Sugar Investment Trust

Annual Report 2023

Sugar Investment Trust
Ground Floor, NG Tower, Cybercity, Ebène, Mauritius
Tel: +230 406 4747 | Fax: +230 466 6566
Email: info@sit.mu | Website: www.sit.mu

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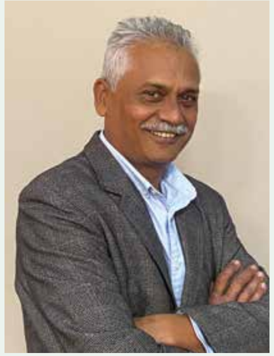
CORPORATE INFORMATION



Mr. Yashwantsingh Ramdharee
Chief Executive Officer

Mr. Praveen Kumar Ramburn
Chairperson

Directors :
Mr. Praveen Kumar Ramburn (Chairperson)
Mrs. Indira Rugjee
Mr. Vageesh Ramduny
Mrs. Madoobala Jeetah, OSK
Mr. Gansam Boodram
Mr. Kamless Seeam
Mr. Douvendra Seesurun
Mr. Thierry Desire Laval Govinden
Mr. Yousouf Oodally
Mr. Emmanuel Lindsay Hope
Mr. Narainsamy Veeraragoo
Mr. Yosandeo Buchoo, MSK

Secretary, Registrar and Transfer Office :
SIT Corporate and Secretarial Services Ltd
Ground Floor, NG Tower
Cybercity, Ebene 72201
Republic of Mauritius

Registered office :
Ground Floor, NG Tower
Cybercity, Ebene 72201
Republic of Mauritius

Auditors :
Moore Mauritius
Chartered Accountants
6th Floor, Newton Tower
Sir William Newton Street
Port Louis
Republic of Mauritius

Bankers :
The Mauritius Commercial Bank Ltd
Bank One Ltd
MauBank Ltd
SBM Bank (Mauritius) Ltd

Our Vision
Mission & Values

Our Vision

To be among the leading companies through sustainable investments in key viable economic sectors that support capital appreciation and ensure consistent income streams.

Our Mission

To be recognised as the leading organisation in economic empowerment through our drive for excellence, creation and distribution of wealth.

Core Values

- INTEGRITY
- PROFESSIONALISM
- TEAMWORK
- PASSION
- COMMITMENT
- CUSTOMER FOCUS
- DILIGENCE
- ATTENTIVENESS

Our Overriding Objective

The overriding objective of the Board and Management is to ensure the company's financial stability, profitability, growth and sustainability to maximise shareholders' wealth with a view to providing an enhanced and consistent dividend distribution and appreciation of share value to all shareholders.

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Dear Shareholders

On behalf of the Board of Directors of the Sugar Investment Trust ('SIT'), I am pleased to present the annual report for the SIT and its subsidiaries for the financial year ending June 30, 2023.

The financial year under review was once again a challenging one, yet, together we tightened our belts, joined hands, and adopted strategies that were sometimes risky, but laudable, if any. We had to follow the rescue plan to the letter, driven by a singular objective: the survival and resurgence of our institution. It is to be noted that SIT has been hardly impacted by a heavy increase in payments of interest to banks to the tune of 15%. Notwithstanding the substantial loss which has doubled in the current year, rising from Rs 54 M to Rs 111 M. The main cause of that side effect comes from losses on financial assets to the amount of Rs 76 M, impacting mainly on our investments in SIT Leisure Limited and Synnove Solar (Mauritius) One Ltd.

In our agricultural cluster, you will note that there has been an important decrease in our sugar production, sloping from 1,673 tons in 2021 to some 1,440 tons. The main reasons for that decline figure based solely on poor yielding fields and old ratoons which have been removed from cultivation. To avoid more losses, SIT Land Holdings Ltd has embarked on a major cane replantation program with the help of the Development Bank of Mauritius under the Cane Replantation Revolving Fund, given the rising prices in sugar and bagasse. The aim of SITLH is to replant some 500 hectares of land in the next 3 to 4 years.

Two other major projects are in the pipeline. The first one is the Smart City at Le Bouchon and I am proud to announce that we have secured the Smart City Scheme Certificate issued by the Economic Development Board. We are presently awaiting the final green light from the authorities before proceeding with the construction stage. In the meantime, the land on which the Smart City is to be developed is being cleared. The second project involves a residential development known as Aurea, covering some 19.89 A in Cote d'Or. The Letter of Intent has been obtained from the Ministry of Housing and Land Use Planning, and it will shortly be put up for sale, with priority given to Option Certificate holders and subsequently the general public.

