrying amounts.

The calculation of ECLs

The Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period.

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 our LGD models, we assign collateral type specific LGD parameters to the collateralized exposure (collateral value after application of haircuts).

The mechanics of the ECL method are summarised below:

- For each instrument, ECL is calculated as the product of EAD, LGD, PD and discounted based on annual interest rates over the remaining contractual terms.
- 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 company 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 company 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%.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

14. LOANS AND ADVANCES (CONT'D)

(a) Accounting policy (cont'd)

(vii) Impairment (cont'd)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past-due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; and
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

Purchased or Originated Credit-Impaired ("POCI") financial assets

POCI financial assets are assets that are credit-impaired on initial recognition. For POCI assets, lifetime ECL are incorporated into the calculation of the effective interest rate on initial recognition. Consequently, POCI assets do not carry an impairment allowance on initial recognition. The amount recognised as a loss allowance subsequent to initial recognition is equal to the changes in lifetime ECL since initial recognition of the asset.

Presentation of allowance for ECL in the Statements of Financial Position

Loss allowances for ECL are presented in the Statements of Financial Position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets; and
- financial guarantee contracts: generally, as a provision.

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.

Financial guarantee contracts held

The group assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the group considers when making this assessment include whether:

- the guarantee is implicitly part of the contractual terms of the debt instrument;
- the guarantee is required by laws and regulations that govern the contract of the debt instrument; and
- the guarantee is entered into at the same time as and in contemplation of the debt instrument.

If the group determines that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The group considers the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the group determines that the guarantee is not an integral element of the debt instrument, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. The group presents gains or losses on a compensation right in profit or loss in the line item impairment losses on financial instruments'.

14. LOANS AND ADVANCES (CONT'D)

(b) Gross investment

THE GROUP	2020 Finance leases	2020 Other credit agreements	2020 Total	2019 Total
	Rs'000	**Rs'000**	**Rs'000**	Rs'000
Within one year	**376,800**	**989,200**	**1,366,000**	899,400
After one year and before two years	**353,100**	**263,000**	**616,100**	526,500
After two years and before five years	**769,400**	**25,100**	**794,500**	571,000
After five years	**82,900**	**-**	**82,900**	78,800
	1,582,200	**1,277,300**	**2,859,500**	2,075,700
Unearned future finance income	**(266,000)**	**(88,100)**	**(354,100)**	(282,400)
Unearned future processing fee	**-**	**(100)**	**(100)**	(300)
Unearned future merchant discount	**-**	**(30,800)**	**(30,800)**	(32,900)
Unearned commitment fee	**(9,400)**	**-**	**(9,400)**	(6,130)
Present value of minimum lease payment	**1,306,800**	**1,158,300**	**2,465,100**	1,753,970
Less allowance for credit impairment				
Allowance for credit impairment	**(5,000)**	**(297,100)**	**(302,100)**	(92,700)
Net finance lease receivables	**1,301,800**	**861,200**	**2,163,000**	1,661,270
Representing:				
Non-current	**1,026,700**	**246,700**	**1,273,400**	961,770
Current	**275,100**	**614,500**	**889,600**	699,500
	1,301,800	**861,200**	**2,163,000**	1,661,270

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

	2020 Finance leases	2020 Other credit agreements	2020 Total	2019 Total
	Rs'000	**Rs'000**	**Rs'000**	Rs'000
Not later than one year	**280,100**	**889,100**	**1,169,200**	631,700
After one year and before two years	**278,700**	**241,800**	**520,500**	549,000
After two years and before five years	**669,500**	**27,400**	**696,900**	498,100
After five years	**78,500**	**-**	**78,500**	75,200
	1,306,800	**1,158,300**	**2,465,100**	1,754,000

(d) Allowance for credit impairment

	2020 Finance leases	2020 Other credit agreements	2020 Total	2019 Total
Portfolio provision	**Rs'000**	**Rs'000**	**Rs'000**	Rs'000
At July 1,	**(1,600)**	**(91,100)**	**(92,700)**	(22,200)
Allowance for credit impairment for the year	**(3,400)**	**(206,000)**	**(209,400)**	(70,500)
At June 30,	**(5,000)**	**(297,100)**	**(302,100)**	(92,700)

(e) At June 30, 2020, 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 net investment in finance lease				
At July 1, 2019	**1,347,100**	**238,000**	**168,900**	**1,754,000**
New assets originated or purchased	**1,047,800**	**207,700**	**104,000**	**1,359,500**
Assets derecognised or repaid (excluding write offs)	**(343,500)**	**(248,100)**	**(56,800)**	**(648,400)**
Transfers to Stage 1	**(408,600)**	**228,100**	**180,500**	**-**
Transfers to Stage 2	**21,200**	**(64,400)**	**43,200**	**-**
Transfers to Stage 3	**14,800**	**5,400**	**(20,200)**	**-**
At June 30, 2020	**1,678,800**	**366,700**	**419,600**	**2,465,100**
Expected credit loss				
At July 1, 2019	**15,300**	**5,700**	**71,700**	**92,700**
Allowance for credit impairment	**99,100**	**17,800**	**92,500**	**209,400**
Transfers to Stage 1	**(24,200)**	**11,100**	**13,100**	**-**
Transfers to Stage 2	**900**	**(4,000)**	**3,100**	**-**
Transfers to Stage 3	**1,000**	**300**	**(1,300)**	**-**
At June 30, 2020	**92,100**	**30,900**	**179,100**	**302,100**
Net carrying amount at June 30, 2020	**1,586,700**	**335,800**	**240,500**	**2,163,000**

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YEAR ENDED JUNE 30, 2020

14. LOANS AND ADVANCES (CONT'D)

(f) 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 economic outlook of the markets in which the group is present has been impacted by the ongoing Covid-19 pandemic. 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.

While complying with international practices advocating post-model adjustments in instances where effects of Covid-19 cannot be accurately reflected in models and given relative lack of data, the group aligned one of important risk parameters, namely the probability of default, to factor in potential ramifications of the pandemic.

Incorporation of forward-looking information

The group incorporates forward-looking information into the measurement of ECL.

The group formulates three economic scenarios: a base case, which is a central scenario developed internally based on the consensus forecasts, the upside and downside scenarios. An estimated PD is developed for each scenario. The group then calculates a scenario probability weighted PD which is applied to the ECL model.

Collateral held and other credit enhancements

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of the loans and advances. However, the collateral provides additional security and may take in the form of the items acquired by the borrower and other liens and guarantees. The fair value of the collateral are assessed at periodical intervals to ensure that the portfolio is sufficiently collaterised.

Assets obtained by taking possession of collateral

The group's policy is to pursue timely realisation of the collateral in an orderly manner. The group does not generally use the non-cash collateral for its own operations.

Significant increase in credit risk

As a backstop, the group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured at 12-month ECL.

The group monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews of its portfolio.

Credit quality analysis

As highlighted above, the group has witnessed a major increase in its ECL for the current year, reflecting the difficult context. The average loss rate for June 30, 2020 is 12% (2019: 5%).

15. 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
- 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.

15. INVENTORIES (CONT'D)

(b) THE GROUP

	2020	2019
	Rs'000	Rs'000
Raw materials, consumables and spare parts	440,695	425,014
Stock of land	780,466	872,446
Work in progress	34,694	63,139
Finished goods	1,183,656	923,131
Goods in transit	3,538	14,622
	2,443,049	2,298,352

(c) The cost of inventories recognised as expense and included in cost of sales amounted to Rs.3,076m (2019: Rs.8.4m).

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

16. CONSUMABLE BIOLOGICAL ASSETS

(a) Accounting policy

Consumable biological assets comprising the standing cane valuation, deer farming and palm trees 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: 6.04% (2019: 8.40%), nursery: 17.04-25.04% (2019: 19.40-26.19%) and standing canes 2.04 % (2019: 4.40%)).

(b)

	2020							2019
	Potatoes	Standing cane	Palm trees	Nursery	Deer farming	Cattle	Total	Total
THE GROUP	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,								
- as previously reported	-	145,064	21,014	34,846	40,865	1,915	243,704	290,150
- effect of prior year adjustments (note 51)	10,601	-	-	-	-	-	10,601	4,955
- as restated	10,601	145,064	21,014	34,846	40,865	1,915	254,305	295,105
Changes in fair value	-	12,888	3,810	(3,660)	(3,100)	(18)	9,920	(46,447)
Movement in cost of sales	(5,721)	-	-	-	-	-	(5,721)	5,646
At June 30,	4,880	157,952	24,824	31,186	37,765	1,897	258,504	254,304

Consumable biological assets are stated at their fair value and relate to the value of standing canes, deer farming, nursery plants and palm trees.

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

At June 30, 2020, standing canes comprised of approximately 3,879 hectares of sugar cane under plantation (2019: 4,805 hectares). During the year, the group harvested approximately 302,290 tonnes of cannes (2019: 295,009 tonnes of cannes).

(c) Valuation techniques and significant unobservable inputs

	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Standing cane	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.12,500 (2019:Rs.11,000) Extraction rate per tonne 9.66%-10.25% (2019: 10.03%) Discount rate 2%- 6% (2019: 6%)	The estimated fair value would increase (decrease) if: Expected income from Sugar were higher/ (lower) Costs were lower/ (higher).
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.295 per palm tree (2019: Rs.295) Discount rate 6%	The estimated fair value would increase (decrease) if: Expected selling price were higher/ (lower) Costs were lower/ (higher).
Plants	Net Realisable Value	Future selling price of different type of plants.	The estimated fair value would increase (decrease) if: Expected selling price were higher/ (lower) Costs were lower/ (higher).
Grass	Net Realisable Value	Estimated future contribution of grass- Rs.55 (2019: Rs.55)	The estimated fair value would increase (decrease) if: Expected selling price were higher/ (lower) Costs were lower/ (higher).
Deer	Net Realisable Value	Average weight of deer- 45 kg and 35 kg for local breed (2019: 45 kg and 35 kg for local breed) Average price of deer per Kg- Rs.180 (2019: Rs.180)	The estimated fair value would increase (decrease) if: Expected weight per deer were higher/ (lower) Selling 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.

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.

17. 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 loss allowance.

The group is applying the simplified approach 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	
	2020	2019	2020	2019
	Rs'000	Rs'000	Rs'000	Rs'000
Trade receivables	2,428,290	2,464,051	8,052	6,564
Less provision for impairment	(603,013)	(269,335)	(600)	(176)
Carrying value of trade receivables	1,825,277	2,194,716	7,452	6,388

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

Loss allowance increased significantly on account of the higher loss rates being applied.

(i) *Impairment of trade receivables*

The company and some subsidiaries used the simplified impairment 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 35% was used for counterparties based in South Africa and Mauritius and 42% for other counterparties, which is representative of the corporate client's exposure. For customers who settled their balances after the year end, management used the sovereign PD and a lower LGD of 9%.

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 seperately as per external credit ratings.

The loss allowance as at June 30, 2020 and 2019 was determined as follows for trade receivables.

THE GROUP At June 30, 2020	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected loss rate	2.6%	8.6%	41.4%	58.3%	
Gross carrying amount - trade receivables	1,167,569	244,548	249,396	766,777	2,428,290
Loss allowance	(30,800)	(20,918)	(103,141)	(446,678)	(601,537)

At June 30, 2019	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected loss rate	2.8%	5.3%	9.7%	39.4%	
Gross carrying amount - trade receivables	1,489,681	302,054	179,887	492,429	2,464,051
Loss allowance	(42,010)	(15,940)	(17,538)	(193,847)	(269,335)

17. TRADE AND OTHER RECEIVABLES (CONT'D)

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

THE COMPANY

At June 30, 2020	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Expected loss rate	**0%**	**0%**	**0%**	**14%**	
Gross carrying amount - trade receivables	**780**	**354**	**2,524**	**4,394**	**8,052**
Loss allowance	**-**	**-**	**-**	**(600)**	**(600)**

At June 30, 2019	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected loss rate	1% - 23%	1% - 23%	1% - 36%	2.45% - 100%	
Gross carrying amount - trade receivables	1,094	220	279	4,971	6,564
Loss allowance	(22)	-	(13)	(141)	(176)

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

The closing loss allowances for trade receivables as at June 30, 2020 reconcile to the opening loss allowances as follows:

	THE GROUP Trade receivables		THE COMPANY Trade receivables	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**269,335**	269,945	**176**	-
Loss allowance recognised in profit or loss during the year	**346,466**	74,739	**424**	176
Receivables written off during the year as uncollectible	**(14,339)**	3,357	**-**	-
Bad debts recovered	**-**	(78,700)	**-**	-
Unused amount reversed	**(4,549)**	(406)	**-**	-
Exchange difference	**6,100**	400	**-**	-
At June 30,	**603,013**	269,335	**600**	176

(c) Trade and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Mauritian rupee	**1,443,154**	2,120,439	**7,452**	6,388
US Dollar	**158,804**	71,692	**-**	-
Euro	**223,247**	37	**-**	-
Other currencies	**72**	2,548	**-**	-
	1,825,277	2,194,716	**7,452**	6,388

(d) 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.

(e) 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. ASSETS RELATED TO CONTRACTS WITH CUSTOMERS

(a) Accounting policy

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. In cases, where the group transfers its services to its customers before the customers pay consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The group has made an impairment assessment by considering the previous repayment behaviours. The group does not expect any default from them and is certain of their 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 the resulting expected credit loss was deemed to be immaterial.

	THE GROUP	
	2020	2019
	Rs'000	Rs'000
At July 1,	**23,081**	4,480
Amounts included in contract assets that was recognised as revenue during the year	**(55,742)**	(33,844)
Excess of revenue recognised over cash (or rights to cash) being recognised during the year	**37,693**	52,445
At June 30,	**5,032**	23,081

At June 30, 2020, there was no loss allowance in respect of assets related to contracts with customers (2019:Rs.nil).

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YEAR ENDED JUNE 30, 2020

19. 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. 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

	2020	2019
	Rs'000	Rs'000
Trade receivables	**44,868**	17,147
Less provision for impairment	**(2,166)**	(66)
Trade receivables- net	**42,702**	17,081
Other receivables (c)	**1,027,608**	454,537
Less provision for impairment	**(8,937)**	(7,737)
Other receivables- net	**1,018,671**	446,800
	1,061,373	463,881

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

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

The company used the simplified impairment approach to calculate for its ECL. Management has segregated the trade 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 35% was used for counterparties based in South Africa and Mauritius and 42% for other counterparties, which is representative of the corporate client's exposure. For customers who settled their balances after the year end, management used the sovereign PD and a lower LGD of 9%.

At June 30, 2020	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected loss rate	0%	0%	0%	6%	
Gross carrying amount	602,982	263,714	21,041	184,739	1,072,476
Loss allowance	-	-	-	(11,103)	(11,103)

At June 30, 2019	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected loss rate	0%	0%	0%	7%	
Gross carrying amount	284,602	34,747	36,370	115,965	471,684
Loss allowance	(56)	(3)	(1)	(7,743)	(7,803)

The closing loss allowances as at June 30, 2020 reconcile to the opening loss allowances as follows:

THE COMPANY

	2020	2019
	Rs'000	Rs'000
At July 1,	**(7,803)**	-
Loss allowance recognised in profit or loss during the year	**(3,300)**	(7,803)
At June 30,	**(11,103)**	(7,803)

	Other receivables			
	2020			2019
	Loans	**Others**	**Total**	Total
THE COMPANY	**Rs'000**	**Rs'000**	**Rs'000**	Rs'000
Subsidiary companies	**276,150**	**742,521**	**1,018,671**	446,800

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

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

At June 30, 2020, amounts receivable from group companies were impaired by Rs.11,103,326 (2019: Rs.7,802,749). 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.

20. 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		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Disclosed as follows:				
Land classified as held for sale (note (i))	**40,790**	119,121	**-**	-
Total non-current assets classified as held for sale	**40,790**	119,121	**-**	-

(i) Land classified as held for sale

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,				
- as previously reported	**217,115**	415,849	**98,615**	-
- effect of prior year adjustments (note 51)	**(97,994)**	(103,983)	**(98,615)**	-
- as restated	**119,121**	311,866	**-**	-
Amalgamation adjustment	**-**	-	**-**	90,203
Movement during the year	**(98,920)**	-	**-**	-
Disposals	**-**	(290,245)	**-**	(21,993)
Transfer from property, plant and equipment (note 5)	**-**	-	**-**	30,405
Transfer from investment properties (note 6)	**20,589**	97,500	**-**	-
Transfer to investment properties (note 6)	**-**	-	**-**	(98,615)
At June 30,	**40,790**	119,121	**-**	-

These assets have been classified as non-current assets held for sale as the intention is to dispose of them within one year.

	2020	2019
	Rs'000	Rs'000
(c) Liabilities directly associated with non-current assets classified as held for sale:		
Trade and other payables	**2,500**	2,700

21. SHARE 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 share 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

	2020		2019	
	Number of shares	**Rs'000**	Number of shares	Rs'000
At July 1,	**1,074,996,326**	**3,607,987**	834,882	8,349
Conversion of shares on amalgamation	**-**	**-**	(834,882)	(8,349)
Issue of Ordinary A shares on amalgamation (c)	**-**	**-**	374,996,326	3,607,987
Issue of restricted redeemable shares on amalgamation (d)	**-**	**-**	700,000,000	0.10
At June 30,	**1,074,996,326**	**3,607,987**	1,074,996,326	3,607,987

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

	2020		2019	
	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.

(e) *Treasury shares*

The reserves of the company's treasury shares comprises the cost of the company's shares held by the group. At June 30, 2020, the group held 7,560,362 of the company's shares (2019: 7,560,362).

22. 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.

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.

Accounting for leases – where the group is the lessee

Leases are classified as finance lease where the terms of the lease transfer substantially all risks and rewards of ownership to the lessee.

Finance leases are capitalised at the estimated present value of the underlying lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings.

Finance charges are charged to profit or loss over the lease period. Property, plant and equipment acquired under finance leasing contracts are depreciated over the useful lives of the assets.

Short-term leases and leases of low-value assets

The group has elected not to recognise 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.

Covid-19-related rent concessions

The group has applied Covid-19-Related Rent Concessions – Amendment to IFRS 16. The group applies the practical expedient allowing it not to assess whether eligible rent concessions that are a direct consequence of the Covid-19 pandemic are lease modifications. The group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the group assesses whether there is a lease modification.

Policy effective from July 1, 2019

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.

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.

Preference shares

Preference shares, which are mandatorily non-voting convertible at a specific date, are classified as liabilities and dividends on these preference shares are recognised in statement of profit or loss as interest expense. The liability components of convertible loan notes are measured as described in note (f).

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 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.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

22. BORROWINGS (CONT'D)

(b)

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
Non-current	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Secured fixed and variable rate notes (note (c) and (g))	**3,554,836**	2,054,875	**-**	-
Debentures (note (d) and (g))	**1,009,415**	355,700	**-**	-
Bond notes (note (e))	**3,486,113**	3,485,209	**3,486,113**	3,570,268
Bank and other loans (note (i))	**12,863,277**	14,000,988	**3,601,637**	3,617,900
Borrowings with other financial institutions (note (j))	**157,145**	165,393	**5,429**	4,737
Lease liabilities (note (j))	**1,044,062**	-	**17,449**	-
	22,114,848	20,062,165	**7,110,628**	7,192,905

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
Current	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Bank overdrafts	**870,107**	1,635,539	**-**	295
Bank and other loans	**3,941,504**	2,289,830	**163,580**	27,923
Secured fixed and variable rate notes (note (c) and (g))	**500,000**	-	**-**	-
Debentures (note (d) and (g))	**21,100**	-	**-**	-
Bond notes (note (e))	**76,101**	-	**76,101**	-
Convertible preference shares (note (f))	**-**	37,500	**-**	-
Borrowings with other financial institutions (note (j))	**80,907**	86,730	**2,880**	2,173
Lease liabilities	**142,735**	-	**4,529**	-
	5,632,454	4,049,599	**247,090**	30,391
Total borrowings	**27,747,302**	24,111,764	**7,357,718**	7,223,296

(c) Secured variable rate notes

A subsidiary company has 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)	March 16, 2021	Reference Bank of Mauritius repo rate + 1.35% p.a
Tranche B (10,000 notes at Rs.50,000 per note)	March 16, 2023	Reference Bank of Mauritius repo rate + 1.85% p.a
Tranche C (10,000 notes at Rs.50,000 per note)	March 16, 2025	Reference Bank of Mauritius repo 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 Rs1,000 per note)	November 29, 2022	Reference Bank of Mauritius repo rate + 0.65% p.a
Tranche 5 Years (0.25m notes at Rs1,000 per note)	November 29, 2024	Reference Bank of Mauritius repo rate + 0.95% p.a
Tranche 5 Years (0.25m notes at Rs1,000 per note)	November 29, 2024	Fixed rate 4.90% p.a
Tranche 7 Years (0.25m notes at Rs1,000 per note)	November 29, 2026	Reference Bank of Mauritius repo rate + 1.30% p.a
Tranche 7 Years (0.25m notes at Rs1,000 per note)	November 29, 2026	Fixed rate 5.25% p.a
Tranche 10 Years (0.50m notes at Rs1,000 per note)	November 05, 2030	Reference Bank of Mauritius repo rate + 1.70% p.a

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

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.