The SIT Group faced a significant challenge as its revenue from land sales decreased by 53%, dropping from Rs. 278 M to Rs. 131 M. The Group showed a decrease of about 21% in its turnover value but with a good proceeds from sugar to the tune of 18%, a satisfied income from rental proceeds by 19%, and good income support from leisure activities which has more than doubled from Rs. 11 M to Rs. 46 M.

For my part, I believe that SIT's prosperity and success lie first and foremost in its members, shareholders, managers and staff, and above all in its resilience in always getting back up, even when it is at its lowest ebb as an entity. With the current projects in the pipeline coupled with the debt restructuring exercise which is underway, I have no doubt that the future of the SIT Group is very promising.

My heartful thanks go to the members of the Board, the staff, and all the institutions that gravitate around SIT and the shareholders.

Thank you.

Praveen Kumar Ramburn
Chairman of SIT

It is with great pleasure that I am presenting my first annual report for the year ending June 30, 2023 as the Chief Executive Officer of the SIT Group. As you are aware, the SIT Group had undergone unprecedented challenges during the past years which resulted in delay in the realisation of our key projects. However, amidst these adversities, I am proud to affirm that the company's resilience, innovation, and steadfast determination have not only sustained us but propelled us into a better position. In a landscape where every company faced complexities and uncertainties, our journey post-COVID-19 deserves acknowledgment and after four years, the Company has been able to pay dividends to all its shareholders.

Post the fiscal year, many positive developments are to be noted regarding our key projects, namely obtention of the Smart City Scheme Certificate from the Economic Development Board for Le Bouchon Smart City Project, obtention of Letter of Intent from the Morcellement Board for our next phase of a residential morcellement project at Aurea, Cote D'Or and kickstart of a major sugarcane replantation programme, amongst others. With a clearer visibility regarding upcoming projects, the Company has initiated negotiations with stakeholders for a major debt restructuring with a view of extending the maturities of the current debts.

FINANCIAL PERFORMANCE

Group Level

In the fiscal year 2023, the Group recorded a total revenue of Rs. 324 million (compared to Rs. 412 million in 2022) and a profit of Rs. 33 million (compared to Rs. 152 million in 2022). This notable decline can primarily be attributed to lower income realized from land sales compared to the previous financial year. It is equally noteworthy to point out that a significant number of title deeds for the Deux Bras Agricultural Project and Commercial Morcellement Project at Cote D'Or had been signed after the financial year ending 2023 and thus better results in terms of revenue are expected for the fiscal year 2024.

Revenue from sugar and related products, rental income from investment properties, dividend income, and income from leisure activities all exhibited positive growth, as detailed in the table below. However, revenue from land sales plummeted by 53%, from Rs. 278 million to Rs. 131 million.

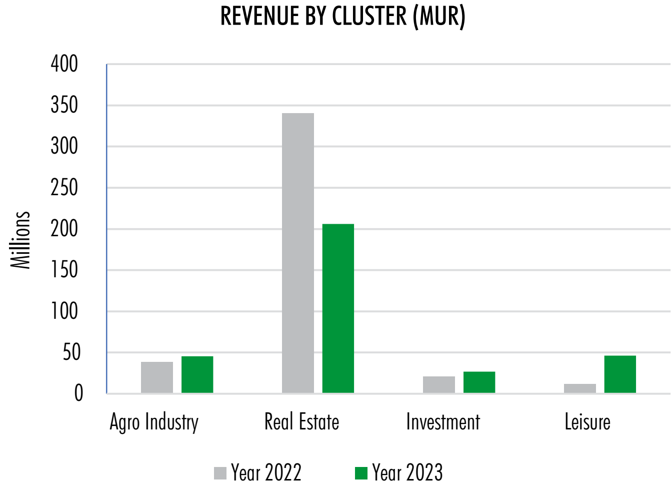
Revenue stream	2023 (Rs'000)	2022 (Rs'000)	% increase / (decrease)
Sugar and related products	45,414	38,369	18%
Rental income	74,492	62,645	19%
Land sales	131,428	278,053	(53%)
Leisure activities	46,088	11,716	293%
Dividend income	26,751	21,168	26%
	324,173	**411,951**	

It is noteworthy that during the year, the Group adopted a new accounting policy for the presentation of investment properties, transitioning from the cost model to the fair value model. This change resulted in a fair value gain on investment properties of Rs. 118 million for the fiscal year 2023 and Rs. 191 million in the restated comparative year.