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

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

Another subsidiary of the group has debentures which mature in financial year 2020 and bear interest at 7% per annum. New debentures were issued during the financial year. These debentures will mature on September 30, 2026 and bear interest at 6%.

(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 repo 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.

22. BORROWINGS (CONT'D)

(f) Convertible preference shares

On June 30, 2020, preference shares have been converted to Class A ordinary shares for an amount of Rs.37.5m (2019: Rs.48.7m) for one of the subsidiaries.

Salient features of the convertible preference shares were as follows:

Preference shares shall be converted mandatorily on the 30th June of every financial year over 5 consecutive years into Class A ordinary shares of the subsidiary company without paying any additional fee.

The preference shares yield a dividend of 6.0% per financial year over 5 consecutive years, payable out of the profits of the subsidiary company and in priority to dividends payable to Class A ordinary shareholders. Dividend distribution shall be paid in June of each financial year.

Preference shareholders will not have the right to receive notice of, or attend, or vote on a poll at the shareholders' meetings of the subsidiary company.

The right to an equal share in the distribution of surplus assets among non-convertible preference shareholders on winding up, payable in priority to the holders of ordinary shares.

The convertible non-voting preference shares shall constitute unsecured and subordinated obligations of the subsidiary company and shall accordingly rank junior to all secured and unsubordinated creditors of the subsidiary company but ahead of Class A ordinary shares.

(g) The borrowings include secured liabilities amounting to Rs.27.7bn (2019:Rs.24.1bn) for the group and Rs.7.4bn (2019:Rs.7.2m) for the company. Borrowings are secured by fixed and floating charges on the assets of the group and by pledge of shares.

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

(i) Bank and other loans

The maturity of non-current borrowings is as follows (excluding obligations under finance lease, convertible preference shares and non-redeemable preference shares):

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
- after one year and before two years	**870,135**	2,281,692	**115,247**	32,539
- after two years and before five years	**7,115,808**	2,470,014	**2,698,260**	449,371
- after five years	**12,927,698**	15,145,066	**4,274,243**	6,706,258
	20,913,641	19,896,772	**7,087,750**	7,188,168

(j) Borrowings with other financial institutions

In prior years, the group accounted financing arrangements for purchase of motor vehicles with financial institutions as finance leases under IAS 17 - Leases. Based on contractual terms, these arrangements were in effect borrowings to be accounted for as a financial liabilities rather than finance leases. The comparatives have therefore been re-presented to reflect the correct borrowings classification. This restatement is not material and did not have any impact on the reported figures for 2019 since the subsequent measurement requirements under IFRS 9 for borrowings were similar to finance leases under IAS 17.

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
- not later than 1 year	**77,932**	98,751	**3,333**	2,534
- after one year and before two years	**82,914**	90,267	**3,082**	2,261
- after two years and before five years	**85,367**	86,251	**2,744**	2,928
- after five years	**2,468**	3,805	**-**	-
	248,681	279,074	**9,159**	7,723
Future finance charges on finance leases	**(10,629)**	(26,951)	**(850)**	(813)
Present value of finance lease liabilities	**238,052**	252,123	**8,309**	6,910

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Representing lease liabilities:				
Current	**80,950**	86,730	**2,880**	2,173
Non-current can be analysed as follows:				
- after one year and before two years	**75,117**	81,454	**2,819**	1,837
- after two years and before five years	**75,988**	80,177	**2,610**	2,900
- after five years	**5,997**	3,762	**-**	-
	238,052	252,123	**8,309**	6,910

22. BORROWINGS (CONT'D)

(k) Lease liabilities

	THE GROUP	THE COMPANY
	2020	**2020**
	Rs'000	**Rs'000**
- not later than 1 year	**158,300**	**5,654**
- after one year and before two years	**488,655**	**5,835**
- after two years and before five years	**281,534**	**10,410**
- after five years	**476,434**	**8,746**
	1,404,923	**30,645**
Future finance charges on finance leases	**(218,126)**	**(8,667)**
Present value of finance lease liabilities	**1,186,797**	**21,978**

Amounts recognised in profit or loss	THE GROUP	THE COMPANY
	2020	**2020**
	Rs'000	**Rs'000**
Leases under IFRS 16		
Interest on lease liabilities	**75,308**	**1,677**
Variable lease payments not included in the measurement of lease liabilities	**6,700**	**-**
Income from sub-leasing right of use assets presented in 'other revenue'	**11,400**	**-**
Expenses relating to short-term leases	**58,700**	**-**
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**47,600**	**-**
Amounts recognised in statement of cash flows		
Total cash outflow for leases	**188,254**	**3,241**

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 group leases some plant and equipment and motor vehicles under finance leases. The leases have purchase options on termination. There are no restrictions imposed on the group by lease arrangements.

(l) Borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Mauritian rupee	**26,314,891**	23,515,480	**7,357,718**	7,223,296
Euro	**362,933**	1,630	**-**	-
US Dollar	**1,044,390**	594,654	**-**	-
GBP	**25,088**	-	**-**	-
	27,747,302	24,111,764	**7,357,718**	7,223,296

(m) The effective interest rates at the end of the reporting period were as follows:

THE GROUP	**2020**	2019
	%	%
Secured variable rate notes	**Repo+1.65-3.00**	Repo+1.60-3.00
Bank overdrafts	**4.1 - 6.75**	5.75-7.75
Bank borrowings	**1-8%**	3.47-8.00
Other loans	**3.50-6.5**	3.2-7.25
Bond notes	**4.8-6.3**	4.8-6.3
Debentures	**6.00-7.00**	7.00
Finance lease liabilities	**6.40-7.75**	6.40-8.50

THE COMPANY	**2020**	2019
	%	%
Bank overdrafts	**-**	5.75
Bank borrowings	**3.00-4.20**	5.75-6.05
Bond notes	**4.8-6.3**	4.8-6.3
Finance lease liabilities	**5.60-6.25**	6.40-7.65

(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.

23. 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% (2019: 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.1,369m and Rs.769m respectively (2019: Rs.814.5m and Rs.422.1m respectively) available for offset against future profits. A deferred tax asset of Rs.8.6m (2019: Rs.nil) has been recognised by the group in respect of part of these losses. No deferred tax asset has been recognised in respect of remaining tax 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	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Deferred tax assets	**195,755**	148,261	**73,191**	59,923
Deferred tax liabilities	**(921,262)**	(898,164)	**(836)**	-
Net deferred tax (liabilities)/assets	**(725,507)**	(749,903)	**72,355**	59,923

(c) The movement in the deferred income tax account is as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
At July 1,	**Rs'000**	Rs'000	**Rs'000**	Rs'000
- as previously reported	**(651,683)**	(600,353)	**59,923**	-
- effect of change in accounting policies (note 45)	**-**	5,082	**-**	-
- effect of prior year adjustment (note 51)	**(98,220)**	(85,212)	**-**	-
- as restated	**(749,903)**	(680,483)	**59,923**	-
Amalgamation adjustment	**-**	-	**-**	65,385
Acquisition through business combinations (note 43)	**(6,086)**	(690)	**-**	-
Credited/(charged) to profit or loss	**24,195**	(67,204)	**3,915**	(5,617)
Credited/(charged) to other comprehensive income	**6,287**	(1,526)	**8,517**	155
At June 30,	**(725,507)**	(749,903)	**72,355**	59,923

23. DEFERRED INCOME TAXES (CONT'D)

(d) The movement in deferred income tax assets and liabilities during the year is as follows:

THE GROUP

(i)

	At July 1, 2019							
2020	**As previously reported**	**Effect of prior year adjustments**	**As restated**	**Acquisition through business combination**	**Acquisition of subsidiary**	**(Charged)/ credited to profit or loss**	**(Charged)/ credited to other comprehensive income**	**At June 30, 2020**
Deferred tax liabilities	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Accelerated tax depreciation	(199,049)	(113,422)	(312,471)	(5,895)	(400)	(22,145)	-	(340,911)
Asset revaluations	(274,260)	-	(274,260)	-	-	43,827	(20,092)	(250,525)
Impairment/fair value	(310,538)	-	(310,538)	-	-	6	-	(310,532)
Straightlining of rental income	(895)	-	(895)	-	-	(18,060)	(339)	(19,294)
	(784,742)	**(113,422)**	**(898,164)**	**(5,895)**	**(400)**	**3,628**	**(20,431)**	**(921,262)**
Deferred tax assets								
Tax losses	29,847	14,622	44,469	209	-	(36,068)	-	8,610
Lease liabilities	-	-	-	-	-	45,329	-	45,329
Retirement benefit obligations	99,992	-	99,992	-	-	1,993	-	101,985
Provision for bad debts	3,220	580	3,800	-	-	9,313	26,718	39,831
	133,059	**15,202**	**148,261**	**209**	**-**	**20,567**	**26,718**	**195,755**
Net deferred tax liabilities	**(651,683)**	**(98,220)**	**(749,903)**	**(5,686)**	**(400)**	**24,195**	**6,287**	**(725,507)**

(ii)

	At July 1, 2018							
2019	**As previously reported**	**Effect of prior year adjustments**	**As restated**	**Acquisition through business combination**	**Acquisition of subsidiary**	**(Charged)/ credited to profit or loss**	**Charged to other comprehensive income**	**At June 30, 2019**
Deferred tax liabilities	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Accelerated tax depreciation	(208,100)	(68,463)	(276,563)	(1,002)	-	(34,906)	-	(312,471)
Asset revaluations	(209,896)	-	(209,896)	-	-	(63,964)	(400)	(274,260)
Impairment/fair value	(316,344)	-	(316,344)	-	-	5,806	-	(310,538)
Straightlining of rental income	-	-	-	-	-	(895)	-	(895)
	(734,340)	**(68,463)**	**(802,803)**	**(1,002)**	**-**	**(93,959)**	**(400)**	**(898,164)**
Deferred tax assets								
Tax losses	30,185	(16,749)	13,436	121	-	30,912	-	44,469
Retirement benefit obligations	103,802	-	103,802	191	-	(2,875)	(1,126)	99,992
Provision for bad debts	-	5,082	5,082	-	-	(1,282)	-	3,800
	133,987	**(11,667)**	**122,320**	**312**	**-**	**26,755**	**(1,126)**	**148,261**
Net deferred tax liabilities	**(600,353)**	**(80,130)**	**(680,483)**	**(690)**	**-**	**(67,204)**	**(1,526)**	**(749,903)**

23. DEFERRED INCOME TAXES (CONT'D)

(e) THE COMPANY

2020	At July 1, 2019	Effect of prior year adjustments	As restated	(Charged)/ credited to profit or loss	Charged to other comprehensive income	At June 30, 2020
Deferred tax liabilities	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Asset revaluations	-	-	-	-	(836)	(836)
	-	**-**	**-**	**-**	**(836)**	**(836)**
Deferred tax assets						
Accelerated tax depreciation	1,989	-	1,989	5,650	-	7,639
Provision for bad debts	2,209	-	2,209	2,318	-	4,527
Tax losses	-	-	-	-	-	-
Retirement benefit obligations	55,725	-	55,725	(4,053)	9,353	61,025
	59,923	**-**	**59,923**	**3,915**	**9,353**	**73,191**
Net deferred tax assets	**59,923**	**-**	**59,923**	**3,915**	**8,517**	**72,355**

(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.

24 DEFERRED RENT ASSETS/LIABILITIES

(a) Accounting policy

Deferred rent assets or liabilities arise from the straightlining of rental income and rental expense.

(b) DEFERRED RENT ASSETS

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**1,087**	-	**469**	-
Amalgamation adjustment	**-**	-	**-**	178
Movement	**92**	1,087	**845**	291
At June 30,	**1,179**	1,087	**1,314**	469

(c) DEFERRED RENT LIABILITIES

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,	**1,467**	-	**612**	-
Acquisition through business combinations (note 43)	**-**	1,332	**-**	-
Effect of adopting IFRS 16	**(1,467)**	-	**(612)**	343
Additions	**-**	135	**-**	-
Charge to profit or loss	**-**	-	**-**	269
At June 30,	**-**	1,467	**-**	612

25. 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.322,100.

	THE GROUP	
	2020	2019
	Rs'000	Rs'000
(b) Arising from (Agence Francaise de Développement (AFD)) grant	**7,412**	-

	2020	2019
	Rs'000	Rs'000
At July 1,	**-**	-
Additions	**7,734**	-
Income recognised	**(322)**	-
At June 30,	**7,412**	-
Maturity analysis:		
Current	**-**	-
Non-current	**7,412**	-

26. 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 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.

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.

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 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.

26. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
(b) Amounts recognised on the statements of financial position				
Retirement benefit asset (note c)	**28,000**	43,100	**-**	-
	28,000	43,100	**-**	-
Defined pension schemes (note (d) (ii))	**594,327**	467,351	**289,217**	252,169
Other post retirement benefits (note (e) (i))	**496,788**	430,247	**69,758**	75,630
	1,091,115	897,598	**358,975**	327,799
Analysed as follows:				
Non-current assets	**28,000**	43,100	**-**	-
Non-current liabilities	**1,091,115**	897,598	**358,975**	327,799
Amounts charged to profit or loss:				
- Defined pension benefits (note(d)(vii))	**38,026**	55,836	**14,244**	16,170
- Other post retirement benefits (note (e)(iv))	**71,441**	38,379	**4,597**	4,514
	109,467	94,215	**18,841**	20,684
Amount charged/(credited) to other comprehensive income:				
- Defined pension benefits (note (d)(vii))	**172,227**	(26,950)	**59,906**	(8,438)
- Other post retirement benefits (note (e)(v))	**24,673**	34,898	**(4,887)**	9,352
	196,900	7,948	**55,019**	914

(c) Retirement benefit asset - Defined pension benefits

(i) The amounts recognised on the statements of financial position are as follows:

	THE GROUP	
	2020	2019
	Rs'000	Rs'000
Present value of funded obligations	**1,708,800**	1,749,800
Present value of unfunded defined benefit obligations	**(1,736,800)**	(1,853,400)
Fair value of plan assets	**(28,000)**	(103,600)
Impact of minimum funding requirement/asset ceiling	**-**	60,500
Liability/(asset) in the statements of financial position	**(28,000)**	(43,100)

(ii) The movement in liability/(asset) recognised on the statements of financial position is as follows:

	THE GROUP	
	2020	2019
At July 1,	**Rs'000**	Rs'000
- as previously reported	**-**	-
- effect of prior year adjustments (note 51)	**(43,100)**	(35,700)
- as restated	**(43,100)**	(35,700)
Charged to profit or loss	**2,500**	2,800
Charged/(credited) to other comprehensive income	**12,800**	(9,300)
Contributions paid	**(200)**	(900)
At June 30,	**(28,000)**	(43,100)

(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, 2019.

(ii) The amounts recognised on the statements of financial position are as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Present value of funded obligations	**1,252,945**	1,091,575	**458,626**	410,132
Present value of unfunded defined benefit obligations	**2,358**	1,535	**-**	-
Fair value of plan assets	**(660,976)**	(622,859)	**(169,409)**	(157,963)
Impact of minimum funding requirement/asset ceiling	**-**	(2,900)	**-**	-
Deficit of funded plans	**594,327**	467,351	**289,217**	252,169

26. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(d) Defined pension benefits (cont'd)

(iii) The movement in liability recognised on the statements of financial position is as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
At July 1,	**Rs'000**	Rs'000	**Rs'000**	Rs'000
- as previously reported	**424,250**	467,163	**252,169**	-
- effect of prior year adjustments (note 51)	**43,100**	35,700	**-**	-
- as restated	**467,350**	502,863	**252,169**	-
Amalgamation adjustment	**-**	-	**-**	268,688
Acquisition through business combination	**-**	-	**-**	-
Charged to profit or loss	**35,514**	53,036	**14,244**	16,170
(Credited)/charged to other comprehensive income	**174,746**	(17,650)	**59,906**	(8,438)
Contributions paid	**(85,337)**	(70,898)	**(37,102)**	(24,251)
Transfer to other post retirement benefits	**1,050**	-	**-**	-
Disposal of subsidiary	**(2,519)**	-	**-**	-
Transfer from a subsidiary company	**3,523**	-	**-**	-
At June 30,	**594,327**	467,351	**289,217**	252,169

(iv) The movement in the defined benefit obligations during the year is as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
At July 1,	**Rs'000**	Rs'000	**Rs'000**	Rs'000
- as previously reported	**2,843,009**	2,920,359	**410,132**	-
- effect of prior year adjustments (note 51)	**(1,749,800)**	(1,796,300)	**-**	-
- as restated	**1,093,209**	1,124,059	**410,132**	-
Amalgamation adjustment	**-**	-	**-**	426,425
Current service cost	**16,905**	26,663	**1,996**	2,016
Past service cost	**1,000**	200	**-**	-
Interest cost	**52,778**	57,658	**18,109**	21,070
Actuarial loss	**19,392**	22,360	**4,564**	14,644
Employee contributions	**1,121**	-	**46**	64
Liability loss due to change in financial assumptions	**144,312**	(49,644)	**49,940**	(24,210)
Liability loss due to change in demographic assumptions	**(14,286)**	-	**-**	-
Benefits paid	**(64,309)**	(82,849)	**(31,821)**	(29,877)
Other movements	**-**	2,558	**-**	-
Liability experience loss	**6,424**	(7,895)	**5,660**	-
Transfer to other post retirement benefits	**(2,163)**	-	**-**	-
Disposal of subsidiary	**(4,597)**	-	**-**	-
Transfer from a subsidiary	**5,517**	-	**-**	-
At June 30,	**1,255,303**	1,093,110	**458,626**	410,132

(v) The movement in the fair value of plan assets during the year is as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,				
- as previously reported	**(2,476,259)**	(2,552,796)	**(157,963)**	-
- effect of prior year adjustments (note 51)	**1,853,400**	1,932,400	**-**	-
- as restated	**(622,859)**	(620,396)	**(157,963)**	-
Amalgamation adjustment	**-**	-	**-**	(157,736)
Employer contributions	**(85,337)**	(71,799)	**(37,102)**	(24,251)
Employee contributions	**(1,121)**	(2,558)	**(46)**	(65)
Scheme expenses	**1,294**	384	**695**	124
Interest income	**(36,645)**	(31,858)	**(6,556)**	(7,499)
Cost of insuring risk benefits	**-**	1,390	**-**	459
Benefits paid	**64,109**	82,849	**31,821**	29,877
Actuarial gain	**16,285**	(5,971)	**(258)**	(898)
Return on plan assets excluding interest income	**-**	25,100	**-**	2,026
Transfer to other post retirement benefits	**3,214**	-	**-**	-
Disposal of subsidiary	**2,078**	-	**-**	-
Transfer from a subsidiary	**(1,994)**	-	**-**	-
At June 30,	**(660,976)**	(622,859)	**(169,409)**	(157,963)

26. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(d) Defined pension benefits (cont'd)

(vi) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Current service cost	**16,898**	31,562	**1,996**	2,016
Past service cost	**1,000**	200	**-**	-
Cost of insuring risk benefits	**-**	1,390	**-**	459
Interest cost	**18,833**	22,300	**11,553**	13,571
Settlement loss	**-**	-	**-**	-
Scheme expenses	**1,295**	384	**695**	124
Total included in employee benefit expense (note 34(b))	**38,026**	55,836	**14,244**	16,170

(vii) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Losses on pension scheme assets	**9,826**	6,303	**(2,817)**	(898)
Liability experience losses	**11,876**	17,058	**4,544**	11,475
Liability losses due to change in financial assumptions	**144,312**	(1,744)	**49,940**	(24,210)
Liability losses due to change in demographic assumptions	**(14,286)**	-	**-**	-
Return on plan assets	**6,559**	(12,274)	**2,559**	2,026
Change in effect of asset ceiling	**13,940**	(46,300)	**-**	-
Changes in assumptions underlying the present value of the scheme	**-**	10,007	**5,680**	3,169
Actuarial losses recognised in other comprehensive income	**172,227**	(26,950)	**59,906**	(8,438)

(viii) The principal assumptions used for accounting purposes of the actuarial valuations were as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	%	%	**%**	%
Discount rate	**1.1-4.5**	2.8-6.0	**1.1-3.3**	2.8-5.5
Expected return on plan assets	**0.0**	4.0	**1.0**	4.0
Future salary increases	**1.0-2.5**	3.0-4.0	**0.0**	3.0
Rate of pension increases	**0.0**	0.5-2.0	**0.0**	0.0

(ix) The allocation of the plan assets at the end of the reporting period is as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	%	%	**%**	%
Qualifying insurance policies	**15.06**	3.35	**-**	-
Local equities	**25.00**	30.59	**27.00**	29.00
Overseas equities	**15.84**	20.21	**20.00**	25.00
Debt	**23.45**	26.73	**23.00**	23.00
Property	**12.31**	11.72	**19.00**	19.00
Cash and cash equivalents	**8.34**	7.40	**11.00**	4.00
	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.