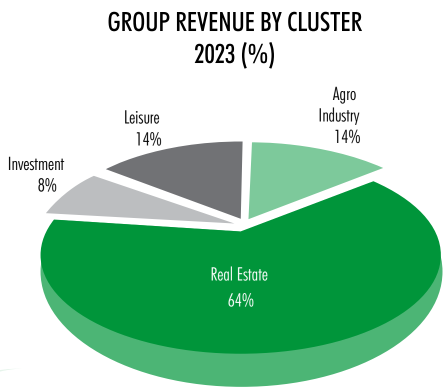
FINANCIAL PERFORMANCE (CONT'D)

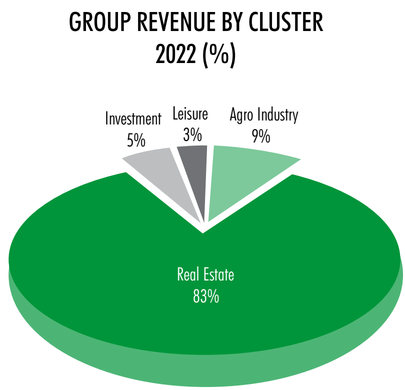
Highlights on Group Revenues

The graph below show the contribution of each cluster to the Group's revenue for the financial years 2023 and 2022.



The sale of land, encompassing agricultural, residential, and commercial morcellements, stands as the primary activity of the Group, as depicted in the below charts.



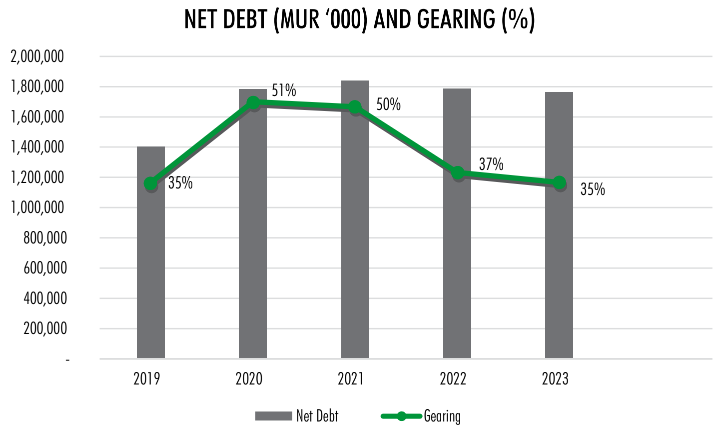


Debt evolution

In 2023, the Group's net debt showed improvement following the partial repayment of a Rs 300 million loan. By June 30, 2023, the group's gearing stood at 35%, compared to 37% in the previous year. The increase in gearing in 2020 and 2021 is be attributed to the new rental proposed by the Government for the land at Belle Mare.

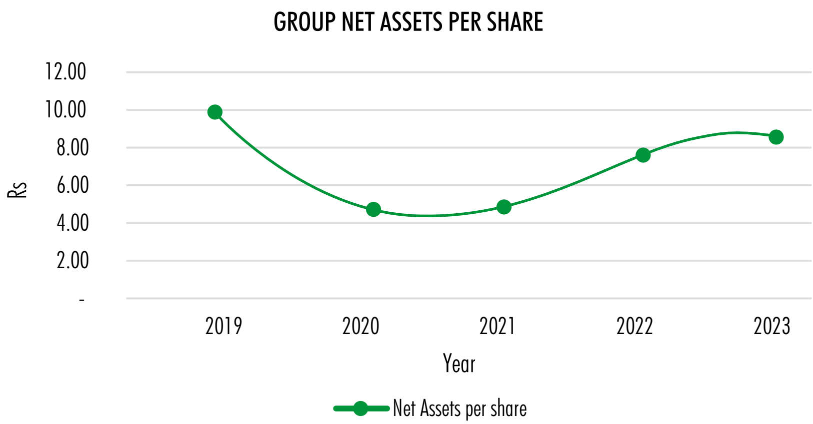
FINANCIAL PERFORMANCE (CONT'D)

Debt evolution (Cont'd)



Group net assets

The net assets per share of the Group for the past 5 years are presented below:



It is noteworthy that the net assets per share in 2019 stood at Rs 9.54, and by the year 2023, it has decreased to Rs. 8.51. This decline over time can be primarily attributed to a shift in the valuation model from the dividend yield model to the Net Asset per share, which is utilized for valuing our investments. However, in 2022, our investment properties were revalued, resulting in an upward trend in the Group's net assets per share.

Company level

Dividends from investee companies remain the primary source of income for the company. In the current financial year, dividends increased from Rs. 21.1 million to Rs. 26 million compared to the previous year, primarily stemming from power companies.