The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

26. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(d) Defined pension benefits (cont'd)

(x) Sensitivity analysis on defined benefit obligations at end of the reporting period:

	THE GROUP	THE COMPANY
June 30, 2020	**Rs'000**	**Rs'000**
Decrease due to 1% increase in discount rate	**116,099**	**26,746**
Increase due to 1% decrease in discount rate	**113,735**	**31,146**
Increase in Defined Benefit Obligation due to 1% increase in future long-term salary assumptions	**17,212**	**2,470**
Decrease in Defined Benefit Obligation due to 1% decrease in Future long-term salary assumptions	**15,197**	**2,294**

	THE GROUP	THE COMPANY
June 30, 2019	Rs'000	Rs'000
Decrease due to 1% increase in discount rate	224,572	21,606
Increase due to 1% decrease in discount rate	82,048	24,700
Increase in Defined Benefit Obligation due to 1% increase in future long-term salary assumptions	19,310	2,776
Decrease in Defined Benefit Obligation due to 1% decrease in Future long-term salary assumptions	11,861	2,583

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, currency risk, interest rate risk and market (investment) risk.

(xii) The group expects to pay Rs.87m (2019:Rs.42.2m) as contributions to their post-employment benefit plans for the year ended June 30, 2020.

(xiii) The weighted average duration of the defined benefit obligation is between 2 and 21 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	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Present value of unfunded obligations	**496,788**	430,247	**69,758**	75,630

(ii) The movement in liability recognised on the statements of financial position is as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,				
- as previously reported	**430,247**	378,545	**75,630**	-
- amalgamation adjustment	**-**	-	**-**	66,999
- as restated	**430,247**	378,545	**75,630**	66,999
Charged to profit or loss	**71,441**	38,350	**4,597**	4,514
Charged to other comprehensive income	**24,673**	34,898	**(4,887)**	9,352
Acquisition through business combinations (note 43)	**-**	1,155	**-**	-
Employer contributions	**(28,046)**	(14,549)	**-**	(222)
Benefits paid	**(750)**	(8,152)	**(5,582)**	(5,013)
Disposal of subsidiary	**(777)**	-	**-**	-
At June 30,	**496,788**	430,247	**69,758**	75,630

26. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(e) Other post retirement benefits (cont'd)

(iii) The movement in the defined benefit obligations during the year is as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,				
- as previously reported	**430,247**	378,545	**75,630**	-
- amalgamation adjustment	**-**	-	**-**	66,999
- as restated	**430,247**	378,545	**75,630**	66,999
Acquisition through business combinations (note 43)	**-**	1,125	**-**	-
Effect of curtailments/settlements	**180**	(669)	**-**	-
Current service cost	**48,981**	14,526	**1,369**	1,315
Past service cost and gains and losses on settlements	**1,000**	4,800	**-**	-
Interest cost	**21,280**	19,722	**3,228**	3,199
Actuarial losses	**520**	17,503	**(4,405)**	9,408
Liability experience gains	**4,115**	7,187	**(394)**	-
Liability gains due to change in financial assumptions	**21,238**	10,109	**-**	(56)
Liability gains due to change in demographic assumptions	**(1,200)**	100	**(88)**	-
Employer contributions	**-**	(14,549)	**-**	(222)
Benefits paid	**(28,796)**	(8,152)	**(5,582)**	(5,013)
Disposal of subsidiary	**(777)**	-	**-**	-
At June 30,	**496,788**	430,247	**69,758**	75,630

(iv) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Current service cost	**48,981**	14,526	**1,369**	1,315
Effect of curtailments/settlements	**180**	(669)	**-**	-
Past service cost	**1,000**	4,800	**-**	-
Interest expense	**21,280**	19,722	**3,228**	3,199
Total included in employee benefit expense (note 34(b))	**71,441**	38,379	**4,597**	4,514

(v) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Liability experience (gains)/losses	**(2,071)**	15,591	**(8,174)**	7,799
Liability gain due to change in demographic assumptions	**-**	-	**-**	-
Liability gain due to change in financial assumptions	**21,350**	10,109	**(88)**	(56)
Changes in assumptions underlying the present value of the scheme	**5,394**	9,198	**3,375**	1,609
Actuarial losses recognised in other comprehensive income	**24,673**	34,898	**(4,887)**	9,352

(vi) The principal assumptions used for the purposes of the actuarial valuations were as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	%	%	**%**	%
Discount rate	**2.2-4.1**	2.8-6.0	**2.2-3.0**	4.0-5.0
Future long term salary increase	**0.0-3.0**	3.0-4.0	**1.0**	3.0
Future guaranteed pension increase	**0.0**	0.5-2.0	**0.0**	0.0

26. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(vii) Sensitivity analysis on defined benefit obligations at end of the reporting period:

	THE GROUP	THE COMPANY
June 30, 2020	**Rs'000**	**Rs'000**
Decrease due to 1% increase in discount rate	**83,364**	**3,726**
Increase due to 1% decrease in discount rate	**63,314**	**4,111**
Increase due to 1% increase in future long-term salary assumptions	**10,784**	**222**
Decrease due to 1% decrease in future long-term salary assumptions	**9,073**	**176**

	THE GROUP	THE COMPANY
June 30, 2019	Rs'000	Rs'000
Decrease due to 1% increase in discount rate	19,268	3,984
Increase due to 1% decrease in discount rate	58,487	4,412
Increase due to 1% increase in future long-term salary assumptions	63,712	196
Decrease due to 1% decrease in future long-term salary assumptions	9,202	156

(viii) The weighted average duration of the defined benefit obligation is between 2 and 25 years for the group at the end of the reporting period.

(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.

27. TRADE AND OTHER PAYABLES

(a) Accounting policy

Trade and other payables

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

(b)

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Trade payables	**963,440**	3,474,542	**4,733**	3,952
Other payables and accruals	**2,708,143**	573,503	**32,975**	53,238
	3,671,583	4,048,045	**37,708**	57,190

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

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. 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.

(b)

	THE GROUP	
	2020	2019
At July 1,	**Rs'000**	Rs'000
- as previously reported	**306,588**	-
- effect of prior year adjustments (note 51)	**54,700**	-
- Adjustment on initial application of IFRS 15 - Revenue from contracts with customers	**-**	431,798
- as restated	**361,288**	431,798
Land options redeemed, excluded from revenue	**-**	(16,000)
Amounts included in contract liabilities that was recognised as revenue during the year	**(296,659)**	(270,417)
Cash received in advance of performance and not recognised as revenue during the year	**668,513**	205,307
Exchange difference	**38,700**	10,600
At June 30,	**771,842**	361,288
Analysed as follows:		
Non-current	**155,500**	-
Current	**616,342**	306,588
	771,842	306,588

29. AMOUNTS PAYABLE TO GROUP COMPANIES

(a) Accounting policy

Amounts payable to group companies are stated at fair value and subsequently measured at amortised cost using the effective interest method.

	2020	2019
(b) **THE COMPANY**	**Rs'000**	Rs'000
Subsidiary companies	**409,432**	29,356

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.

30. REVENUE (CONT'D)

(a) Accounting policy (cont'd)

Revenue from contracts with customers (cont'd)

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.

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 satisfies 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.

30. REVENUE (CONT'D)

(b)

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Sales of goods (including property)	**4,097,507**	5,964,511	**-**	-
Sales of services	**8,346,600**	8,210,216	**-**	-
Sugar and agricultural diversification proceeds	**647,044**	613,411	**-**	-
Management and secretarial fees	**7,245**	5,144	**23,094**	11,203
Rental and other revenue	**702,359**	513,081	**60,180**	33,916
Revenue from contracts with customers	**13,800,755**	15,306,363	**83,274**	45,119
Commission	**239,300**	301,500	**-**	-
Other income	**96,321**	289,200	**-**	-
Interest and dividend income	**216,393**	129,561	**142,281**	209,500
	14,352,769	16,026,624	**225,555**	254,619

(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 revnue is recognised.

31(a) OTHER OPERATING EXPENSES

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Sugar estate other operating expenses	**407,739**	497,057	**65,303**	32,471
Depreciation and amortisation	**797,524**	621,507	**11,068**	3,711
Selling and other expenses	**242,867**	264,390	**-**	-
	1,448,130	1,382,954	**76,371**	36,182

31(b) ADMINSTRATIVE EXPENSES

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Employee benefit expense	**3,377,042**	3,579,560	**61,589**	35,881
Other expenses and services including professional services	**1,296,368**	1,253,114	**178,176**	107,497
	4,673,410	4,832,674	**239,765**	143,378

32. SPECIFIC ITEMS

(a) The compensation for losses are indemnity paid on the purchase of an associated company.

(b) The excess of fair valuation of net assets over consideration price following the acquisition of 100% holding in Cheribinny Limited by Rogers Capital Finance Ltd, a subsidiary company in 2020 and acquisition of majority stake in JMD in 2019.

(c) Market related intangibles, as determined by the purchase price allocation exercise performed on acquired companies, have been amortised over the lifetime of the asset.

(d) Goodwill impaired on subsidiary and associated companies following annual impairment.

(e) This relates to crystallisation of land conversion rights on sale of land.

(f) Cost of sales is made up of cost of inventories, employee benefit expense, depreciation and cost of raw materials.

(g) Profit on sale of land and investments includes gain on sale of land to a subsidiary amounting to Rs. 864.3m at company level.

33. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
Interest expense on	**Rs'000**	Rs'000	**Rs'000**	Rs'000
- Bank overdrafts	**52,685**	86,376	**5,827**	1,466
- Bank and other loans	**1,140,330**	1,076,236	**381,347**	196,966
- Lease liabilities	**75,308**	10,632	**1,677**	254
- Preference shares	**-**	2,354	**-**	-
	1,268,323	1,175,598	**388,851**	198,686
Foreign exchange (gains)/losses	**(12,758)**	(7,098)	**(109)**	532
	1,255,565	1,168,500	**388,742**	199,218

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

34. (LOSS)/PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
(Loss)/profit before taxation is arrived after:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Crediting :				
Investment income from equity investments in financial assets at fair value through profit or loss	**17,017**	9,488	**1,876**	7,679
Investment income from equity investments in financial assets at fair value through other comprehensive income held during the reporting period	**14,458**	19,703	**9,205**	9,203
Investment income from subsidiaries, jointly controlled entities and associates	**-**	-	**77,746**	170,334
Interest income	**208,860**	90,809	**53,455**	22,284
Profit on disposal of property, plant and equipment, intangible assets, investment properties and investments	**26,926**	141,839	**871,735**	42,672
Release to income relating to dividend in specie	**-**	2,158	**-**	2,158
Fair value gain on revaluation of investment properties and straightlining adjustment	**406,500**	696,098	**1,868,672**	281,872
Excess of fair value of the share of net assets over acquisition price (see note (a) below)	**4,930**	5,533	**-**	-
and charging:				
Depreciation on property, plant and equipment	**654,106**	644,171	**11,068**	3,711
Impairment of goodwill, investments and others	**22,525**	14,100	**-**	-
Amortisation of intangible assets	**80,982**	76,268	**-**	-
Amortisation of deferred expenditure	**90,400**	94,800	**-**	-
Fair value loss on financial assets at fair value through profit or loss (see note 12(c)(i))	**4,701**	12,000	**4,826**	6,406
Employee benefit expense (see note (b) below)	**3,377,042**	3,579,560	**61,589**	35,881

(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	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Wages and salaries	**3,090,906**	3,343,701	**42,748**	11,946
Social security and other costs	**103,127**	37,351	**-**	42
Pension costs - defined benefit plans (note 26(d)(vi))	**38,026**	55,836	**14,244**	16,170
- other post retirement benefits (note 26(e)(iv))	**71,441**	38,379	**4,597**	4,514
- defined contribution plans	**73,542**	104,293	**-**	3,209
	3,377,042	3,579,560	**61,589**	35,881

35. INCOME TAX

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
(a) **CHARGE**	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Current tax on the adjusted profit for the year at 17% (including CSR) (2019: 17%)	**136,195**	167,817	**37**	2,298
Under provision	**16,075**	2,309	**-**	-
	152,270	170,126	**37**	2,298
Deferred tax charge	**(37,940)**	72,896	**(3,915)**	5,617
Income tax charge/(credit)	**114,330**	243,022	**(3,878)**	7,915

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.

Income tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to/(recovered from) the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period.

35. INCOME TAX (CONT'D)

(b) **LIABILITY**

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1,				
- as previously reported	**77,901**	76,371	**1,954**	-
- effect of prior year adjustments (note 51)	**(7,956)**	-	**-**	-
- as restated	**69,945**	76,371	**1,954**	-
Amalgamation adjustment			**-**	228
Acquisition through business combinations (note 43)	**-**	(519)	**-**	-
Transfers	**-**	(1,696)	**-**	-
Covid-19 Levy	**2,717**	-	**-**	-
Corporate Social Responsibility	**11,511**	9,502	**-**	-
Under provision	**7,492**	(925)	**-**	-
Charge for the year	**134,505**	147,017	**-**	2,298
Paid during the year	**(144,244)**	(160,605)	**(1,954)**	(572)
Exchange differences	**300**	800	**-**	-
At June 30,	**82,226**	69,945	**-**	1,954

(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	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
(Loss)/profit before taxation	**(843,014)**	1,304,449	**2,636,136**	190,022
Tax calculated at a rate of 17% (2019: 17%)	**(143,312)**	221,756	**448,143**	32,304
Tax effect of :-			**-**	
Income not subject to tax	**(360,851)**	(385,120)	**(555,663)**	(196,303)
Effect of different tax rates	**7,878**	-	**-**	-
Expenses not deductible for tax purposes	**239,600**	358,337	**47,194**	148,849
Deferred tax on investment properties not recognised	**-**	(29,732)	**-**	-
Recognised tax losses	**-**	(60,419)	**-**	-
Utilisation of previously unrecognised tax losses	**130,747**	(4,597)	**56,448**	-
Deferred tax impact	**(5,785)**	64,754	**-**	-
Tax losses for which no deferred tax asset was recognised	**9,102**	26,576	**-**	23,065
Under provision of income tax in previous years	**4,351**	14,185	**-**	-
Effect of consolidation adjustments	**198,219**	(9,496)	**-**	-
Effect of tax on associated companies	**34,528**	(28,948)	**-**	-
Other movements	**(147)**	18,978	**-**	-
Effect of prior year adjustments	**-**	56,748	**-**	-
Income tax charge	**114,330**	243,022	**(3,878)**	7,915

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.

Expenses not deductible for tax purposes include depreciation, expenditure on entertainment, gifts & donations, legal and professional fees, fair vale loss on financial assets at fair value through profit or loss and other expenses relating to exempt income.

36. FAIR VALUE, REVALUATION AND OTHER RESERVES

(a) **THE GROUP**

(i) **June 30, 2020**

	Fair value, revaluation and other reserves		
	Holding company and subsidiaries	**Associated companies**	**Total**
	Rs'000	**Rs'000**	**Rs'000**
At July 1, 2019			
- as previously reported	**9,285,495**	**864,883**	**10,150,378**
- effect of prior year adjustments (note 51)	**2,214,336**	**(176,878)**	**2,037,458**
- as restated	**11,499,831**	**688,005**	**12,187,836**
Effect of change in ownership not resulting in:			
-loss of control	**(7,323)**	**-**	**(7,323)**
-acquisition and disposals	**1,195**	**-**	**1,195**
Transfers	**(39,361)**	**-**	**(39,361)**
Other comprehensive income for the year	**2,689,296**	**(469,538)**	**2,219,758**
At June 30, 2020	**14,143,638**	**218,467**	**14,362,105**

(ii) **June 30, 2019**

	Fair value, revaluation and other reserves		
	Holding company and subsidiaries	Associated companies	Total
	Rs'000	Rs'000	Rs'000
At July 1, 2018			
- as previously reported	3,228,594	115,175	3,343,769
- effect of prior year adjustments (note 51)	1,894,913	(12,909)	1,882,004
- as restated	5,123,507	102,266	5,225,773
Effect of change in ownership not resulting in loss of control following amalgamation	6,108,272	582,977	6,691,249
Transfers	(14,016)	-	(14,016)
Other comprehensive income for the year	282,068	98,927	380,995
Movement in reserves	-	(96,165)	(96,165)
At June 30, 2019	11,499,831	688,005	12,187,836

(b) **THE COMPANY**

	2020	2019
<u>**Fair value, revaluation and other reserves**</u>	**Rs'000**	Rs'000
At July 1,		
- as previously reported	**12,134,806**	5,526,240
- effect of prior year adjustments (note 51)	**(4,500,771)**	4,768,569
- as restated	**7,634,035**	10,294,809
Transfer on disposal of equity investment at fair value through other comprehensive income	**-**	(620,516)
Other comprehensive income for the year	**(3,508,805)**	(2,040,258)
At June 30,	**4,125,230**	7,634,035

Fair value, revaluation and other reserves

Fair value, revaluation and other 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

(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)

	2020	2019
Amounts recognised as distributions to equity holders during the year:	Rs'000	Rs'000
Ordinary shares		
- Interim dividend for the year ended June 30, 2020 of Rs.0.45 (2019: Rs.117*) per share	168,748	25,231
- Final dividend for the year ended June 30, 2020 of Rs.nil (2019: Rs.0.45) per share	-	168,748
Preference shares		
- Interim dividend for the year ended June 30, 2020 of Rs.nil (2019: Rs.1.60) per share	-	991
	168,748	194,970
Dividend per share- pre-amalgamation *	-	0.3
Dividend per share (Rs)- post-amalgamation	0.45	0.45

*The interim dividend was based on 215,646 ordinary shares pre-amalgamation.

The final proposed dividend was paid on July 31, 2019.

38. (LOSS)/EARNINGS PER SHARE

Basic (loss)/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 (2019: nil).

		THE GROUP		THE COMPANY	
		2020	2019	2020	2019
Net (loss)/profit attributable to owners of the company	Rs'000	(784,465)	361,309	2,640,014	188,738
Basic number of ordinary shares in issue ('000)		374,996	374,996	374,996	374,996
Weighted number of ordinary shares in issue ('000)		374,996	229,063	374,996	229,063
(Loss)/Earnings per share	Rs.	(2.09)	1.58	7.04	0.82

39. NOTES TO THE STATEMENTS OF CASH FLOWS

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

		THE GROUP		THE COMPANY	
	Notes	2020	2019	2020	2019
(a) Cash generated from/(used in) operations		Rs'000	Rs'000	Rs'000	Rs'000
(Loss)/profit before taxation		(843,014)	1,304,449	2,636,136	196,653
Adjustments for:					
Depreciation of property, plant and equipment		815,165	624,187	11,068	3,711
Amortisation of intangible assets		38,193	36,952	-	-
Amortisation of deferred expenditure		90,400	123,100	-	-
Interest expense		1,268,323	1,175,598	388,741	199,218
Interest income		(208,860)	(90,809)	(53,455)	(22,284)
Fair value gain on revaluation of investment properties and straightlining adjustment		(406,500)	(696,098)	(1,868,672)	(281,872)
Fair value loss on financial assets at fair value through profit or loss		4,825	12,000	4,826	6,406
Excess of the fair value of the share of net assets over acquisition price		(4,930)	(5,533)	-	-
Release to income relating to dividend in specie		-	(2,158)	-	(2,158)
Release of deferred expenditure to expenses		432	4,347	-	-
Profit on disposal of land and investments		(3,550)	(137,531)	(871,127)	(42,217)
Profit on disposal of property, plant and equipment, intangible assets and investment properties		(23,376)	(4,308)	(608)	(455)
Impairment charge on value of loans		-	52,755	-	-
Impairment on financial assets and receivables	13, 14, 17, 19	519,300	60,400	1,818	15,153
Impairment of market related intangibles and others		38,836	51,700	-	-
Reversal of impairment of long term loan receivable		-	-	(268,190)	-
Provision for retirement benefit obligations		(33,562)	(359)	(23,843)	(45,056)
Share of profits less losses of associated companies and jointly controlled entities, net of dividends		500,474	(202,580)	1,565	1,186
Land conversion rights		(117,400)	-	(117,400)	-
Grant released		(322)	-	-	-
Fair value adjustment on bearer assets		(806)	-	-	-
Capital reduction		(271)	-	(271)	-
Straightlining of rental income		(1,672)	(80,224)	-	(553)
Goodwill and other write off		23,215	(1,660)	-	-
Debtors written off		-	-	3	17,296
Deferred rent liabilities		-	-	-	269
Deferred rent assets		-	-	(980)	-
Fair value adjustments and straightlining adjustments		-	(57,600)	-	-
Loss/(gain) on exchange		18,794	1,233	(110)	(171)
Compensation for waiver to rights to lessee on land and buildings		3,894	(1,360)	3,894	1,188
		1,677,588	2,166,501	(156,605)	46,314
Changes in working capital:					
- inventories		(166,668)	(12,199)	-	-
- consumable biological assets		(8,620)	47,047	-	-
- trade and other receivables		208,580	(565,781)	(3,553)	4,020
- receivable from group companies		-	-	113,739	(123,920)
- loans and advances		(630,400)	(1,316,800)	-	-
- trade and other payables		(304,641)	319,823	(4,462)	8,179
- payables to group companies		-	-	3,952	25,326
Cash generated from/(used in) operations		775,839	638,591	(46,929)	(40,081)

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 and financial assets at fair value through other comprehensive income received as consideration for sale of investments.

(c) **Cash and cash equivalents**

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Bank overdrafts	**(870,107)**	(1,635,539)	**-**	(295)
Cash at bank and in hand	**3,089,643**	2,016,981	**789,390**	608,846
Cash and cash equivalents	**2,219,536**	381,442	**789,390**	608,551

At June 30, 2020, cash and cash equivalents have been considered for impairment and impairment loss was negligible and hence not accounted for.

(d) **Reconciliation of liabilities arising from financing activities**

THE GROUP	**Convertible preference shares**	**Secured fixed and variable rate notes**	**Debentures**	**Bank and other loans**	**Bond notes**	**Borrowings with other financial institutions**	**Lease liabilities**	**2020**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At July 1, 2019								
-as previously reported	37,500	2,060,000	355,700	16,217,860	3,500,000	252,123	-	**22,423,183**
- effect of prior year adjustments (note 51)	-	(5,164)	-	72,997	(14,791)	-	-	**53,042**
-as restated	37,500	2,054,836	355,700	16,290,857	3,485,209	252,123	-	**22,476,225**
-effect of adopting IFRS 16	-	-	-	-	-	-	1,304,151	**1,304,151**
Net cash flows	-	2,000,000	674,815	352,337	(57,500)	(230,560)	(188,254)	**2,550,838**
Non-cash transactions	(37,500)	-	-	(15,000)	134,505	216,489	70,900	**369,394**
Acquisition of subsidiaries	-	-	-	4,000	-	-	-	**4,000**
Foreign exchange movements	-	-	-	172,587	-	-	-	**172,587**
At June 30, 2020	**-**	**4,054,836**	**1,030,515**	**16,804,781**	**3,562,214**	**238,052**	**1,186,797**	**26,877,195**

39. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(d) Reconciliation of liabilities arising from financing activities (cont'd)

THE COMPANY	**Bank and other loans**	**Bond notes**	**Borrowings with other financial institutions**	**Lease liabilities**	**2020**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At July 1, 2019					
-as previously reported	3,645,823	3,500,000	6,910	-	**7,152,733**
- effect of prior year adjustments (note 51)	-	70,268	-	-	**70,268**
-effect of adopting IFRS 16	-	-	-	25,244	**25,244**
-as restated	3,645,823	3,570,268	6,910	25,244	**7,248,245**
Net cash flows	122,727	-	(5,658)	(3,241)	**113,828**
Non-cash transactions	(3,333)	(8,054)	7,057	(25)	**(4,355)**
At June 30, 2020	**3,765,217**	**3,562,214**	**8,309**	**21,978**	**7,357,718**

40. COMMITMENTS

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
Capital commitments	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Authorised by the board but not contracted for	**898,000**	876,040	**-**	71,140
Contracted for but not yet incurred	**1,020,937**	653,643	**-**	-

Capital commitments consist principally of property, plant and equipment.

	THE GROUP	
	2020	2019
Future minimum lease receivable under non-cancellable operating leases may be analysed as follows:	**Rs'000**	Rs'000
Within one year	**8,700**	4,400
After one year and before five years	**20,700**	13,000
After five years	**100**	700
Future minimum lease receivable under non-cancellable operating leases	**29,500**	18,100

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, 2020

41. SEGMENT INFORMATION (CONT'D)

THE GROUP	Agro-industry	Commerce and industry	Real estate	Land and investments	Hospitality	Logistics	FinTech	Corporate office	Total
2020	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Total segment revenues	879,099	3,732,596	3,515,595	202,954	3,305,639	3,217,259	978,192	118,675	15,950,010
Inter-segment revenues	(89,108)	(117,935)	(741,480)	(166,472)	(247,956)	(26,674)	(93,917)	(113,699)	(1,597,241)
Revenue from external customers	789,991	3,614,661	2,774,115	36,482	3,057,683	3,190,585	884,275	4,976	14,352,769
(Loss)/profit before impairment loss and finance costs	(56,492)	215,094	1,138,872	(82,609)	(137,251)	204,027	33,179	(33,512)	1,281,308
Impairment loss on financial assets	-	-	(208,300)	-	(58,000)	(29,000)	(224,000)	-	(519,300)
Share of profits less losses of associated companies and jointly controlled entities, net of tax	52,892	17,605	(284,867)	25,000	(362,087)	-	202,000	-	(349,457)
Finance costs	(11,842)	(60,593)	(603,299)	(334,396)	(118,500)	(66,500)	(60,200)	(235)	(1,255,565)
(Loss)/profit before taxation	(15,442)	172,106	42,406	(392,005)	(675,838)	108,527	(49,021)	(33,747)	(843,014)
Income tax expense	(1,541)	(121,332)	217	(59)	3,000	(23,000)	24,400	3,985	(114,330)
(Loss)/profit for the year	(16,983)	50,774	42,623	(392,064)	(672,838)	85,527	(24,621)	(29,762)	(957,344)
Assets	3,705,099	3,121,002	28,134,260	18,751,234	11,650,913	3,023,023	5,906,556	39,826	74,331,913
Liabilities	862,770	1,806,444	13,035,423	7,584,190	5,300,620	1,518,255	4,002,913	184,627	34,295,242
Capital expenditure	187,495	261,064	1,211,949	122,826	456,000	122,000	98,000	13,940	2,473,274
Depreciation and amortisation	57,646	92,872	234,075	31	311,000	177,000	93,000	20,923	986,547
Material items of income and expenditure:									
Fair value gain on revaluation of investment properties	-	8,112	368,888	26,700	-	-	-	-	403,700
Primary Geographic markets									
Asia	-	-	-	-	-	211,000	6,000	-	217,000
Europe	-	130,279	513,000	-	1,237,000	565,000	53,000	-	2,498,279
Africa and others	789,991	3,484,382	2,261,115	36,482	1,820,683	2,414,585	825,275	4,976	11,637,490
Revenue from primary geographic markets	789,991	3,614,661	2,774,115	36,482	3,057,683	3,190,585	884,275	4,976	14,352,769
Contract counterparties									
Individual	-	21,260	1,377,816	-	2,029,000	411,000	-	-	3,839,076
Corporate	789,991	3,593,401	1,396,299	36,482	1,028,683	2,779,585	884,275	4,976	10,513,693
Revenue by contract counter parties	789,991	3,614,661	2,774,115	36,482	3,057,683	3,190,585	884,275	4,976	14,352,769
Timing of revenue recognition									
At a point in time	684,062	3,607,481	564,115	36,482	2,872,683	2,353,585	799,275	4,976	10,922,660
Over time	105,929	7,180	2,210,000	-	185,000	837,000	85,000	-	3,430,109
Revenue by timing of revenue recognition	789,991	3,614,661	2,774,115	36,482	3,057,683	3,190,585	884,275	4,976	14,352,769

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) Agro-Industry - sugar cultivation, poultry and others.
(ii) Commerce and industry - sale of motor vehicles, swimming pools and others.
(iii) Real estate - rental of offices, malls and sale of residential and commercial property.
(iv) Land and investments - investment holding.
(v) Hospitality - hotel operations and leisure activities.
(vi) Logistics - freight forwarding and transport services.
(vii) FinTech - 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, 2020

41. SEGMENT INFORMATION (CONT'D)

THE GROUP -RESTATED	Agro-industry	Commerce and industry	Real estate	Land and investments	Hospitality	Logistics	FinTech	Corporate office	Total
2019	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Total segment revenues	994,412	4,107,333	3,742,289	381,807	3,884,742	3,501,106	959,375	286,914	17,857,978
Inter-segment revenues	(196,766)	(179,844)	(655,643)	(354,841)	(40,934)	(766)	(120,315)	(282,245)	(1,831,354)
Revenue from external customers	797,646	3,927,489	3,086,646	26,966	3,843,808	3,500,340	839,060	4,669	16,026,624
(Loss)/profit before impairment loss and finance costs	(174,132)	192,307	1,750,287	(231,197)	381,083	165,371	70,044	(36,830)	2,116,933
Impairment loss on financial assets	-	-	(2,000)	-	7,600	8,000	(74,000)	-	(60,400)
Share of profits less losses of associated companies and jointly controlled entities, net of tax	196,634	28,711	(58,459)	58,000	(14,470)	-	206,000	-	416,416
Finance costs	(17,349)	(59,267)	(548,092)	(339,092)	(114,900)	(35,800)	(53,600)	(400)	(1,168,500)
Profit/(loss) before taxation	5,153	161,751	1,141,736	(512,289)	259,313	137,571	148,444	(37,230)	1,304,449
Income tax expense	11,459	(16,651)	(120,233)	-	(70,000)	(37,000)	(2,400)	(8,197)	(243,022)
Profit/(loss) for the year	16,612	145,100	1,021,503	(512,289)	189,313	100,571	146,044	(45,427)	1,061,427
Assets	3,720,777	2,554,911	22,594,070	18,787,231	11,860,673	2,994,906	4,935,873	30,600	67,479,041
Liabilities	884,132	1,533,897	11,317,014	7,334,648	3,870,242	2,302,338	2,825,230	492,218	30,559,719
Capital expenditure	26,887	117,475	1,496,000	-	437,130	101,260	117,540	10,769	2,307,061
Depreciation and amortisation	81,390	96,700	201,331	3,883	242,430	102,260	51,540	12,988	792,522
Material items of income and expenditure:									
Fair value gain on revaluation of investment properties	-	-	679,760	16,338	-	-	-	-	696,098
Primary Geographic markets									
Asia	-	-	-	-	149,000	264,000	129,000	-	542,000
Europe	-	-	-	-	1,873,000	1,005,000	123,000	-	3,001,000
Africa and others	797,646	3,927,489	3,086,646	26,966	1,821,808	2,231,340	587,060	4,669	12,483,624
Revenue from primary geographic markets	797,646	3,927,489	3,086,646	26,966	3,843,808	3,500,340	839,060	4,669	16,026,624
Contract counterparties									
Individual	-	-	535,000	-	1,133,000	85,000	1,000	-	1,754,000
Corporate	797,646	3,927,489	2,551,646	26,966	2,710,808	3,415,340	838,060	4,669	14,272,624
Revenue by contract counter parties	797,646	3,927,489	3,086,646	26,966	3,843,808	3,500,340	839,060	4,669	16,026,624
Timing of revenue recognition									
At a point in time	661,945	3,927,489	2,673,227	26,966	3,843,808	3,500,340	839,060	4,669	15,477,504
Over time	135,701	-	413,419	-	-	-	-	-	549,120
Revenue by timing of revenue recognition	797,646	3,927,489	3,086,646	26,966	3,843,808	3,500,340	839,060	4,669	16,026,624

42. RELATED PARTY TRANSACTIONS

(a) THE GROUP

	Associated companies		Jointly controlled entities		Other related parties	
	2020	2019	**2020**	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Purchases of goods and services	**46,381**	63,050	**-**	-	**8,681**	21,260
Sale of goods and services	**8,397**	42,226	**700**	700	**-**	10,000
Management fee income	**2,915**	2,075	**-**	-	**-**	-
Interest expense	**422**	61	**-**	-	**-**	-
Loans payable	**12,000**	19,200	**-**	-	**-**	-
Loans receivables	**-**	-	**72,100**	-	**-**	-
Amounts receivable	**320**	5,632	**400**	200	**178**	1,714
Amounts payable	**4,092**	1,874	**-**	-	**22**	58

(b) THE COMPANY

	Subsidiary companies		Associated companies		Other related parties	
	2020	2019	**2020**	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Rental income	**33,542**	22,939	**-**	-	**-**	-
Rental expense	**350**	2,639	**-**	-	**-**	-
Management fee income	**19,069**	9,528	**3,535**	1,535	**400**	100
Management fee expense	**98,724**	51,047	**-**	-	**-**	-
Interest expense	**1,011**	1,275	**-**	-	**18,366**	-
Interest income	**53,374**	22,237	**-**	-	**-**	-
Amounts receivable	**2,621,927**	1,228,134	**-**	-	**315**	115
Loans receivable	**276,000**	16,150	**-**	-	**-**	-
Amounts payable	**409,432**	29,356	**-**	-	**-**	-

(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 3.10%;

(ii) Loans payable to associated companies carry interest rate of 4.2%.

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, 2020, amounts receivable from group companies were impaired by Rs.11.1m (2019:Rs.7.8m). 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	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Directors' fees	**5,774**	5,717	**3,350**	3,910
Salaries and short term employment benefits	**53,787**	50,621	**17,003**	24,503
Post- employment benefits	**2,729**	4,400	**-**	-
	62,290	60,738	**20,353**	28,413

43. BUSINESS COMBINATIONS

(a) Disposal of subsidiary

(i) During the year, the group disposed its shareholding in Indoor & Outdoor Living Ltd. Assets and liabilities disposed are as follows:

Analysis of asset and liabilities over which control was lost	**2020**
	Rs'000
Non-current assets	
Property, plant and equipment	**3,057**
Intangible assets	**274**
Financial assets at fair value through profit or loss	**10**
Deferred tax assets	**1,054**
Current assets	
Inventories	**7,270**
Trade and other receivables	**5,827**
Cash and cash equivalents	**22**
Current liabilities	
Borrowings	**(5,191)**
Trade and other payables	**(3,574)**
Non-current liabilities	
Borrowings	**(578)**
Retirement benefit obligations	**(777)**
Net assets disposed of	**7,394**

	2020
Net cash flow on disposal of subsidiary	**Rs'000**
Consideration received	**13,185**
Net assets disposed of	**(7,394)**
Goodwill initially recognised	**(5,119)**
Loan receivable from a subsidiary written off	**(3,895)**
Loss on disposal	**(3,223)**

The loss on disposal is included in (loss)/profit for the year.

43. BUSINESS COMBINATIONS (CONT'D)

(ii) Acquisition of subsidiaries

During the year, the group acquired the following subsidiaries.

	% holding	Group effective % holding	Principal activity
Fintech			
Cheribinny Limited	100	69.0	Consumer finance
Hospitality			
Border Air Limited	100	100	GSA
Logistics			
Global Air Cargo Services Limited	50.0	33.5	Freight forwarding

The fair value of assets acquired and liabilities assumed were as follows:

	THE GROUP
	2020
	Rs'000
Property, plant and equipment	400
Trade and other receivables	24,700
Cash and cash equivalents	1,100
Trade and other payables	(5,600)
Borrowings	(4,000)
Deferred tax liabilities	(400)
	16,200
Excess of fair value of net assets acquired over settlement price	12,100
	28,300
Non-controlling interest not acquired	(700)
	27,600
Cash and cash equivalents acquired	(1,100)
Cash outflow on acquisition net of cash and cash equivalents	26,500
Satisfied by:	
Consideration paid in cash	27,600

The revenue and loss consolidated in the group's Statements of Profit or Loss for the year ended June 30, 2020 amounted to Rs.26.9m and Rs.5.5m respectively.

(iii) Disposal of subsidiary

On July 1, 2019, the group disposed of its shareholding in Rogers Capital Actuarial Services Ltd. Assets and liabilities disposed of are as follows:

	THE GROUP
	2020
	Rs'000
Trade and other receivables	2,800
Cash and cash equivalents	100
Trade and other payables	(1,000)
	1,900
Profit on disposal	6,700
	8,600
Cash and cash equivalents disposed	(100)
Cash flow on disposal net of cash and cash equivalents	8,500
Satisfied by:	
Cash	8,500

The group realised a profit of Rs.6.7m on the disposal Rogers Capital Actuarial Services Ltd and this profit is arrived at as follows:

Consideration received	8,600
Net assets disposed	(1,900)
Profit on disposal	6,700

44. CONTINGENT LIABILITIES

Contingent liabilities as at June 30, 2020 are as follows:

- A subsidiary has acted as surety in respect of a guarantee of Rs.300m given by one of its subsidiaries to the Mauritius Revenue Authority.
- Some of the group's subsidiaries have pending legal matters amounting to Rs.45.4m (2019:Rs.61.3m), the outcome of which is uncertain.
- The company is being sued by the heirs of a former employee for Rs.76m on the ground of having provided unsafe working conditions during his tenure with the company. At the date of signing the annual report, the outcome is uncertain.
- A subsidiary of the group has provided a shortfall undertaking, equivalent to six month's interest payment of approximately Rs.17.6m to bond holder representatives on behalf of another subsidiary company.
- Some of the group' subsidiaries had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business amounting to Rs.3,286.2m (2019:Rs.3,675.8m) from which it is anticipated that no material liabilities would arise.

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.

45. CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

(a) Change in accounting policy

Impact on the financial statements - IFRS 16

The group has adopted IFRS 16 - Leases without restating comparative information. Adjustments arising from the adoption of the new accounting policies have not been reflected in the comparatives for the year ended June 30, 2020 but have been recognised in the opening balance of note 5(e) right of use assets and lease liabilities (note 22).

Restatement of impact lines of the financial statements for prior periods are as follows:

policies have not been reflected in the comparatives for the year ended 30 June 2020 but have been recognised in the opening balance of note 10

The following table presents the impact of adopting IFRS 16 on the statement of financial position as at July 1, 2019:

	THE GROUP	THE COMPANY
	July 1, 2019	July 1, 2019
	Rs'000	Rs'000
Assets		
Right of use assets	1,086,914	24,633
Liabilities		
Lease liabilities	1,304,151	25,244

The following table presents the impact of adopting IFRS 16 on the statement of profit or loss for the year ended June 30, 2020:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	Rs'000	Rs'000	**Rs'000**	Rs'000
Depreciation on right of use assets	**161,059**	-	**4,048**	-
Interest on lease liabilities	**75,308**	-	**1,677**	-
	236,367	-	**5,725**	-

The following table presents the impact of adopting IFRS 16 on the statement of cash flows for the year ended June 30, 2020:

	THE GROUP	
	2020	2019
	Rs'000	Rs'000
Lease liabilities paid during the year	**188,254**	-

45. CHANGES IN ACCOUNTING POLICIES AND ESTIMATES (CONT'D)

(a) Change in accounting policy (cont'd)

Impact on the financial statements - IFRS 16

When measuring lease liabilities for leases that were classified as operating leases, the group discounted lease payments using its incremental borrowing rate at July 1, 2019.