FINANCIAL PERFORMANCE (CONT'D)

Company level (Cont'd)

It is to be noted that the Company experienced further losses from Rs. 54 million in 2022 to Rs. 111 million in 2023. This is mainly attributed, among other factors, to an impairment loss on financial assets amounting to Rs. 76.3 million, reflecting uncertainties in recouping investments, particularly in SIT Leisure Limited and Synnove Solar (Mauritius) One Ltd.

A notable 10% improvement was noted in other operating expenses from Rs. 54.6 million in 2022 to Rs. 49 million in 2023. While the Finance Income and Other Income totalled Rs. 84.3 million and Rs. 13 million respectively for the year under review, it is vital highlight that these figures represent non-cash inflows, reflecting intercompany book entries with corresponding entries in the books of subsidiaries. The Company's performance was also heavily impacted by increased interest payments to Banks, with finance costs escalating by 15% due to elevated bank borrowing rates.

Disinvestment strategy

As an investment company, the SIT had in 2014 invested in two energy projects which unfortunately did not yield expected returns due to their underperformance. In this respect, the SIT is considering the sale of its stake in those investee companies and redirect its investments to areas with higher growth potential with the aim of maximising returns.

Proposed investments in new PV projects

The SIT has applied to the Central Electricity Board (CEB) for the development of two solar PV projects at Belle Rive and Carreau Accacia of capacities 15 MW and 10 MW respectively, under the CEB Greenfield Renewable Energy Scheme. Negotiations are ongoing with relevant stakeholders with a view of securing the best return on investments.

AGRICULTURAL CLUSTER

Revenue from sugar and associated products increased from Rs. 38 million in 2022 to Rs. 45 million in 2023. This upward trajectory is solely attributed to the heightened price per ton sugar of Rs. 25,554, despite a decrease in cultivated area. Company wise, a drop in the total revenue for SIT Land Holdings Ltd was observed from Rs. 70 million (restated) in 2022 to Rs. 61 million in 2023 and this is mainly attributed to a drop in revenue from sale of agricultural lands, which was Rs. 31 million in 2022 compared to Rs. 14 million in 2023.

Sugarcane activities

The harvest results for Crop Year 2022 for the Britannia and Mon Trésor regions are shown in the following table:

DETAILS		MON TRESOR		BRITANNIA		Total	
		2022	2021	2022	2021	2022	2021
Area Harvested	ha	280	332	204	241	484	573
Sugar Cane Produced	t	1,2501	14,167	6,388	9,289	18,889	23,456
Sugar Cane Yield	t/ha	44.65	42.67	31.31	38.54	39.03	40.94
Sugar Produced	t	1,003	1,052	437	621	1,440	1,673
Sugar Yield	t/ha	3.58	3.17	2.14	2.58	2.98	2.92
Extraction Rate	%	10.22	7.42	8.83	6.69	9.53	7.05

AGRICULTURAL CLUSTER (CONT'D)

Sugarcane activities (Cont'd)

A total of 1,440 tons of sugar were produced as compared to 1,673 tons in 2021. Both sugarcane and sugar produced are in a declining trend mainly due to the fact that poor yielding and old ratoons fields have been removed from production to avoid making unwarranted expenses.

On the other hand, in view of the increase in prices of sugar and bagasse coupled with the government sponsored Cane Replantation Revolving Fund through the Development Bank of Mauritius, a major sugarcane replanting strategy has been put in place whereby the company shall renew its sugarcane cultivation in the coming 3-4 years. The strategy also aims at mechanisation of several activities including sugarcane harvest, optimising sugarcane varieties and use of technologies to mitigate the scarcity and high labour costs.

Our sugarcane activities, though facing challenges, remain strategically significant. Despite a decline in sugar production, efforts towards sugarcane revamping and mechanization are poised to rejuvenate our sugarcane fields, with plans to replant some 500 hectares of land by the end of 2028.

Lease of land to small planters

In addition to the 200 A of land at Britannia put on lease to small planters at concessionary rates in line with the objective of the Ministry of Agro Industry & Food Security to promote local foodcrop production, SITLH has also leased some additional extent of land to planters for mixed farming purposes and in view of the major cane replanting plan, rotational land leases will also be entertained on short term basis.

Domaine Ile D'Ambre

With a view of reviving the ongoing agricultural morcellement project at Ile D'Ambre, SITLH has recently started land clearing to maintain the land's attractiveness and with the setting up of a new marketing team at the SIT Group, new strategies are being devised to increase the visibility of the project.

PROPERTY DEVELOPMENT CLUSTER

Financial Performance

This category encompasses revenue generated from land sales and office rentals. The cluster's revenue declined from Rs. 341 million in 2022 to Rs. 205 million in 2023, significantly impacting the Group's overall performance for the year. However, with the revival of our new agricultural morcellement project at Deux Bras and ongoing sales at Aurea, Cote D'Or, we anticipate a resurgence of sales in the upcoming financial year.