	THE GROUP	THE COMPANY
	July 1, 2019	July 1, 2019
	Rs'000	Rs'000
Operating lease commitments at June 30, 2019	2,288,573	28,577
Discounted using the incremental borrowing rate at July 1, 2019	1,342,151	25,244
Recognition exemption for leases of low-value assets	(12,000)	-
Recognition exemption for leases with less than 12 months of lease term at transition	(26,000)	-
Lease liabilities recognised at July 1, 2019	1,304,151	25,244

(b) Change in accounting estimate

Change in estimated useful life of bearer biological assets

Accounting policy

Bearer biological assets comprise of replantation costs of bearer canes and land de-rocking and preparation costs. The costs are capitalised and amortised over a period of ten years, one year after the expenses have been incurred.

Critical accounting estimates and assumptions

The group initially estimated the useful life of bearer biological assets at seven years. As from July 1, 2019, the estimated useful life has been revised to ten years to take into consideration the current average age of the bearer canes. The change reflects new cultivation methods and new varietals that has resulted in lower loss in yields over longer cycles and the new economic environment in which the sugar sector operates with fluctuating prices.

46. AMALGAMATION

Effective January 1, 2019, Ex ENL Limited, ENL Finance Limited, ENL Land Ltd, and Ex ENL Commercial Limited have amalgamated with and into La Sablonniere Limited. La Sablonniere Limited remained as the surviving entity, was renamed ENL Limited and has been listed on the official market of the SEM. 374,996,326 Ordinary A Shares of ENL Limited of no par value have been issued for non cash consideration to the shareholders of the amalgamating companies who were registered on the share register of the said amalgamating companies as at December 31, 2018 in accordance with the share exchange ratio:

(a) 383.6061 new ordinary A shares for conversion of each La Sablonniere Limited ordinary share;

(b) 0.6575 new ordinary A shares for conversion of each La Sablonniere Limited preference share;

(c) 1.2186 new ordinary A shares for each Ex ENL Limited ordinary share;

(d) 1.1617 new ordinary A shares for each Ex ENL Limited preference share;

(e) 1.3724 new ordinary A shares for each ENL Land Ltd ordinary share;

(f) 0.6678 new ordinary A shares for each Ex ENL Commercial Limited ordinary share.

Effective January 1, 2019, the stated capital of the company is Rs 3,607,986,766.

Identifiable assets and liabilities on amalgamation are as follows:	2019
	Rs'000
Non-current assets	33,623,900
Current assets	540,968
	34,164,868
Non-current liabilities	5,403,728
Current liabilities	1,304,997
	6,708,725

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

47. 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

	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
THE GROUP	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Per Statements of financial position				
At June 30, 2020				
Financial assets at fair value through other comprehensive income	**454,316**	**-**	**-**	**454,316**
Financial assets at fair value through profit or loss	**-**	**44,760**	**-**	**44,760**
Other financial assets at amortised costs	**-**	**-**	**2,312,247**	**2,312,247**
Loans and advances	**-**	**-**	**2,163,000**	**2,163,000**
Trade receivables	**-**	**-**	**1,825,277**	**1,825,277**
Cash and cash equivalents	**-**	**-**	**3,089,643**	**3,089,643**
Total financial assets	**454,316**	**44,760**	**9,390,167**	**9,889,243**
At June 30, 2019 Restated				
Financial assets at fair value through other comprehensive income	587,670	-	-	587,670
Financial assets at fair value through profit or loss	-	49,586	-	49,586
Other financial assets at amortised costs	-	-	1,637,640	1,637,640
Loans and advances	-	-	1,661,270	1,661,270
Trade receivables	-	-	2,194,716	2,194,716
Cash and cash equivalents	-	-	2,016,981	2,016,981
Total financial assets	587,670	49,586	7,510,607	8,147,863
THE COMPANY				
Per statements of financial position				
At June 30, 2020				
Financial assets at fair value through other comprehensive income	**131,045**	**-**	**-**	**131,045**
Financial assets at fair value through profit or loss	**-**	**44,760**	**-**	**44,760**
Other financial assets at amortised costs	**-**	**-**	**1,876,199**	**1,876,199**
Trade receivables	**-**	**-**	**7,452**	**7,452**
Amount receivable from group companies	**-**	**-**	**1,061,373**	**1,061,373**
Cash and cash equivalents	**-**	**-**	**789,390**	**789,390**
	131,045	**44,760**	**3,734,414**	**3,910,219**

47. 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
Per statements of financial position	Rs'000	Rs'000	Rs'000	Rs'000
At June 30, 2019 - restated				
Financial assets at fair value through other comprehensive income	159,892	-	-	159,892
Financial assets at fair value through profit or loss	-	49,586	-	49,586
Other financial assets at amortised costs	-	-	821,876	821,876
Trade receivables	-	-	6,388	6,388
Amount receivable from group companies	-	-	463,881	463,881
Cash and cash equivalents	-	-	608,846	608,846
	159,892	49,586	1,900,991	2,110,469

(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, 2020		
Borrowings	**27,747,302**	**27,747,302**
Trade and other payables	**3,671,583**	**3,671,583**
	31,418,885	**31,418,885**
At June 30, 2019		
Borrowings	24,111,764	24,111,764
Trade and other payables	4,048,045	4,048,045
Dividends payable	168,748	168,748
	28,328,557	28,328,557
THE COMPANY		
Per statements of financial position		
At June 30, 2020		
Borrowings	**7,357,718**	**7,357,718**
Trade and other payables	**37,708**	**37,708**
Amounts payable to group companies	**409,432**	**409,432**
	7,804,858	**7,804,858**
At June 30, 2019		
Borrowings	7,223,296	7,223,296
Trade and other payables	57,190	57,190
Amounts payable to group companies	29,356	29,356
Dividends payable	168,748	168,748
	7,478,590	7,478,590

The fair value of financial instruments at amortised cost are not materially different from their carrying amount.

48. FINANCIAL SUMMARY

(a) THE GROUP

		2020	2019 Restated
THE GROUP		**Rs'000**	Rs'000
Statements of profit or loss and other comprehensive income			
Revenue		**14,352,769**	16,026,624
(Loss)/profit before taxation		**(843,014)**	1,304,449
Income tax expense		**(114,330)**	(243,022)
(Loss)/Profit for the year		**(957,344)**	1,061,427
Other comprehensive income for the year		**2,448,914**	651,339
Total comprehensive income for the year		**1,491,570**	1,712,766
Profit attributable to:			
Owners of the company		**(784,465)**	361,309
Non-controlling shareholders		**(172,879)**	700,118
		(957,344)	1,061,427
Total comprehensive income attributable to:			
Owners of the company		**1,185,681**	796,817
Non-controlling shareholders		**305,889**	915,949
		1,491,570	1,712,766
Dividend per share			
- Interim	Rs.	**0.45**	117.00
- Final	Rs.	**-**	0.45
(Loss)/earnings per share	Rs.	**(2.09)**	1.58

	2020	2019 Restated	2018 Restated
Statements of financial position	**Rs'000**	Rs'000	Rs'000
ASSETS			
Non-current assets	**63,546,097**	58,239,829	55,341,048
Current assets	**10,745,026**	9,120,091	7,881,666
Non-current assets classified as held for sale	**40,790**	119,121	311,866
Total assets	**74,331,913**	67,479,041	63,534,580
EQUITY AND LIABILITIES			
Capital and reserves	**26,250,158**	25,299,866	6,363,815
Non-controlling interests	**13,786,513**	11,619,456	29,950,243
Total equity	**40,036,671**	36,919,322	36,314,058
LIABILITIES			
Non-current liabilities	**24,290,137**	21,859,394	18,800,461
Current liabilities	**10,002,605**	8,697,625	8,168,003
Liabilities directly associated with non-current assets classified as held for sale	**2,500**	2,700	252,058
Total equity and liabilities	**74,331,913**	67,479,041	63,534,580

48. FINANCIAL SUMMARY (CONT'D)

		2020	2019 Restated
(b) THE COMPANY		**Rs'000**	Rs'000
Statements of profit or loss and other comprehensive income			
Revenue		**225,555**	254,619
Profit before taxation		**2,636,136**	196,653
Income tax expense		**3,878**	(7,915)
Profit for the year		**2,640,014**	188,738
Other comprehensive income for the year		**(3,555,307)**	(2,041,017)
Total comprehensive income for the year		**(915,293)**	(1,852,279)
Dividend per share			
- Interim	Re.	**0.45**	117.00
- Final	Re.	**-**	0.45
Earnings per share	Rs.	**7.04**	0.82

	2020	2019 Restated
Statements of financial position	**Rs'000**	Rs'000
ASSETS		
Non-current assets	**30,260,567**	31,762,051
Current assets	**1,941,912**	1,169,591
Total assets	**32,202,479**	32,931,642
EQUITY AND LIABILITIES		
Capital and reserves	**24,038,646**	25,122,687
LIABILITIES		
Non-current liabilities	**7,469,603**	7,521,316
Current liabilities	**694,230**	287,639
Total equity and liabilities	**32,202,479**	32,931,642

49. EVENTS AFTER THE REPORTING PERIOD

On December 29, 2020, Ascencia Limited, a subsidiary company, has successfully raised the issue of secured rated bonds of Rs.1.5bn as part of its approved bond programme of Rs.2.5bn. The proceeds will be used to fund the Bagatelle Mall Extension, the Decathlon building as well as the acquisition of the remaining stake in the Bo'Valon Mall to bring the total shareholding to 100%.

50. IMPACT OF COVID-19 AND GOING CONCERN

Financial year 2020 was marked by the Covid-19 pandemic which affected all areas of the economy and brought about a high level of uncertainty.

Changes to the estimates and outcomes that have been applied in the measurement of the group's assets and liabilities may arise in the future due to:

- the dynamic and evolving nature of Covid-19;
- the limited experience of the economic and financial consequences of such a pandemic; and
- the short duration between the declaration of the pandemic and the preparation of these financial statements.

Other than the apparent conditions that existed at the end of the reporting period, the impact of events arising after the reporting period will be accounted in future reporting periods.

Going concern

The group conducts its business through several operating segments, namely land & investments, agro-industry, commerce & industry, real estate, hospitality, logistics and fintech, and also operates a corporate office.

The group was affected by the Covid-19 at various levels. Most of the segments have shown resilience and have largely recovered since the lockdown was lifted except hospitality, which is still suffering from the closure of borders, and the consumer finance and leasing businesses which are affected by the slow-down in consumer spending.

For the purpose of assessing the appropriateness of the preparation of the group's Financial Statements on a going concern basis, multiple scenarios of increasing severity have been prepared. The forecasts consider the current cash position, the availability of banking facilities and an assessment of the principal areas of risk and uncertainty. The forecasts incorporate the full use of Government Wage Assistance Scheme, application for finance from Mauritius Investment Corporation Ltd (MIC) and the possibility of deferring loan repayments.

Land and Investments

This segment is the guardian of the land bank of the group and the pillar on which it rests to continue its development by leveraging this asset class. The segment also holds the main investments of the group, mainly in subsidiaries and associated companies. The revenue is generated mainly in the form of dividend income and sale of land. Covid-19 has affected the dividend stream but the segment has sufficient resources to see through the crisis for the foreseeable future, having realised a significant land sale prior to June 30, 2020 which has generated Rs 1.5bn of net cash, and having banking facilities which can be tapped when needed.

Agro-industry

The principal activity is the cultivation of sugar cane with some important sub operations such as food-crops, poultry and landscaping. Covid-19 had minimal impact of the segment operations save landscaping given that some 30% of the activity relates to the hospitality industry which has been severely affected by the pandemic.

The sugar operations is dependent on climatic conditions for crop yields and on the conditions prevailing in the European sugar market which determines the price at which the sugar production is remunerated. With the prevailing low prices, cost reductions measures have been implemented to see through the difficult period with the anticipation of a price increase following the review by the World Bank for a fair sharing of revenues generated from sugar cane by-products. Banking facilities can be tapped when needed and the sector has adequate resources to meet all its current obligations and financial commitments over at least the next twelve months.

A Rs.5m loan from the Bank of Mauritius Stimulus loan package has been contracted for the landscaping activities to fund the operations. Moreover several contracts have been secured post year end and in addition a cost-cutting exercise has been conducted with non-replacement of departing employees and exclusive use of own workforce to service all contracts. We do not foresee any financing issues for the coming 12 months.

Commerce and Industry

The segment was impacted negatively during the lock-down as no trading activities, whether to businesses or individuals, could be conducted and the results of the year was affected accordingly. Significant cost-cutting measures were worked-out and in certain instances implemented and banking facilities firmed up in anticipation of coming difficult months. But post year-end, there has been a pick-up in business and in most cases the performance of the companies included in this segment were above those of last year. In fact, in view of the level of activities, several of the cost-cutting measures have been put on hold as all resources were needed and we project the Commerce and Industry segment to post a profit for the full year.

50. IMPACT OF COVID-19 AND GOING CONCERN (CONT'D)

Real estate

The activities of the segment comprises property development, including residential developments, a retail fund holding all the shopping malls of the Group and an office fund.

The property development activities are concentrated mainly in Moka, the main area being developed by the group and which includes the Moka Smart City. Business has held steady in the post-lock-down period and several big contracts were finalised. Sales of residential units (apartments and building plots) have been buoyant, reflecting a flight to safe assets in times of crisis. We do not foresee a slow-down for the near future.

The retail fund, which trades under the name of Ascencia, has implemented safe shopping measures and has provided Rs.187m in respect of the agreed tenant's relief plan following the confinement. It has adequate resources to meet all its current obligations and financial commitments over at least the next twelve months and to continue operating for the foreseeable future.

Oficea, the office fund of the Group, has not be overly affected by Covid-19. A few tenants who have cancelled leases have been replaced and demand for our office space remains strong and the offices are nearly fully rented presently. A fund-raising was completed in December 2019, giving the company the means to continue its development and we are currently constructing a new office building and aim to double the office portfolio over the coming three years.

Hospitality

The segment operates two hotels brands under the Veranda and Heritage names and in addition has a travel activity and a leisure business constituted for the most part of restaurants and fast food catering to the public.

Most of the hotels and travel activities are geared towards the tourism industry and have thus been seriously affected by the Covid-19 and by the cancellation of international flights and the closure of borders. Although the financial position of the sector at the end of the reporting period remains comfortable, the uncertainty makes forecasting exercises difficult. In assessing the appropriateness of forecasts, several scenarios of increasing severity have been prepared, taking into consideration, inter alia, debt restructurings and financing, cost cutting measures and working capital management. The leisure activities have been also impacted negatively by the Covid-19 with the slow-down in local consumption and absence of tourists affecting its various restaurants.

Management has considered the possible impact of the Covid-19 outbreak on the segment's operations. Despite the difficulty associated with the current uncertainties related to the pandemic, they believe that it will not cast significant doubt on the ability of the segment to continue as a going concern for the next 12 months from the date of approval of the financial statements

Logistics

The logistics business had been at the forefront during the confinement, ensuring continuity in supply chains for food and health essentials and contributed fully to the national endeavour to fight the pandemic. The activities were not unduly affected by the Covid-19 and there will not be any going concern issue for the next 12 months from the date of approval of the financial statements.

Fintech

The segment comprises of the consumer finance and leasing businesses conducted via Rogers Capital Finance, Rogers Capital Corporate Services, a leading management company in Mauritius, which provides fiduciary activities including corporate and trust services and a technology business.

The consumer finance and leasing businesses were hard hit by the lockdown and the ensuing slowdown in consumption. This led to a reduction in new contracts and delays in debt collection, resulting in a deterioration of ECL, hence an increase in provision for loss allowances on receivables, essentially from Hire Purchase contracts. Measures were implemented and adequate financing facilities agreed to see through the difficult times. The technology business also suffered from the crisis with disruptions in its supply chains leading to cancellation of IT projects. Cost cutting measures were implemented to mitigate the impact. As such, we do not foresee any going concern issue for the next 12 months from the date of approval of the financial statements.

Rogers Capital Corporate Services was not particularly affected by Covid-19 and has maintained continued service through a work-from-home infrastructure and has used social media to enhance business relationship with customers. The business has shown resilience and will be financially able to meet all commitments for the next 12 months from the date of approval of the financial.

Corporate office

The corporate office provides management services to group and affiliated companies. We have instituted working practices to provide continued service even during the lock-down. We do not foresee any financing problems for the foreseeable future given the strong cash position of the holding company which has undertaken to provide financial support when required.

50. IMPACT OF COVID-19 AND GOING CONCERN (CONT'D)

Impairment of financial instruments

Impairment of financial assets consists mainly of increase in ECL allowances and amounts written off receivables during the year. The group put special considerations on the potential impact of Covid-19 on future customer account payment behaviour in the calculation of the ECL. The impact of lockdown and consumers reaction due to Covid-19 has been factored in parameters used in each financial model and economic parameters used are as per official sources and are used consistently in all financial models.

Revaluation of properties

A revaluation exercise is normally carried out every 3 years by Qualified independent professional valuers. Their assumptions are generally based on the value determinants affecting market conditions at the relevant time. The techniques used involve information on market sales comparison, income and depreciated replacement cost and market sales of similar asset.

Given that the long term impact of the pandemic on the local real estate market is unknown, the revaluation has been based on latest and supportable information available at the reporting date.

Impairment testing on acquired goodwill

Impairment tests on acquired goodwill are carried out using discounted cash flow methods on expected future cash flow forecasts prepared by management. The estimated discount rate was adjusted for a risk premium to reflect both investing and systematic risk of the specific Cash Generating Unit. All Covid-19 impacts are inbuilt in the cash flows of the respective CGUs.

Fair value of Investment Properties

The fair value of an asset is determined as per the market conditions at the measurement date. Fair value of investment properties was affected by Covid-19 through challenges of maintaining rental increases on a year on year basis. Reduced trading density will impact rental revenue linked to turnover, break in rentals and a lower exhibition income.

Retirement benefit obligations

The present value of retirement benefit obligations (RBO) and the fair value of plan assets (PA) are calculated by independent actuaries. The actuarial valuation includes assumptions on discount rates, future pension increases, mortality rates, salary increases and expected return on plan assets. The discount rate, salary and pension increases consider all the elements surrounding the underlying inflation rate and current market conditions.

Government Grants and Assistance

Government Wage Assistance Scheme ("GWAS")

Following the confinement period, the Government introduced a wage subsidy programme to assist companies to pay the salaries of their full-time or part-time employees based on defined eligibility criteria. The Group benefitted from this scheme for the year ended 30 June 2020 and accounted it as a deduction from the reported wages and salaries expense.