Ongoing projects

SIT Property Development Ltd (SPDL), the property development arm of the SIT Group continues to advance with its next phases of development at Aurea, Cote D'Or. As highlighted last year, SPDL intends to develop another residential morcellement project at Cote D'Or over an approximate extent of land of 19.89 Arpents. I am pleased to announce that the Ministry of Housing and Land Use Planning has issued a Letter of Intent to SPDL in December 2023 and land sale is planned soon. As has been the usual practice, priority will be given to the holders of Option Certificates for acquisition of land and subsequently will be opened to the general public.

PROPERTY DEVELOPMENT CLUSTER (CONT'D)

Proposed development project at Belle Rive

Our consideration of the proposed Integrated / Mixed Development Project over 50 Arpents of land at Belle Rive underscores our commitment to thorough analysis and market research to identify and effectively meet market demands, before taking an informed decision on the way forward for the project.

Le Bouchon Smart City Project

Our commitment to innovation and progress extends beyond financial metrics, as evidenced by our ambitious property development projects. We are delighted to announce a recent milestone achieved in the Smart City Project at Le Bouchon, with the acquisition of the Smart City Scheme Certificate. Land clearing has already commenced at the designated site, demonstrating tangible progress while awaiting final clearances from authorities.

LEISURE CLUSTER

The contribution of leisure activity to the group's revenue improved marginally, rising from 3% in 2022 to 14% in 2023. This growth is primarily attributable to the full operation of the park throughout 2023, compared to only eight months of operation in 2022.

For the fiscal year, SIT Leisure Limited (SITL) recorded a total revenue of Rs. 46 million compared to Rs. 12 million in 2022. For the period January 2023 to December 2023, a total number of 93,000 visitors were noted.

In the realm of leisure activities, despite encountering setbacks, our dedication to providing quality experiences for our visitors remains steadfast. With a revitalized marketing strategy in 2024, we aim to enhance visibility and attract new visitors, building upon the positive response received from residents and non-residents alike. Management is also targeting to complete the installation of the Boomerango Slide at the earliest, which will be one of the main attractions in the region due to its size and design.

Lastly, I am pleased to announce that the SIT Group has once again decided to grant a free Ticket Voucher to all shareholders of the SIT and SIT Land Holdings Ltd, which is valid for two individuals.

ACKNOWLEDGMENT

As we navigate the road ahead, we do so with a sense of purpose and resilience. Our commitment to delivering value to our shareholders, customers, and stakeholders remains unwavering. Together, we stand poised to overcome challenges, seize opportunities, and chart a path towards sustainable growth and success.

On a concluding note, I wish to thank the Chairman and Directors for their guidance and continued support, and to the staff at all levels for their unwavering dedication to the progress of the SIT Group.

Yashwantsingh Ramdharee
Chief Executive Officer

STATUTORY DISCLOSURES
for the year ended 30 June 2023

The Directors are pleased to present their annual report and corporate governance report of the Sugar Investment Trust (SIT) (the "Company") and its subsidiaries (altogether referred as the "SIT Group") together with the audited consolidated and separate financial statements for the financial year ended 30 June 2023.

1. PRINCIPAL ACTIVITIES

The principal activities of the SIT Group are:

- Holding of investments;
- Dealing in matters relating to agriculture in general;
- Operation of a leisure park; and
- Through the democratisation policy, acquisition, holding and/or disposal of moveable properties and rental of office spaces.

2. DIRECTORS

The directors who held office at the date of the report were as follows:

SUGAR INVESTMENT TRUST

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mr Praveen Kumar RAMBURN	03 Jul 2023	-	Non-Executive Director
2	Mrs Moheenee NATHOO	07 Jul 2023	-	Non-Executive Director
3	Mr Narainsamy VEERARAGOO	18 Nov 2023	-	Non-Executive Director
4	Mr Yosandeo BUCHOO, M.S.K	18 Nov 2023	-	Non-Executive Director
5	Mr Vageesh RAMDUNY	8 Dec 2021	-	Non-Executive Director
6	Mrs Madoobala JEETAH, OSK	8 Dec 2021	-	Non-Executive Director
7	Mr Gansam BOODRAM	15 Nov 2021	-	Non-Executive Director
8	Mr Kamless SEEAM	15 Nov 2021	-	Non-Executive Director
9	Mr Douvendra SEESURUN	15 Nov 2021	-	Non-Executive Director
10	Mr Thierry Desiré Laval GOVINDEN	15 Nov 2021	-	Non-Executive Director
11	Mr Yousouf OODALLY	15 Nov 2021	-	Non-Executive Director
12	Mr Emmanuel Lindsay HOPE	15 Nov 2021	-	Non-Executive Director
13	Mrs Moheenee NATHOO	19 Apr 2023	03 Jul 2023	Non-Executive Director
14	Mr Harryduth RAMNARAIN	20 Jul 2020	15 Apr 2023	Non-Executive Director
15	Mrs Chitra JISSURY	18 Nov 2022	07 Jul 2023	Non-Executive Director