Outlook

The pandemic has affected all players within the economy here in Mauritius and abroad and the directors believe that the effect will be long lasting. It is difficult to assess the potential future consequences and to quantify the overall outcome and impact at this stage. They are however confident that the diversified activities of the group will enable the latter to get through these tough challenges successfully.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS

A. During the year ended June 30, 2019, the following balances were restated retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The effect of the restatements are summarised as follows:

		2019			July 1, 2018		
THE GROUP	**Notes**	**As previously reported**	**Prior year adjustments**	**Restated balance**	**As previously reported**	**Prior year adjustments**	**Restated balance**
		Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Statements of financial position							
Non-current assets							
Property, plant and equipment	a1,b3,b5,b6,b12(a),12(b), b13,b14,b15,b17,d1,d2,b3, e1,e3,e11	21,790,761	4,638,120	26,428,881	21,593,450	3,239,545	24,832,995
Investment properties	b5,b12(a),b14,e11	22,661,242	(4,322,203)	18,339,039	21,185,687	(3,033,521)	18,152,166
Deferred expenditure	a3,b3,b6,b14,e3	461,330	(338,544)	122,786	369,432	(293,775)	75,657
Intangible assets	a,b3,b16,b17,d3,e3	1,771,506	(207,057)	1,564,449	1,945,178	(182,183)	1,762,995
Investments in subsidiary companies		-	-	-	-	-	-
Investments in associated companies	a4,a8,e7,e13	9,883,961	54,884	9,938,845	9,351,461	128,274	9,479,735
Investments in jointly controlled entities		37,772	-	37,772	1,069	-	1,069
Financial assets at fair value through other comprehensive income	c1,e6	543,570	44,100	587,670	524,100	6,600	530,700
Financial assets at fair value through profit or loss	c2	-	12,100	12,100	-	25,900	25,900
Other financial assets at amortised cost		54,069	-	54,069	54,841	-	54,841
Loans and advances	b9,e8,e9	1,029,500	(67,730)	961,770	306,300	(39,330)	266,970
Deferred tax assets	a7	147,681	580	148,261	122,320	-	122,320
Deferred rent assets		1,087	-	1,087	-	-	-
Retirement benefit asset	b4	-	43,100	43,100	-	35,700	35,700
		58,382,479	(142,650)	58,239,829	55,453,838	(112,790)	55,341,048

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

		2019			July 1, 2018		
THE GROUP (CONT'D)	**Notes**	**As previously reported**	**Prior year adjustments**	**Restated balance**	**As previously reported**	**Prior year adjustments**	**Restated balance**
Current assets		**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Inventories	b6,e11	2,132,951	165,401	2,298,352	1,725,908	210,100	1,936,008
Consumable biological assets	b18	243,703	10,601	254,304	290,150	4,955	295,105
Loans and advances	b9,e8,e9	699,500	-	699,500	188,400	-	188,400
Trade and other receivables	b6,b7,b15,b16,b18,e5,e6, e10,e11,e12	2,375,938	(181,222)	2,194,716	3,446,966	(14,219)	3,432,747
Assets related to contracts with customers	b1	23,081	-	23,081	-	-	-
Other financial assets at amortised cost	b1,b6,e11,e13	1,583,571	-	1,583,571	-	-	-
Financial assets at fair value through profit or loss	c1	49,586	-	49,586	59,701	-	59,701
Cash and cash equivalents	e10,e11	2,084,501	(67,520)	2,016,981	1,975,305	(5,600)	1,969,705
		9,192,831	(72,740)	9,120,091	7,686,430	195,236	7,881,666
Non-current assets classified as held for sale	b13,e11	217,115	(97,994)	119,121	415,849	(103,983)	311,866
Total assets		67,792,425	(313,384)	67,479,041	63,556,117	(21,537)	63,534,580
Equity							
Share capital		3,607,987	-	3,607,987	8,349	-	8,349
Treasury shares		(250,000)	-	(250,000)	-	-	-
Fair value, revaluation and other reserves	a,a4,b5,b6,b12(a), b12(b),c1,d1,d2,d3,e1, e2,e3,e6,e7,e9,e11,e12	10,150,378	2,037,458	12,187,836	3,343,769	1,882,004	5,225,773
Retained earnings	a1, a2, a3, a6, a7, a8,b12(a), b12(b), b16	11,725,277	(1,971,234)	9,754,043	2,915,344	(1,785,651)	1,129,693
Non-controlling interests	a,a2,a7,b6,b12(b),b16,c1, d1,d2,d3,e1,e2,e3,e4,e9, e11,e12	11,898,256	(278,800)	11,619,456	30,133,446	(183,203)	29,950,243
Total equity and reserves		37,131,898	(212,576)	36,919,322	36,400,908	(86,850)	36,314,058

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

THE GROUP (CONT'D)	Notes	2019 As previously reported Rs'000	2019 Prior year adjustments Rs'000	2019 Restated balance Rs'000	July 1, 2018 As previously reported Rs'000	July 1, 2018 Prior year adjustments Rs'000	July 1, 2018 Restated balance Rs'000
Non-current liabilities							
Borrowings	a2,b10,e11	20,500,753	(438,588)	20,062,165	17,386,067	(269,817)	17,116,250
Liabilities related to contracts with customers		-	-	-	-	-	-
Deferred tax liabilities	a,e1,e2,e11	799,364	98,800	898,164	722,673	80,130	802,803
Retirement benefit obligations	b4	854,497	43,101	897,598	845,708	35,700	881,408
Deferred rent liabilities		1,467	-	1,467	-	-	-
Deferred income		-	-	-	-	-	-
		22,156,081	(296,687)	21,859,394	18,954,448	(153,987)	18,800,461
Current liabilities							
Trade and other payables	a6,b2,b7,b8,b9,b10,b16, d2,e4,e5,e6,e8,e10,e11	4,390,620	(342,575)	4,048,045	4,036,647	(121,200)	3,915,447
Liabilities related to contracts with customers	b2	306,588	54,700	361,288	-	-	-
Current tax liabilities	a6,e11	77,901	(7,956)	69,945	76,371	-	76,371
Borrowings	a2,b8,b10,e11	3,557,889	491,710	4,049,599	3,811,716	340,500	4,152,216
Proposed dividends		168,748	-	168,748	23,969	-	23,969
		8,501,746	195,879	8,697,625	7,948,703	219,300	8,168,003
Liabilities directly associated with non-current assets classified as held for sale		2,700	-	2,700	252,058	-	252,058
Total equity and liabilities		67,792,425	(313,384)	67,479,041	63,556,117	(21,537)	63,534,580

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

	Notes	2019 As previously reported Rs'000	2019 Prior year adjustments Rs'000	2019 Restated balance Rs'000
Statements of profit of loss and other comprehensive income				
June 30, 2019				
Revenue	b11	16,061,455	(34,831)	16,026,624
Operating profit	a,a2,a3,a6,b5,b6,b11, b12(a),b12(b),b16,c2,d1,d2,e1,e3,e4,e9,e11	1,328,650	19,125	1,347,775
Fair value gain on revaluation of investment properties	b5,e11	1,009,669	(313,571)	696,098
Fair value loss on financial assets at fair value through profit or loss		(12,000)	-	(12,000)
Fair value loss on held for trading securities		-	-	-
Profit on disposal of land and investments	a1	152,996	(40,606)	112,390
Compensation for losses		(41,563)	-	(41,563)
Compensation for waiver of rights to lessee on land and buildings		-	-	-
Excess of fair value of the share of net assets over acquisition price		5,533	-	5,533
Amortisation of market related intangibles on purchase price allocation exercise		-	(37,600)	(37,600)
Impairment of goodwill and others	a	(21,289)	7,189	(14,100)
Share of profits less losses of associated companies and jointly controlled entities, net of tax	e7	334,916	81,500	416,416
Finance costs	d1,e11	(1,158,792)	(9,708)	(1,168,500)
Profit before taxation		1,598,120	(293,671)	1,304,449
Taxation	a,a7,e1,e2,e11	(236,198)	(6,824)	(243,022)
Profit for the year from continuing operations		1,361,922	(300,495)	1,061,427
Items that will not be reclassified to profit or loss:				
Gain on revaluation of property, plant and equipment, net of tax	b12(a), b12(b)		304,037	304,037
Remeasurement of post employment benefit obligations, net of tax		3,731	(6,200)	(2,469)
Change in fair value of equity instruments at fair value through other comprehensive income		(40,438)	17,500	(22,938)
		(36,707)	315,337	278,630

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

	Notes	2019 As previously reported Rs'000	2019 Prior year adjustments Rs'000	2019 Restated balance Rs'000
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences		(12,400)	(5,400)	(17,800)
Share of other comprehensive income of associated companies and jointly controlled entities	a4	364,025	26,484	390,509
		351,625	21,084	372,709
Other comprehensive income for the year, net of tax		314,918	336,421	651,339
Total comprehensive income for the year		1,676,840	35,926	1,712,766
Profit attributable to:				
Owners of the company	a,b3,b5,b6,c1,d1,d2,e1, e2,e3,e4,e7,e9,e11	648,884	(287,575)	361,309
Non-controlling interests	a,b3,b6,d1,d2,e1,e2,e3, e4,e9,e11	713,038	(12,920)	700,118
		1,361,922	(300,495)	1,061,427
Total comprehensive income attributable to:				
Owners of the company		758,343	38,474	796,817
Non-controlling interests		918,497	(2,548)	915,949
		1,676,840	35,926	1,712,766
Earnings per share	a,b,c,d,e	2.83	(1.25)	1.58

	Notes	2019 As previously reported Rs'000	2019 Prior year adjustments Rs'000	2019 Restated balance Rs'000
Statements of cash flows				
Net cash generated from/(used in) operating activities	a2,e10,e11	524,079	(46,093)	477,986
Net cash (used in)/generated from investing activities		(1,759,891)	-	(1,759,891)
Net cash generated from financing activities	a2	1,464,407	(21,507)	1,442,900
Increase in cash and cash equivalents		228,595	(67,600)	160,995

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

CORRECTION OF PRIOR YEAR FIGURES

In preparing the financial statements for the year ended June 30, 2020, the group and the company 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 June 30, 2018 and June 30, 2019, unless where specified.

THE GROUP

a **Differentiating acquired goodwill from other intangible assets.**

No Purchase Price Allocation (PPA) exercise was performed to account for any identifiable intangibles separately from Goodwill. The financial statements have been restated to reflect the effects of the retrospective adjustment of goodwill arising from acquisitions after July 1, 2003. The group appointed an independent business valuation specialist to perform the PPA exercise. Consequently, identified marketing and customer related intangibles, which should have been recognised separately from goodwill have now been restated. An amount of Rs.414.2m was transferred from 'Goodwill on acquisitions' to 'Other intangibles' in the line item of the Statements of Financial Position 'Intangible assets' as at July 1, 2018. This amount was subject to an accumulated amortisation of (2019:Rs.(166.9)m, 2018:Rs.(133.8)m) and related deferred tax impact of (2019:Rs.51.5m, 2018:Rs.58.2m)). This also impacted 'Statements of Profit or Loss' (2019 Rs.(33.1)m), 'Retained earnings' (2019.Rs (99.0)m, 2018 Rs.(79.9)m) and 'Non-controlling interests' (2019 Rs.(67.9)m, 2018 Rs.(53.9)m). The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods are detailed in the consolidated Statements of Changes in Equity and note 45 (i) above. The restatements did not have any impact on the consolidated Statements of Cash Flows.

a1 **Sale of land**

A sale of land during the previous financial year was not recorded in the year of disposal. The transaction resulted in a loss of Rs 36m and the comparatives for the previous year have been restated accordingly. This impacted the Statement of profit or loss by Rs (36)m, Property, plant and equipment by Rs (36)m and Retained earnings by Rs (36)m.

a2 **Amortisation of transaction costs in relation to borrowings**

Transactions costs relating to the issue of Notes during the prior years were expensed in the Statement of profit or loss instead of being recognised as a deduction from borrowings. On initial recognition, the companies should have accounted for the borrowings at fair value less the directly attributable transaction costs which would then be amortised over the term of the borrowings using the Effective Interest Rate (EIR) method as per the requirements of IAS 39, 'Financial Instruments'.

The accounts have been restated for the earliest comparative periods and this has impacted the Statement of profit or loss by Rs 14.9m in 2019, Borrowings by Rs (19.9)m in 2019 and Rs (5.2)m in 2018 Retained earnings by Rs 19.9m in 2019 and Rs 1.2m in 2018, Non-controlling interests Rs4m in 2018. Cash flow from operating activities Rs21.5m in 2019, cash flow from financing activities Rs(21.5)m in 2019.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

a3 Deferred expenditure written off Rs3.6m

Expenses incurred in prior years and relating to infrastructure costs for real estate development were capitalised as deferred expenditure but were not expensed to profit or loss when the project did not materialise. The comparatives for the previous year were restated and impacted deferred expenditure Rs (3.6)m in 2019, Statement of profit or loss by Rs (3.6)m in 2019 and Retained earnings by Rs (3.6)m in 2019.

a4 Investment in associated companies

The opening balance at July 1, 2018 of the share of net assets in two of the group's associates was understated by Rs116m due to wrong pick up at group level. The resulting prior year adjustment impacted retained earnings by Rs116m for years 2019 and 2018 and Investment in associated companies by Rs 116m for the years 2019 and 2018. There was no effect on profit or loss for 2019.

During financial year ended June 30, 2019, investment in associated companies was understated because of a wrong equity pick up accounting entry. This impacted Investment in associated companies by Rs 33m, Statement of other comprehensive income by Rs 33m and reserves of associated companies by Rs 33m. There was no impact on profit or loss.

a5 Reserves associated companies and non-controlling interests associated companies

Following a change in ownership interest arising on amalgamation in 2019, reserves of associated companies were understated by Rs 90m and non-controlling interests overstated by Rs 90m. The amendment was made retrospectively by restating the financial statements.

a6 Leases

A subsidiary company leases forklifts, heavy machinery and equipment from leasing companies and sub-leases them back to end customers. The company pays rental expenses to the leasing companies and earns rental incomes from the end customers. The company is also responsible for the repairs while under use by the end customers. In prior years, the company has considered itself as an agent between the leasing companies and the end customers and hence the related incomes, repair expenses and rental payments of the sale and leaseback transactions were incorrectly recognised.

The subsidiary should have classified the sale and leaseback transactions as operating leases under IAS 17 Leases. For the year ended 30 June 2019, the correction resulted in a decrease in Trade and other payables of Rs 4.7m, an increase in other expenses of Rs 12.8m and an increase in other income of Rs17.6m.

a7 Deferred tax

No deferred tax asset was accounted by one of the subsidiary companies at June 30, 2019. The comparatives for the prior year have been restated and impacted Retained earnings by Rs 0.4m, Non-controlling interests by Rs 0.2m, Deferred tax asset by Rs 0.6m and Statement of profit or loss by Rs 0.6m.

a8 Correction of figures in an associated company

One of the group's associated company reviewed the accounting transactions of a few items and in accordance with IAS 8, the figures were restated accordingly. This impacted Investment in associates Rs(11)m in 2019 and Rs(1.7)m in 2018, Retained earnings Rs(11)m in 2019 and Rs(1.7)m in 2018.

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods are detailed in the consolidated Statements of Changes in Equity and note 51 above.

The restatements did not have any impact on the consolidated Statements of Cash Flows and any material tax impact.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

b Reclassification restatements

b1 Some subsidiaries accounted 'Contract assets' within 'Accounts receivable' caption of the 'Statements of Financial Position' in their Group Reporting pack in the prior years. This led to a presentation issue in the opening balances and was corrected by reclassifying Rs.146.7m from 'Financial assets at amortised costs' to 'Contract assets' for 2019 and Rs.96.1m for July 1, 2018.

b2 Conversely some subsidiaries accounted 'Contract liabilities' within 'Accounts payable' caption in the Group Reporting pack of prior years. This was corrected by reclassifying Rs.54.7m from 'Trade and other payables' to 'Liabilities related to contracts with customers' for 2019 and Rs.83.5m for July 1, 2018.

b3 Leasehold rights for some subsidiaries were reclassified in the Statements of Financial Position from 'Property, plant and equipment' (2019 Rs.(62.7)m, 2018 Rs.(65.0)m) and 'Deferred expenditure' (2019 Rs.(16.3)m, 2018 Rs.(16.9)m) to 'Intangible assets' (2019 Rs.79.0m, 2018 Rs.82.0m) to reflect the correct classification of these items.

b4 Retirement benefit assets arising on Rogers Pension Plan was netted off against liabilities arising on retirement gratuity and unfunded pensioners scheme which was accounted within 'Retirement benefit obligations' in the Statements of Financial Position. The group does not have the right to use a surplus in one plan to settle obligations under the other plans and accordingly it has reclassified the Pension fund asset from 'Retirement benefit obligations' to 'Retirement benefit assets' (2019 Rs.43.1m, 2018 Rs.35.7m).

b5 A group's building was previously considered to be fully owner occupied and treated in full as 'Property, plant and equipment' when part of the building was infact let out to third parties. The group has therefore reclassified that portion to 'Investment property'. This impacted 'Statements of Profit or Loss' (2019 Rs 3.3m), 'Property, plant and equipment' (2019 Rs.(38.2)m, 2018 Rs.(37.6)m), 'Investment properties' (2019 Rs.43.9m, 2018 Rs.42.3m), 'Revaluation reserve' (2019 Rs.(2.9)m, 2018 Rs.(2.9)m) and 'Retained earnings' (2019 Rs.8.5m, 2018 Rs.7.5m).

b6 Reclassification to and from 'Inventories' on the Statements of Financial Position for some subsidiaries has been necessary to reflect the correct classification. Line items impacted are 'Property, plant and equipment' (2019 Rs.46.9m 2018 Rs.3.1m), 'Deferred expenditure' (2019 Rs.(210.8)m, 2018 Rs.(231.7)m), 'Inventories' (2019 Rs.163.7m, 2018 Rs.210.1m), 'Trade receivables' (2019 Rs.42.6m, 2018 Rs.18.3m), 'Financial assets at amortised costs' (2019 Rs.(42.8)m), 'Retained earnings' (2019 Rs.(0.2)m, 2018 Rs.(0.1)m), 'Non-controlling interests' (2019 Rs.(0.2)m, 2018 Rs.(0.1)m) and 'Statements of Profit or Loss' (2019 Rs.(0.2)m).

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

b7 In the previous years, certain subsidiaries have incorrectly netted-off credit balances against accounts receivables and debit balance against payables. These have therefore been reclassified in the right caption of the 'Statements of Financial Position'. This has impacted 'Trade receivables' (2019 Rs 27.4m, 2018 Rs 52.2m), 'Prepayment' (2019 Rs (82.6)m) and 'Trade and other payables' (2019 Rs (55.5)m, 2018 Rs 52.2m).

b8 Accrued interest on borrowings which was incorrectly reported as 'Trade and other payables' has now been reclassified to 'Borrowings' (2019 Rs.55.3m, 2018 Rs.46.3m).

b9 A subsidiary previously recognised upfront fees on lease contract under 'Trade and other payables' instead of netting off against 'Loans and advances'. Even though upfront fees is integral to the computation of the effective interest rate, there was no impact on the Statements of Profit or Loss as upfront fees on lease contract under 'Trade and other payables' was correctly being amortised over the lease contract term. Adjustments have been effected to reflect the correct classification in the Statements of Financial Position. This has impacted 'Trade and other payables' and 'Loans and advances' (2019 Rs.(39.4)m, 2018 Rs.(13.1)m).

b10 Certain subsidiaries did not split their borrowings into current and non-current portion and also incorrectly included borrowings under 'Accounts payable' in the group Reporting pack. This led to a presentation issue in the opening balances of the consolidated Statements of Financial Position and was corrected by reclassifying (2019 Rs.(309.6)m, 2018 Rs.(264.6)m) from 'Borrowings' under Non current liabilities to 'Borrowings' under current liabilities (2019 Rs.339.1m, 2018 Rs.294.2m) and 'Trade and other payables' under current liabilities (2019 Rs.(29.5)m, 2018 Rs.(29.3)m).

b11 Certain subsidiaries have recorded group revenue and related expense of Rs.50.4m as non group in the prior year group reporting pack. This has been corrected in the comparatives. The following line items were impacted following correction of the above: 'Revenue' (2019 Rs.(50.4)m) and 'Profit from operations before impairment losses and finance costs' (2019 Rs.(50.4)m).

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above reclassification restatements are detailed in the consolidated Statements of Changes in Equity and note 51 above. The above restatements did not have any impact on the consolidated Statements of Cash Flows and any material tax impact.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

b12 (a) **Reclassification of Investment properties to Property, plant and equipment**

Freehold land held by the group for future development or undetermined use was previously accounted as investment properties under IAS 40 (Investment Properties). The group adopts a fair value model whereby investment properties are measured at fair value and any gain or loss arising from changes in fair value is recognised in profit or loss in the period in which it arises.

As agricultural activities are still conducted on the land and the change in use has not yet occurred, the latter from the group's perspective is deemed to be owner-occupied and has been reclassified to Property, plant and equipment (IAS 16). Fair value gains on revaluation which previously arose under IAS 40 (Investment Properties) in the Statement of profit or loss were reversed and accounted for as revaluation surplus in the statement of other comprehensive income in accordance with IAS 16 (Property, Plant and Equipment) under the revaluation model.

This impacted Investment Properties' carrying amount by Rs (4.1)bn in 2019 and; Rs (2.9)bn in 2018, Property, Plant and Equipment's carrying amount by Rs 4.1bn in 2019 and Rs 2.9bn in 2018. Statement of profit or loss by Rs (271)m in 2019, Statement of other comprehensive income by Rs 271m in 2019, Retained earnings by Rs (2.1)bn at June 30, 2019 and Rs(1.8) bn at June 30, 2018 and, Revaluation reserves by Rs 2.1bn at June 30, 2019 and Rs 1.8bn at June 30, 2018.

b12 (b) Properties rented out by a subsidiary company to other fellow subsidiaries which were previously classified as Investment Properties under IAS 40 have now been reclassified to Property, plant and equipment on the basis that those properties are owner-occupied from the group's perspective.

Amendments have accordingly been made retrospectively by restating the consolidated financial statements. Fair value gains arising from the revaluation of these investment properties previously recognised in profit or loss were reversed and booked as surplus on revaluation of Property, plant and equipment under the revaluation model in revaluation reserves and depreciation booked accordingly.

The amendments impacted Investment properties' carrying amount by Rs (291)m in 2019 and Rs (109)m in 2018, Property, plant and equipment carrying amount by Rs 291m in 2019 and Rs 109m in 2018, Statement of profit or loss by Rs (41)m in 2019, Statement of other comprehensive income by Rs 36m in 2019, Retained earnings by Rs (51)m at June 30, 2019 and Rs (15)m at June 30, 2018, Non-controlling interests Rs (1)m in 2019 and Rs (1)m in 2018, Revaluation reserves by Rs 46m at June 30, 2019 and Rs 14m at June 30, 2018.

Depreciation charge of Rs 4m was accounted on the owner-occupied assets in 2019.

Deferred tax arising from the above reclassification was not material.

b13 **Reclassification of Non-Current assets held for sale to Property, plant and equipment**

The group had freehold land classified Non-current assets held for sale. However, not all of the recognition criteria of IFRS 5 (Non-current assets held for sale) have been met. Appropriate reclassification to Property, plant and equipment was therefore made with retrospective effect.

This reclassification impacted Property, plant and equipment by Rs 94m in 2019 and Rs 104m in 2018, Non-current assets held for sale by Rs (98)m in 2019 and Rs (104)m in 2018, Retained earnings Rs(4.5m) in 2019, Revaluation reserve Rs4.5m in 2019.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

b14 Reclassification of deferred expenses to Property, plant and equipment/Investment properties

Deferred expenditure representing master infrastructure costs for the Smart City property development which were previoulsy disclosed separately on the face of the Statement of financial position have now been reclassified to Property, plant and equipment and Investment properties as those costs form an integral part of the land, investment property unit of account.

This impacted Deferred expenditure by Rs (113.8)m in 2019 and Rs (51.1)m in 2018, Property, Plant and equipment by Rs 4.8m in 2019 and Rs 17.4m in 2018, Investment properties by Rs 109m in 2019 and Rs 34m in 2018. There was no effect on the profit or loss as a result the above adjustments.

b15 Reclassification from other receivables to Property, plant and equipment

Advance payment for the acquisition of equipment was wrongly accounted as other receivables in 'Other financial assets at amortised cost' instead of capital work in progress under Property, plant and equipment. As a result, other financial assets at amortised cost and property, plant and equipment were wrongly stated in the financial statements. This impacted other receivables by Rs (100)m in 2019 and Rs (28)m in 2018 and Property, plant and equipment by Rs 100m in 2019 and Rs 28m in 2018.There was no effect on the profit or loss.

b16 Milling rights classified as intangible assets

A subsidiary company has a right to future cash flows from milling and energy activities of other millers for sugar cane delivered at the sugar factories. This right, which was initially treated as an intangible assets and tested annually for impairment does not meet the definition of 'Intangible Assets' under IAS 38 which require the asset to be an identifiable non-monetary asset. The subsidiary company recognised the income derived from the delivery of the sugar cane in the period when the revenue is certified. The income should instead be recognised when the performance obligation is satisfied, and control is transferred, namely when the sugar cane is delivered to the factory. These impacted intangible assets by Rs (77)m in 2019 and Rs (84)m in 2018, accounts payable by Rs(10.4)m in 2019, accounts receivable Rs12m in 2018, retained earnings by Rs (53)m in 2019 and Rs (14.5)m in 2018, non-controlling interests Rs(13.3)m in 2019 and Rs(57.1)m in 2018 and the statement of profit or loss by Rs 5.2m in 2019 made up of overstatement of revenue of Rs(2)m and reversal of impairment of intangible assets of Rs7.2m.

b17 Reclassification of land derocking to Property, plant and equipment

In previous years, land derocking and preparation costs incurred by a subsidiary was incorrectly recorded as intangible assets. These have now been reclassified to bearer assets under "Property, plant and equipment" in accordance with IAS 16 as such costs are directly attributable to the land preparation and cultivation of bearer plants. The cumulative amortisation previously recognised in intangible assets were derecognised and related cumulative depeciation of Property, plant and equipment (bearer plants) was recognised. The amount reclassified amounted to Rs 55m for 2019 and Rs 70m for 2018.

b18 Reclassification of potato plantation cost from trade and other receivables to consumable biological assets.

Potato plantation costs initially recorded under "Trade and other receivables" has been reclassified to "Consumable biological assets" in the Statement of Financial Position as they do not meet the definition of financial assets under IFRS 9 (previously IAS 32) but fall within the scope of IAS 41 (Biological assets). The amount reclassified amounted to Rs 10m for 2019 and Rs4.9 m for 2018.

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above reclassification restatements are detailed in the Statements of changes in equity and note 51 above.

The above restatements did not have any impact on the consolidated Statements of cash flows and any material tax impact.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

c Fair value adjustments

c1 IFRS 13 does not mandate the use of a particular valuation technique but sets out a principle requiring an entity to determine a valuation technique that is appropriate in the circumstances for two of its investments for which sufficient data is available and for which the use of relevant observable inputs is maximized. In prior years, valuation was based on 'Net assets values' and was inappropriate for the circumstances. The group has therefore changed the basis of valuation of these investments to Multiples Valuation technique. This impacted 'Financial assets at fair value through other comprehensive income' (2019: Rs.25.9m, 2018: Rs.7.7m), 'Financial assets at fair value through profit or loss' (2019: Rs.12.1m, 2018: Rs.6.6m), 'Fair value reserve' (2019: Rs.25.9m 2018: Rs.7.7m), 'Retained earnings' (2019: Rs 12.1m, 2018: Rs 6.6m), 'Profit for the period' (2019: Rs.5.5m).

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above restatements are detailed in the consolidated Statements of Changes in Equity and note 45 (i) above.

The above restatements did not have any impact on the consolidated Statements of Cash Flows and any material tax impact.

d Expenses capitalised

d1 A subsidiary had undertaken refurbishment with respect to its leasehold property and had incurred construction expenditure during the construction period from 01 July 2018 to 31 December 2018. The subsidiary had capitalised finance cost over a period of 1 year (01 July 2018 to 30 June 2019:), which was beyond the construction period. Capitalisation of finance cost ceases when the activities necessary to prepare the asset for its intended use or sale are substantially complete which was by 31 December 2018. The carrying amount of Property, plant and equipment and retained earnings were therefore overstated. This was corrected by recognising the excess finance cost capitalised under 'Finance costs' (2019: Rs.(3.4)m) and by reversing the resulting excess depreciation (2019: Rs.0.2m) in the consolidated Statements of Profit and Loss. The net impact of excess finance cost and excess depreciation was adjusted to the carrying amount of Property, plant and equipment. The impacted line items are 'Property, plant and equipment' (2019: Rs.(3.2)m), 'Retained earnings' (2019: Rs.(1.8)m), 'Non-controlling interests' (2019: Rs.(1.4)m).

d2 The Subsidiary also expensed the operating lease costs incurred during the construction period. The operating lease costs incurred during the construction period should have been capitalised in 'Property, plant and equipment' because they are directly attributable to bringing the premises to the condition necessary to be capable of operating in the manner intended by the subsidiary. This was corrected by derecognising the operating lease costs incurred (2019: Rs.4.7m) and recognising the resulting additional depreciation (2019: Rs.0.3m) in the Statements of Profit and Loss. Previously unrecognised straightlining impact of the operating lease costs amounting to Rs.2.5m was partly capitalised to 'Property, plant and equipment' (2019: Rs.0.8m) and partly expensed in the Statements of Profit of Loss (2019: Rs.1.7m) with the corresponding entry to 'Trade and other payables'. The effect of such change was to increase property, plant and equipment by an amount of Rs.5.2m in 2019.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

d3 A subsidiary incorrectly included legal costs amounting to Rs.18.4m in purchase consideration during goodwill calculation. This resulted in 'Intangible assets' being overstated by Rs 18.4m in the Statements of Financial Position. Part of the legal costs amounting to Rs.11.5m should have been capitalised to 'Property, plant and equipment' and the rest should have been expensed in the Statements of Profit and Loss. The following line items were impacted following correction of the above: 'Retained Earnings' (2019: Rs.(2.8)m, 2018: Rs.(2.8)m), 'Non-controlling interests' (2019: Rs.(4.1)m, 2018: Rs.(4.1)m), 'Intangible assets' (2019: Rs.(18.4)m, 2018: Rs.(18.4)m) and 'Property, plant and equipment' (2019: Rs.11.5m, 2018: Rs.11.5m).

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above restatements are detailed in the consolidated Statements of Changes in Equity and note 45 (i) above. The above restatements did not have any impact on the consolidated Statements of Cash Flows and any material tax impact.

e **Other prior year restatements**

e1 Certain subsidiaries did not review and revise the residual values and useful lives of the assets annually in line with the group's accounting policies. This was corrected and impacted 'Property, plant and equipment' (2019: Rs.7.2m 2018: Rs.8.4m), 'Retained earnings' (2019: Rs.3.7m, 2018: Rs.4.3m), 'Non-controlling interests' (2019: Rs.2.2m, 2018: Rs.2.6m), 'Deferred tax liabilities' (2019: Rs.1.3m, 2018: Rs.1.4m), 'Profit for the period' (2019: Rs.(1.1)m).

e2 Provision for deferred taxes for some subsidiaries has been retrospectively restated to reflect adjustment on tax losses which was not accounted for at consolidation level and impacted 'Retained Earnings' (2019: Rs.(37.2)m, 2018: Rs.(16.4)m), 'Non-controlling interests' (2019: Rs.(8.8)m, 2018: Rs.(4.1)m), 'Deferred tax liabilities' (2019: Rs.46.0m, 2018: Rs.20.5m) and 'Statements of Profit or Loss' (2019: Rs.(25.5)m).

e3 Intangible assets for some subsidiaries which were previously amortised on an incorrect number of years have been restated. Further intangible asset for a subsidiary was incorrectly classified within 'Property, plant and equipment'. Following corrections, this impacted 'Intangible assets' (2019: Rs.(22.5)m, 2018: Rs.(17.4)m), 'Property, plant and equipment' (2019: Rs.(9.5)m, 2018: Rs.(9.5)m), 'Deferred Expenditure' (2019: Rs.6.0m, 2018: Rs.6.0m), 'Retained Earnings' (2019: Rs.(12.5)m, 2018: Rs.(10.5)m), 'Non-controlling interests' (2019: Rs.(13.9)m, 2018: Rs.(10.4)m) and 'Statements of Profit or Loss' (2019: Rs.(5.0)m). The adjustment did not have any material tax impact.

e4 A subsidiary booked certain accruals when purchase orders were raised. In essence, these accruals were booked based on the purchase orders raised instead of when adequate risks and rewards were transferred. Consequently, corrections were made to rectify those issues and impacted 'Statements of Profit or Loss' (2019: Rs.1.6m), 'Trade and other payables' (2019: Rs.(9.6)m, 2018: Rs.(8.1)m), 'Retained Earnings' (2019: Rs.3.5m, 2018: Rs.2.9m), 'Non-controlling interests' (2019: Rs.6.1m, 2018: Rs.5.4m). The adjustment did not have any material tax impact.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

e5 As part of their business model, certain subsidiaries require that tenants make a deposit when renting spaces in their malls. Previously, the deposit was being accounted for upon signature of the lease contracts, without any cash consideration received at year end. These balances were subsequently reversed and this impacted 'Trade receivables' (2019: Rs.(20.0)m, 2018: Rs.(17.7)m) and 'Trade and other payables' (2019: Rs.(20.0)m, 2018: Rs.(17.7)m). The adjustment did not have any material tax impact.

e6 The group continued to book consolidation entries with regards to cost of investment of certain deconsolidated subsidiaries, pending liquidation. These consolidation entries were not reversed in prior years when the liquidation of those deconsolidated subsidiaries were completed. This has resulted in a restatement and impacted 'Financial assets at fair value through other comprehensive income' (2019: Rs 18.3m, 2018 Rs 18.3m), 'Trade receivables' (2019: Rs (26.6)m, 2018 Rs (26.6)m), 'Retained earnings' (2019: Rs 18.0m, 2018 Rs 18.0m), 'Trade and other payables' (2019: Rs (26.3)m, 2018 Rs (26.3)m). The adjustment did not have any material tax impact.

e7 One of the associates reported prior year restatement in its 2019 financial statements. These restatements relate to non consolidation on a line-by-line basis of one of its subsidiaries, the restatement of figures for its life insurance activities and the adjustment of Retirement benefit obligation. Consequently upon equity accounting, the Group's share of those restatements have been retrospectively adjusted and have impacted 'Investment in associated companies' (2019: Rs. (115.4)m 2018: (34.9)m), 'Fair value reserves' (2019: Rs.(0.6)m), 'Actuarial reserves' (2019: Rs.(304.8)m, 2018: Rs.(142.3)m), 'Retained earnings' (2019: Rs.188.9m, 2018: Rs.107.4m) and 'Profit for the year' (2019: Rs.82.6m). The adjustment did not have any material tax impact. It was also noted that the associate's accounting policy with regards to Land and Building was to measure at historical cost while the Group applies the revaluation model. The alignment to the Group accounting policy by the associate was not accounted for in previous years. This has resulted in a restatement and impacted 'Investment in associated companies' (2019: Rs.55.3m, 2018: Rs.56.4m), 'Revaluation reserves' (2019: Rs.55.3m, 2018: Rs. 56.4m) and 'Profit for the year' (2019: Rs. (1.1)m).

e8 One subsidiary recognised all its loans and advances towards finance leases (principal amount) based on the letter of intent date instead of that of the legal contract. Where the transactions straddled the year end cut off date, this resulted in incorrect recording of transactions in the proper accounting period. Restatements have been effected to account for the transactions in the correct period. This impacted 'Loans and advances' (2019: Rs.(24.6)m, 2018:Rs.(22.4)m) and 'Trade and other payables' (2019: Rs.(24.6)m, 2018: Rs.(22.4)m). The adjustment did not have any material tax impact.

e9 Penalty Fees for non payment were incorrectly charged to customers in prior year. These amounts have therefore been reversed and impacted 'Statements of Profit & Loss' (2019:Rs.(3.8)m), 'Loans and advances' (2019: Rs.(3.8)m, 2018: Rs.(3.8)m), 'Retained earnings' (2019: Rs.(2.1)m, 2018: Rs.(2.1)m) and 'Non-controlling interests' (2019: Rs.(1.7)m, 2018: Rs.(1.7)m). The adjustment did not have any material tax impact.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

e10 One subsidiary recognised client monies as an asset and corresponding liability on its Statements of Financial Position. The client monies were not a resource controlled by the subsidiary, thus should have been treated as an off-balance sheet item. Corrections have impacted 'Trade receivables' (2019: Rs.(6.7)m, 2018: Rs. (4.5)m), 'Bank balances and cash' (2019: Rs.(0.3)m, 2018: Rs.(5.6)m) and 'Trade and other payables' (2019: Rs. (7.0)m, 2018: Rs.(10.1)m). The adjustment did not have any material tax impact.

e11 For the year ended 30 June 2019, the group reporting packs of certain subsidiaries within the property investment sector and aviation sector were based on preliminary figures due to the late finalisation of their audited accounts. Differences between the audited and preliminary figures used resulted in a restatement. This has impacted 'Property, plant and equipment' (2019: Rs.2.1m), 'Investment properties' (2019: Rs.(7.7)m), 'Inventories' (2019: Rs.1.7m), 'Trade receivables' (2019: Rs.21.9m), 'Financial assets at amortised costs' (2019: Rs.15.2m), 'Bank balances and cash' (2019: Rs.(67.2)m), 'Assets classified as held for sale' (2019:Rs. 0.6m), 'Retained earnings' (2019: Rs.(1.6)m), 'Non-controlling interests' (2019:Rs.(3.0)m), non current 'Borrowings' (2019:Rs.(109.1)m), current 'Borrowings' (2019:Rs 97.3m), 'Trade and other payables' (2019:Rs.(8.1)m), 'Income tax liabilities' (2019:Rs.(8.8)m) and Statements of Profit and Loss (2019: Rs.6.5m). The adjustment had a tax impact.

e12 Upon the loss of control in its investee Island Bulk Carriers (IBC), Rogers Shipping Pte Ltd (RSPL), deconsolidated the results of IBC from those of RSPL in reporting pack and accounted the investment as 'Financial asset at fair value through other comprehensive income'. A gain of Rs.23.2m was recorded in reporting pack upon deconsolidation under trade receivables and reversed in the consolidated accounts of Velogic Holding Company Ltd. The following line items are impacted: 'Trade receivables' (2019: Rs.(23.2)m, 2018: Rs.(23.2) m), 'Retained earnings' (2019: Rs.(7.9)m, 2018: Rs.(7.9)m) and 'Non-controlling interests' (2019:Rs.(15.4)m, 2018:Rs.(15.4)m).

e13 Previously unrecognised dividend declared and receivable from an associate company has been restated and now recognised in the comparatives thereby impacting 'Financial assets at amortised costs' (2019: Rs.24.5m, 2018: Rs.8.2m) and 'Investment in associates' (2019:Rs.(24.5)m, 2018:Rs.(8.2)m). The adjustment did not have any material tax impact.

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above restatements are detailed in the consolidated Statements of changes in equity and note 51 above. The impact on the consolidated Statements of cash flows for the above restatements, if any, is shown above.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

THE COMPANY	**Notes**	**As previously reported**	**Prior year adjustments**	**Restated balance**
June 30, 2019		**Rs'000**	**Rs'000**	**Rs'000**
Non-current assets				
Property, plant and equipment	(i)	10,005,579	(9,354,360)	651,219
Investment properties	(f),(i),(j),(k)	4,066,429	9,416,305	13,482,734
Deferred expenditure	(h),(k)	8,472	(8,472)	-
Intangible assets		140,177	-	140,177
Investments in subsidiary companies		14,684,511	-	14,684,511
Investments in associated companies		1,802,140	-	1,802,140
Financial assets at fair value through other comprehensive income		159,892	-	159,892
Financial assets at amortised cost		780,986	-	780,986
Deferred tax assets		59,923	-	59,923
Deferred rent assets		469	-	469
		31,708,578	53,473	31,762,051
Current assets				
Trade and other receivables		6,388	-	6,388
Amounts receivable from group companies		463,881	-	463,881
Financial assets at amortised cost		40,890	-	40,890
Financial assets at fair value through profit or loss		49,586	-	49,586
Cash and cash equivalents		608,846	-	608,846
		1,169,591	-	1,169,591
Non-current assets classified as held for sale	(j)	98,615	(98,615)	-
Total assets		32,976,784	(45,142)	32,931,642
Equity				
Share capital		3,607,987	-	3,607,987
Treasury shares		(250,000)	-	(250,000)
Fair value, revaluation and other reserves	(i)	12,134,806	(4,500,771)	7,634,035
Retained earnings	(f),(g),(h),(i)	9,660,243	4,470,422	14,130,665
		25,153,036	(30,349)	25,122,687
Non-current liabilities				
Borrowings	(g)	7,122,637	70,268	7,192,905
Retirement benefit obligations		327,799	-	327,799
Deferred rent liabilities		612	-	612
		7,451,048	70,268	7,521,316
Current liabilities				
Trade and other payables		142,251	(85,061)	57,190
Amounts payable to group companies		29,356	-	29,356
Current tax liabilities		1,954	-	1,954
Borrowings	(g)	30,391	-	30,391
Proposed dividends		168,748	-	168,748
		372,700	(85,061)	287,639
Total equity and liabilities		32,976,784	(45,142)	32,931,642

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

THE COMPANY	Notes	As previously reported	Prior year adjustments	Restated balance
June 30, 2019		**Rs'000**	**Rs'000**	**Rs'000**
Statement of profit of loss and other comprehensive income				
Revenue		254,619	-	254,619
Operating profit	(g),(h)	36,652	23,254	59,906
Fair value gain on revaluation of investment properties		288,154	(6,282)	281,872
Fair value loss on financial assets at fair value through profit or loss		(6,406)	-	(6,406)
Profit on disposal of land and investments	(f)	46,298	(3,626)	42,672
Compensation for waiver of rights to lessee on land and buildings		(1,187)	-	(1,187)
Impairment of goodwill, investment and others		(17,239)	-	(17,239)
Land conversion rights		-	-	-
Release to income on transfer of retirement benefit obligations		36,253	-	36,253
Finance costs		(192,503)	(6,715)	(199,218)
Profit before taxation		190,022	6,631	196,653
Taxation		(7,915)	-	(7,915)
Profit for the year from continuing operations		182,107	6,631	188,738
Other comprehensive income for the year:				
Items that will not be reclassified to profit or loss:				
Remeasurement of post employment benefit obligations, net of tax		(759)	-	(759)
Change in fair value of equity instruments at fair value through other comprehensive income		(2,040,258)	-	(2,040,258)
Other comprehensive income for the year, net of tax		(2,041,017)	-	(2,041,017)
Total comprehensive income for the year		(1,858,910)	6,631	(1,852,279)
Profit attributable to:				
Owners of the company		182,107	6,631	188,738
Non-controlling interests		-	-	-
		182,107	6,631	188,738
Total comprehensive income attributable to:				
Owners of the company		(1,858,910)	6,631	(1,852,279)
Non-controlling interests		-	-	-
		(1,858,910)	6,631	(1,852,279)
Earnings per share		0.80	0.02	0.82

Statements of cash flows	Notes	As previously reported	Prior year adjustments	Restated balance
		Rs'000	**Rs'000**	**Rs'000**
Net cash generated from/(used in) operating activities	(g)	(62,160)	21,507	(40,653)
Net cash (used in)/generated from investing activities	(g)	(58,787)	-	(58,787)
Net cash generated from/(used in) financing activities	(g)	994,364	(21,507)	972,857
Increase in cash and cash equivalents		873,417	-	873,417

THE COMPANY

Effective January 1, 2019, [Ex-] ENL Limited, ENL Land Limited, [Ex-] ENL Commercial Limited and ENL Finance Limited were amalgamated with and into La Sablonnière Limited (La Sablonniere) , an investment holding company whose assets consisted only of investment in its subsidiary, with La Sablonnière remaining the surviving entity. The latter has changed its name to ENL Limited with effect as from January 03, 2019. The statement of financial position at June 30, 2018, which is that of (Ex-) La Sablonnière, has not been restated as the prior year adjustments below do not relate to the company.