STATUTORY DISCLOSURES (CONT'D)
for the year ended 30 June 2023

SIT LEISURE LIMITED

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mr Yousouf OODALLY (**Chairperson**)	8 Dec 2021	-	Non-Executive Director
2	Mr Harryduth RAMNARAIN	31 Jul 2020	19-Apr-23	Non-Executive Director
3	Mr Vageesh RAMDUNY	8 Dec 2021	-	Non-Executive Director
4	Mrs Madoobala JEETAH, OSK	8 Dec 2021	-	Non-Executive Director
5	Mr Gansam BOODRAM	8 Dec 2021	-	Non-Executive Director
6	Mr Kamless SEEAM	8 Dec 2021	-	Non-Executive Director
7	Mr Douvendra SEESURUN	8 Dec 2021	-	Non-Executive Director
8	Mr Thierry Desiré Laval GOVINDEN	8 Dec 2021	-	Non-Executive Director
9	Mr Emmanuel Lindsay HOPE	8 Dec 2021	-	Non-Executive Director
10	Mr Praveen Kumar Ramburn	11-Jul-23	-	Non-Executive Director
11	Mr Yosandeo Buchoo M.S.K	22-May-23	-	Non-Executive Director
12	Mrs Chitra Jissury	22-May-23	11-Jul-23	Non-Executive Director

SIT LAND HOLDINGS LTD

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mrs Madoobala Jeetah (Chairperson)	10-May-23	-	Non-Executive Director
2	Mr Praveen Kumar Ramburn	11-Jul-23	-	Non-Executive Director
3	Mr Ramanand Kankeea Ellapah	10-May-23	-	Non-Executive Director
4	Mr Satyvanoo Gopal	10-May-23	-	Non-Executive Director
5	Mr Narainsamy Veeraragoo	10-May-23	-	Non-Executive Director
6	Mr Swaraj Soojhawon	10-May-23	-	Non-Executive Director
7	Mr Sobeersen Sanmukhiya	10-May-23	-	Non-Executive Director
8	Mr Yosandeo Buchoo	10-May-23	-	Non-Executive Director
9	Mrs Moheene Nathoo	10-May-23	-	Non-Executive Director
10	Mrs Chitra Jissury	10-May-23	11-Jul-23	Non-Executive Director
11	Mr Vageesh RAMDUNY (**Chairperson**)	8 Dec 2021	10-May-23	Non-Executive Director
12	Mr Gansam BOODRAM	28 Mar 2019	10-May-23	Non-Executive Director
13	Mr Harryduth RAMNARAIN	30 Sep 2020	19-Apr-23	Non-Executive Director
14	Mr Thierry Desiré Laval GOVINDEN	8 Dec 2021	10-May-23	Non-Executive Director
15	Mr Emmanuel Lindsay HOPE	8 Dec 2021	10-May-23	Non-Executive Director
16	Mr Douvendra SEESURUN	8 Dec 2021	10-May-23	Non-Executive Director
17	Mr Poonith MUNGROOA	28 Mar 2019	10-May-23	Non-Executive Director
18	Mr Deepaksing RAMJEET	28 Mar 2019	10-May-23	Non-Executive Director
19	Mr Gessavah CHENGAN	28 Mar 2019	10-May-23	Non-Executive Director

SIT PROPERTY DEVELOPMENT LTD

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mr Gessavah CHENGAN **(Chairperson)**	30 April 2019	10 May 2023	Non-Executive Director
2	Mr Yousouf OODALLY	14 Dec 2021	-	Non-Executive Director
3	Mr Thierry Desiré Laval GOVINDEN	14 Dec 2021	-	Non-Executive Director
4	Mr Kamless SEEAM	14 Dec 2021	-	Non-Executive Director
5	Mr Douvendra SEESURUN	14 Dec 2021	22-May-2023	Non-Executive Director
6	Mr Gansam BOODRAM	30 Apr 2019	10-May-2023	Non-Executive Director
7	Mr Poonith MUNGROOA	04 May 2019	10-May-2023	Non-Executive Director
8	Mr Deepaksing RAMJEET	30 Apr 2019	10-May-2023	Non-Executive Director
9	Mr Harryduth RAMNARAIN	19 Apr 2022	19-Apr-23	Non-Executive Director
10	Mrs Moheenee Nathoo	22-May-23	11-Jul-23	Non-Executive Director
11	Mr Gansam BOODRAM (Chairperson)	10-May-2023	-	Non-Executive Director
12	Mr Ramanand Kankeea Elliapah	22-May-2023	-	Non-Executive Director
13	Mr Satyvanoo Gopaul	22-May-23	-	Non-Executive Director
14	Mr Swaraj Soojhawon	22-May-23	-	Non-Executive Director
15	Mr Sobeersen Sanmukhiya	22-May-23	-	Non-Executive Director
16	Mr Praveen Kumar Ramburn	11-Jul-23	-	Non-Executive Director

SIT CORPORATE AND SECRETARIAL SERVICES LTD

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mr Kamless SEEAM	03 Aug 2022	-	Non-Executive Director
2	Mr Vageesh RAMDUNY	03 Aug 2022	-	Non-Executive Director
3	Mr Mahendra Kumar RAMROOP	26 Feb 2018	-	Executive Director

SIT LANDSCAPE CONTRACTING SERVICES LTD

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mr Thierry Desiré Laval GOVINDEN	14 Dec 2021	-	Non-Executive Director

LE BOUCHON DEVELOPMENT COMPANY LTD

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mr Vageesh RAMDUNY	24 Jun 2022	30 Jun 2023	Non-Executive Director
2	Mr Gessavah CHENGAN	24 Jun 2022	30 Jun 2023	Non-Executive Director
3	Mr Martin Jason BRAGE	29 Apr 2022	-	Non-Executive Director
4	Mr Harryduth RAMNARAIN	10 Feb 2022	19 Apr 2023	Non-Executive Director
5	Mrs Madoobala JEETAH, OSK	30 Jun 2023	-	Non-Executive Director
6	Mr Praveen Kumar RAMBURN	12 Jul 2023	-	Non-Executive Director
7	Mr Sobeersen SANMUKHIYA	30 Jun 2023	-	Non-Executive Director
8	Mr Yosandro BUCHOO, MSK	30 Jun 2023	-	Non-Executive Director
9	Mr Yajneesh SOOBHUG	30 Jun 2023	-	Executive Director
10	Mrs Ranjeeta DEERPAUL	14 Sep 2022	30 Jun 2023	Executive Director
11	Mr Gansam BOODRAM	10 Feb 2022	14 Sep 2022	Non-Executive Director

SIT EBENE PROPERTY DEVELOPMENT LTD

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mr Thierry Desiré Laval GOVINDEN	14 Dec 2021	-	Non-Executive Director

SIT SYNDICATE SERVICES LTD

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mr Thierry Desiré Laval GOVINDEN	14 Dec 2021	-	Non-Executive Director

NG TOWER II LTD, NG TOWER III LTD, NG TOWER IV LTD, NG TOWER V LTD

No.	Name of director	Date of appointment	Date of cessation	Capacity
1	Mrs Madoobala JEETAH, OSK	14 Dec 2021	-	Non-Executive Director
2	Mr Yajneesh SOOBHUG	22 May 2023	-	Executive Director

3. DIRECTORS' SERVICE CONTRACTS

None of the directors have unexpired service contract.

4. DIRECTORS' REMUNERATION AND BENEFITS

Remuneration and benefits received, or due and receivable from the Company and its subsidiaries are as follows:

	2023	2022
	Rs'000	Rs'000
SUGAR INVESTMENT TRUST		
9 Non-Executive Directors	1,471	1,201
SIT Leisure Limited		
9 Non-Executive Directors	977	900
SIT Land Holdings Ltd		
9 Non-Executive Directors	896	962
SIT Property Development Ltd		
9 Non-Executive Directors	893	965

5. DONATIONS

The Company did not make any donations during the year (2022: Nil).

6. AUDITORS' REMUNERATION

The fees payable to the auditors for audit and other services for the year under review were:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Audit Services:	1,265	1,035	362	245
Tax Compliance Services:	157	97	34	25
Other Services	-	-	-	-
	1,422	1,132	396	270

Approved and authorised by the Board of Directors and signed on its behalf by:

....
Director

Date: 27 October 2023

....
Director

Date: 27 October 2023

PRINCIPLE 1: GOVERNANCE STRUCTURE

"All organisations should be headed by an effective Board. Responsibilities and accountabilities within the organisation should be clearly identified."