51. EFFECT OF PRIOR YEAR ADJUSTMENTS (CONT'D)

(f) Sale of land

A sale of land during the previous financial year was not recorded in the year of disposal. The transaction resulted in a loss of Rs 36m and the comparatives for the previous year have been restated accordingly. This impacted the Statement of profit or loss by Rs (36)m, Property, plant and equipment by Rs (36)m and Retained earnings by Rs (36)m.

(g) Amortisation of transaction costs in relation to borrowings

Transactions costs relating to the issue of Notes during the previous year were expensed in the statement of profit or loss instead of being recognised as a deduction from borrowings. On initial recognition, the company should have accounted for the borrowings at fair value less the directly attributable transaction costs which would then be amortised over the term of the borrowings using the Effective Interest Rate (EIR) method as per the requirements of IAS 39, 'Financial Instruments'.

The accounts have been restated for the earliest comparative periods and this has impacted the Statement of Profit or loss by Rs 14.9m in 2019, Borrowings by Rs (14.9)m in 2019, Retained earnings by Rs 14.9m in 2019. Cash flow from operating activities Rs21.5m in 2019, cash flow from financing activities Rs(21.5)m in 2019.

(h) Deferred expenditure written off

Expenses incurred in prior year and relating to infrastructure costs for real estate development were capitalised as deferred expenditure but were not expensed to profit or loss when the project did not materialise. The comparatives for the previous year were restated and impacted deferred expenditure Rs (3.6)m in 2019, Statement of profit or loss by Rs (3.6)m in 2019 and Retained earnings by Rs (3.6)m in 2019.

Reclassification restatements

(i) Reclassification of Property, plant and equipment to Investment Properties

Freehold land owned by the Company and rented to a subsidiary company was initially classified as Property, plant and equipment whereas these should have been accounted as investment properties in accordance with IAS 40. The freehold land was reclassified to Investment properties and impacted Property, plant and equipment by Rs (9.3)bn in 2019, Investment properties by Rs 9.3bn in 2019, revaluation reserves by Rs (4.5)bn in 2019 and retained earnings by Rs 4.5bn in 2019.

(j) Reclassification of Non-Current assets held for sale to Investment properties

The company classifies freehold land under IFRS 5 (Non-current assets held for sale) when these assets are earmarked for future sale within a one year period. However, not all of the recognition criteria of IFRS 5 (Non-current assets held for sale) have been met. Appropriate reclassification to Investment properties was therefore made with retrospective effect. This reclassification impacted Investment properties by Rs 94.1m in 2019, Non-current assets held for sale by Rs (98)m in 2019, Retained earnings Rs4.5m in 2019 and Statement of profit or loss Rs4.5m in 2019.

(k) Reclassification of deferred expenses to Investment properties

Deferred expenditure representing infrastructure costs (land parcelling expenses) previously included in Non-current assets held for sale as detailed in note (j) above was reclassified to Investment properties as these costs meet the asset recognition criteria as per IAS 40 (Investment Property). This impacted Deferred expenditure by Rs (4.8)m in 2019, Investment properties by Rs 4.8m in 2019. There was no effect on the profit or loss as a result the above adjustments.

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above restatements are detailed in the consolidated Statements of changes in equity and note 51 above.

The above restatements did not have any impact on the consolidated Statements of cash flows and any material tax or deferred tax impact, unless otherwise stated.

CORPORATE **INFORMATION**

Registered office

ENL House
Vivéa Business Park
Moka
Telephone: (230) 404 9500
Fax: (230) 404 9565
Email: info@enl.mu

Investor relations

ENL House
Vivéa Business Park
Moka
Telephone: (230) 404 9500
Fax: (230) 404 9565
Email: investors@enl.mu

Secretary

ENL Secretarial Services Limited
ENL House
Vivéa Business Park
Moka

Share registry

MCB Registry and Securities Ltd
Sir William Newton Street
Port Louis
Tel: (230) 202 5423
Fax: (230) 208 1167

Auditors

KPMG Mauritius

Bankers

AfrAsia Bank Limited
Bank One Ltd
Barclays Bank PLC
SBI (Mauritius) Ltd
SBM Bank (Mauritius) Ltd
The Mauritius Commercial Bank Limited

Legal advisors

ENSafrica (Mauritius)
Benoit Chambers
De Speville-Desvaux

Notaries

Me Bernard d'Hotman de Villiers
Me Jean Pierre Montocchio

NOTICE OF **MEETING**

Reference is made to the Annual Meeting of ENL Limited initially convened for 10 March 2021 and which had to be cancelled due to the confinement measures in force in Mauritius at that time.

Notice is now hereby given that the Annual Meeting of shareholders of ENL Limited will be held at the Company's registered office, The Pod, Vivéa Business Park, Moka, on 21 May 2021 at 9:00 a.m., to transact the following business:

To consider the Annual Report for the year ended 30 June 2020.

1. To receive the report of the auditors of the Company.
2. To consider and approve the audited financial statements of the Company for the year ended 30 June 2020.

   Ordinary Resolution
   "Resolved that the audited financial statements of the Company for the year ended 30 June 2020 be hereby approved."
3. To elect one Director, namely Mr Marie Patrick Roger Espitalier Noël, who retires by rotation in accordance with Section 21.6 of the Company's constitution and, being re-eligible, offers himself for re-election.

   Ordinary Resolution
   "Resolved that Mr Marie Patrick Roger Espitalier Noël be hereby re-elected as Director of the Company in accordance with Section 21.6 of the Company's constitution."
4. To elect one Director, namely Mr Marie Joseph Jean-Pierre Montocchio, who retires by rotation in accordance with Section 21.6 of the Company's constitution and, being re-eligible, offers himself for re-election.

   Ordinary Resolution
   "Resolved that Mr Marie Joseph Jean-Pierre Montocchio be hereby re-elected as Director of the Company in accordance with Section 21.6 of the Company's constitution."
5. To re-appoint Mr Joseph Edouard Gérard Espitalier Noël, who is over the age of 70 years, to continue to hold office as a Director of the Company until the next Annual Meeting of the Company under Section 138 (6) of The Companies Act 2001.

   Ordinary Resolution
   "Resolved that Mr Joseph Edouard Gérard Espitalier Noël be hereby re-appointed as Director of the Company to hold office until the next Annual Meeting of the Company."
6. To re-appoint Mr Noël Jean Humbert, who is over the age of 70 years, to continue to hold office as a Director of the Company until the next Annual Meeting of the Company under Section 138 (6) of The Companies Act 2001.

   Ordinary Resolution
   "Resolved that Mr Noël Jean Humbert be hereby re-appointed as Director of the Company to hold office until the next Annual Meeting of the Company."
7. To appoint Messrs. Ernst & Young as auditors of the Company until the conclusion of the next Annual Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

   Ordinary Resolution
   "Resolved that Messrs. Ernst & Young be appointed as auditors of the Company until the conclusion of the next Annual Meeting of the Company and that the Board of Directors be authorised to fix their remuneration."

Note: The profile and category of the directors proposed for re-election/election/re-appointment are set out on pages 64 to 67 of the Annual Report 2020.

By order of the Board

Preety Gopaul, ACG
For **ENL Secretarial Services Limited**
Company Secretary

30 March 2021

NOTES

- *A shareholder of the Company entitled to attend and vote at this meeting may:*
  - *Either appoint a proxy (in the case of an individual shareholder) or a representative (in the case of a corporate shareholder and by way of a corporate resolution), whether a shareholder or not, to attend and vote on his/her behalf. Any such appointment must be made in writing on the attached form, and the document deposited at the Share Registry and Transfer Office of the Company, MCB Registry and Securities Ltd, Sir William Newton Street, Port Louis, Mauritius not less than twenty-four (24) hours before the meeting is due to take place.*
  - *Or cast its vote by post. The notice for casting a postal vote must be made in writing on the attached form, and the document deposited at the Share Registry and Transfer Office of the Company, MCB Registry and Securities Ltd, Sir William Newton Street, Port Louis, Mauritius, not less than forty-eight (48) hours before the time fixed for holding the meeting.*
- *For the purpose of this Annual Meeting, the Directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the shareholders entitled to receive notice of the meeting and attend such meeting shall be those shareholders whose names are registered in the share register of the Company as at 22 April 2021.*
- *The Annual Meeting of shareholders is an important day in the calendar as it enables the Board to engage with its shareholders on a range of matters concerning the business of the meeting. In addition, it provides a valuable forum for shareholders to ask questions. We are closely monitoring the evolution of the Covid-19 in Mauritius. If it becomes necessary or appropriate to make further changes to the arrangements for the holding of the Annual Meeting, we will ensure that shareholders are given as much notice as possible. Please watch our website for any update or contact our Share Registry on + 230 2025640.*
- *In case Government imposes restrictions on the permitted size of gatherings, access to the Annual Meeting may be limited to number of shareholders on a first come basis. Shareholders are encouraged to exercise their right to vote at the Annual Meeting by casting a postal vote (postal vote form enclosed).*

FOR INDIVIDUAL SHAREHOLDER

PROXY **FORM***

I/We

(name of natural shareholder/s)

of

(address of natural shareholder/s)

being a shareholder/s of **ENL LIMITED** (the Company), hereby appoint

(name of proxy)

of

(address of proxy)

or failing him/her

(name of proxy)

of

(address of proxy)

as my/our proxy to vote for me/us at the Annual Meeting of the Company to be held at the Company's registered office, The Pod, Vivéa Business Park, Moka on **21 May 2021** commencing at **9:00 a.m.** and at any adjournment thereof. I/We direct my/our proxy to vote in the following manner:

POSTAL VOTE **FORM***

I/We

(name of natural shareholder/s)

of

(address of natural shareholder/s)

being a shareholder/s of **ENL LIMITED** (the Company), entitled to attend the Annual Meeting to be held at the Company's registered office, The Pod, Vivéa Business Park, Moka on **21 May 2021** commencing at **9:00 a.m.** and at any adjournment thereof, cast my/our votes on the proposed resolutions in the following manner:

RESOLUTIONS *(Vote with a Tick)*		For	Against	Abstain
3	Resolved that the audited financial statements of the Company for the year ended 30 June 2020 be hereby approved.			
4	Resolved that Mr Marie Patrick Roger Espitalier Noël be hereby re-elected as Director of the Company in accordance with Section 21.6 of the Company's constitution.			
5	Resolved that Mr Marie Joseph Jean-Pierre Montocchio be hereby re-elected as Director of the Company in accordance with Section 21.6 of the Company's constitution.			
6	Resolved that Mr Joseph Edouard Gérard Espitalier Noël be hereby re-appointed as Director of the Company to hold office until the next Annual Meeting of the Company.			
7	Resolved that Mr Noël Jean Humbert be hereby re-appointed as Director of the Company to hold office until the next Annual Meeting of the Company			
8	Resolved that Messrs. Ernst & Young be appointed as auditors of the Company until the conclusion of the next Annual Meeting of the Company and that the Board of Directors be authorised to fix their remuneration.			

Signed this ______ day of ______ 2021

Sign here X

Name:

Sign here X

Name:

***PLEASE FILL IN EITHER THE PROXY FORM OR THE POSTAL VOTE FORM, BUT NOT BOTH**

Notes

1. *A shareholder of the Company entitled to attend and vote at this meeting may* ***either*** *appoint a proxy, whether a shareholder or not, to attend and vote on his/her behalf* ***or*** *cast his/her vote by post.*
2. *Appointment of Proxy:*
   - *(a). If the form is used as a* ***Proxy Form****, to be valid, it must be completed and deposited at the Share Registry and Transfer Office of the Company, MCB Registry and Securities Ltd, Sir William Newton Street, Port Louis, Mauritius, not less than* ***24*** *hours before the time fixed for holding the meeting or adjourned meeting.*
   - *(b). A shareholder may appoint a proxy of his/her own choice. Insert the name of the person appointed as proxy in the space provided.*
   - *(c). If this* ***Proxy Form*** *is returned, duly signed, without any indication of proxy, the shareholder will be deemed to have authorised the Company Secretary to designate any person including the Chairman of the Meeting as proxy.*
   - *(d). If this* ***Proxy Form*** *is returned without any indication as to how the person appointed proxy shall vote, the person appointed proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.*
3. *Postal Vote Form:*
   - *(a). If the form is used as a* ***Postal Vote Form****, to be valid, it must be completed, signed and deposited at the Share Registry and Transfer Office of the Company, MCB Registry and Securities Ltd, Sir William Newton Street, Port Louis, Mauritius, not less than* ***48*** *hours before the time fixed for holding the meeting or adjourned meeting.*
   - *(b). This* ***Postal Vote Form*** *must be signed by the shareholder or his/her attorney duly authorised in writing.*
   - *(c). If this* ***Postal Vote Form*** *is returned without any indication of vote in respect of a resolution, the shareholder shall be deemed to have abstained on such resolution.*
   - *(d). If this* ***Postal Vote Form*** *is signed by an attorney of a shareholder, a certificate of non-revocation of the power of attorney must be attached, together with a copy of the power of attorney unless it has previously been produced to the Company.*
4. *Joint Shareholding:*
   - *(a). In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.*
   - *(b). However, in case one or more proxy/postal vote form is received from the joint holders, the proxy/postal vote form received from the shareholder whose name appear first on the register will be considered.*

FOR BODY CORPORATE

FORM OF APPOINTMENT OF **REPRESENTATIVE BY BODY CORPORATE***

I/We the undersigned being duly authorised to sign this form on behalf of

(name of Body Corporate)

of

(address of Body Corporate)

being the duly authorised shareholder of **ENL LIMITED** (the Company), hereby appoint

(name of representative)

of

(address of representative)

or failing him/her

(name of representative)

of

(address of representative)

as representative to vote for the Body Corporate at the Annual Meeting of the Company to be held at the Company's registered office, The Pod, Vivéa Business Park, Moka on **21 May 2021** commencing at **9:00 a.m.** and at any adjournment thereof. I/We direct my/our proxy to vote in the following manner:

POSTAL VOTE FORM **BY BODY CORPORATE***

I/We the undersigned being duly authorised to sign this form on behalf of

(name of Body Corporate)

of

(address of Body Corporate)

being the duly authorised shareholder/s of **ENL LIMITED** (the Company), entitled to attend the Annual Meeting to be held at the Company's registered office, The Pod, Vivéa Business Park, Moka on **21 May 2021** commencing at **9:00 a.m.** and at any adjournment thereof, cast my/our votes on the proposed resolutions in the following manner:

RESOLUTIONS *(Vote with a Tick)*		For	Against	Abstain
3	Resolved that the audited financial statements of the Company for the year ended 30 June 2020 be hereby approved.			
4	Resolved that Mr Marie Patrick Roger Espitalier Noël be hereby re-elected as Director of the Company in accordance with Section 21.6 of the Company's constitution.			
5	Resolved that Mr Marie Joseph Jean-Pierre Montocchio be hereby re-elected as Director of the Company in accordance with Section 21.6 of the Company's constitution.			
6	Resolved that Mr Joseph Edouard Gérard Espitalier Noël be hereby re-appointed as Director of the Company to hold office until the next Annual Meeting of the Company.			
7	Resolved that Mr Noël Jean Humbert be hereby re-appointed as Director of the Company to hold office until the next Annual Meeting of the Company.			
8	Resolved that Messrs. Ernst & Young be appointed as auditors of the Company until the conclusion of the next Annual Meeting of the Company and that the Board of Directors be authorised to fix their remuneration.			

Signed this ______ day of ______ 2021 by

Affix body corporate seal here

Sign here X

Name:

Sign here X

Name:

who warrant that he/she is/they are duly mandated and authorised to sign the present form

***PLEASE FILL IN EITHER THE FORM OF APPOINTMENT OF REPRESENTATIVE BY BODY CORPORATE OR THE POSTAL VOTE FORM BY BODY CORPORATE, BUT NOT BOTH**

Notes

1. *A body corporate who is a shareholder of the Company entitled to attend and vote at this meeting may* ***either*** *appoint a representative to attend and vote on its behalf* ***or*** *may cast its vote by post.*
2. *Appointment of Representative:*
   - *(a). If the form is used as a* ***Form of Appointment of Representative****, to be valid, it must be completed and deposited at the Share Registry and Transfer Office of the Company, MCB Registry and Securities Ltd, Sir William Newton Street, Port Louis, Mauritius, not less than* ***24*** *hours before the time fixed for holding the meeting or adjourned meeting.*
   - *(b). A body corporate, who is a shareholder, may appoint a representative of its own choice. Insert the name of the person appointed as representative in the space provided.*
   - *(c). Where the appointor is a body corporate, this* ***Form of Appointment of Representative*** *must be under its common seal and under the hand of the officer/s or attorney duly authorised.*
   - *(d). If this* ***Form of Appointment of Representative*** *is returned, duly signed, without any indication of representative, the shareholder will be deemed to have authorised the Company Secretary to designate any person including the Chairman of the Meeting as proxy.*
   - *(e). If this* ***Form of Appointment of Representative*** *is returned without any indication as to how the person appointed representative shall vote, he/she will exercise his discretion as to how he/she votes or whether he abstains from voting.*
3. *Postal Vote Form:*
   - *(a). If the form is used as a* ***Postal Vote Form****, to be valid, it must be completed, signed and deposited at the Share Registry and Transfer Office of the Company, MCB Registry and Securities Ltd, Sir William Newton Street, Port Louis, Mauritius, not less than* ***48*** *hours before the time fixed for holding the meeting or adjourned meeting.*
   - *(b). This* ***Postal Vote Form*** *must be under the body corporate's common seal and under the hand of the officer/s or attorney duly authorised.*
   - *(c). If this* ***Postal Vote Form*** *is returned without any indication of vote in respect of a resolution, the shareholder shall be deemed to have abstained on such resolution.*
4. *Joint Shareholding:*
   - *(a). In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.*
   - *(b). However, in case one or more Form of Appointment of Representative/Postal Vote Form is received from the joint holders, the Form of Appointment of Representative/Postal Vote Form received from the shareholder whose name appear first on the register will be considered.*

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