1.1 Compliance with good governance

The Sugar Investment Trust (hereinafter referred to as 'SIT' or 'the Company') is body corporate established under the Sugar Industry Efficiency Act and operates as a public company on a purely commercial basis under the Companies Act 2001. The SIT Group is categorised as a Public Interest Entity and is thus also governed by the Financial Reporting Act. The Company is devoted to conducting its business with the utmost integrity, transparency, and professionalism, ensuring ethical and responsible management to enhance business value for all stakeholders.

The Board, as a governing body, fully understand its role, responsibility and authority in setting the direction, the management and control of the Company. The Board assumes responsibility for leading and controlling the Company and meeting all its legal and regulatory requirements. The Board of Directors acknowledges the National Code of Corporate Governance for Mauritius (2016) as best practice and ensures that the Company's operations embody the Code's characteristics of good governance, including discipline, transparency, independence, accountability, fairness, social responsibility, and professionalism. The Board adapts the Code to the Company's specific circumstances, size, and complexity, as well as the risks and challenges it faces.

1.2 Board Charter

The company currently does not have a Board Charter in place. While the Board of Directors recognizes the importance of a comprehensive Board Charter as a foundational document that outlines the roles, responsibilities, and ethical principles governing our board of directors, the Board has encountered delays in the development and implementation of a Board Charter. The Board is committed to addressing it promptly and is actively working to draft and adopt a robust Board Charter in the coming weeks that aligns with best practices and ensures transparency, accountability, and responsible decision-making. In the absence of a Board Charter, the Board has ensured effectiveness through clear role documentation, committee charters, external expertise, transparency, legal compliance, in-house policies and open communication with all stakeholders.

1.3 Code of Ethics

The Company is committed to the highest standards of integrity and ethical conduct in dealing with all its shareholders. The Company has a Code of Ethics which defines principles and standards of conduct, fostering integrity, accountability, and ethical decision-making within and across the organisation, guiding behaviour and maintaining trust. Adequate grievances and disciplinary procedures are in place to enable enforcement of the Code of Ethics.

1.4 Company's Constitution

Although the Sugar Investment Trust is a statutory body established by the Sugar Industry Efficiency Act, it is also governed by its own constitution which is known as the 'SIT Rules', which was adopted by the Company at its establishment. Most of the provisions of the SIT Rules is in conformity with the provisions of the Companies Act 2001.

The SIT Rules is available at the registered office of the Trust and a copy can be requested through a written request made to the Company Secretary. A copy of the SIT Rules is available on the website of the SIT Group at www.sit.mu.

PRINCIPLE 1: GOVERNANCE STRUCTURE (CONT'D)

1.5 Company website

The Company has a dedicated website, namely www.sit.mu which includes all latest updates and pertinent information regarding the company and its subsidiaries.

1.6 Company Secretary

SIT Corporate and Secretarial Services Ltd is the Company Secretary to the Board of SITLH. All Directors have access to the advice and services of the Company Secretary.

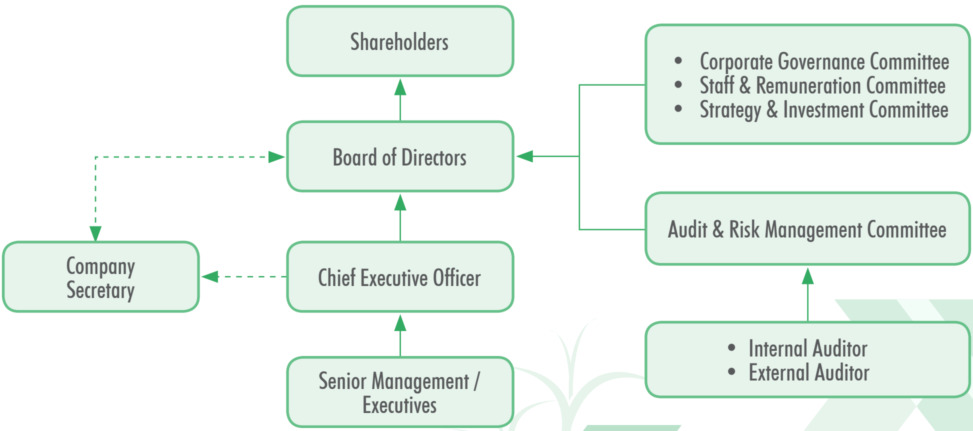
The role of the Company secretary is to:

- ensure compliance with the Company's constitution and all relevant statutory and regulatory requirements, codes of conduct and rules established by the Board; and
- provide guidance and advice to the Board on matters of ethics and good governance.

1.7 Job Descriptions of key senior governance positions, organisational chart and statement of accountabilities

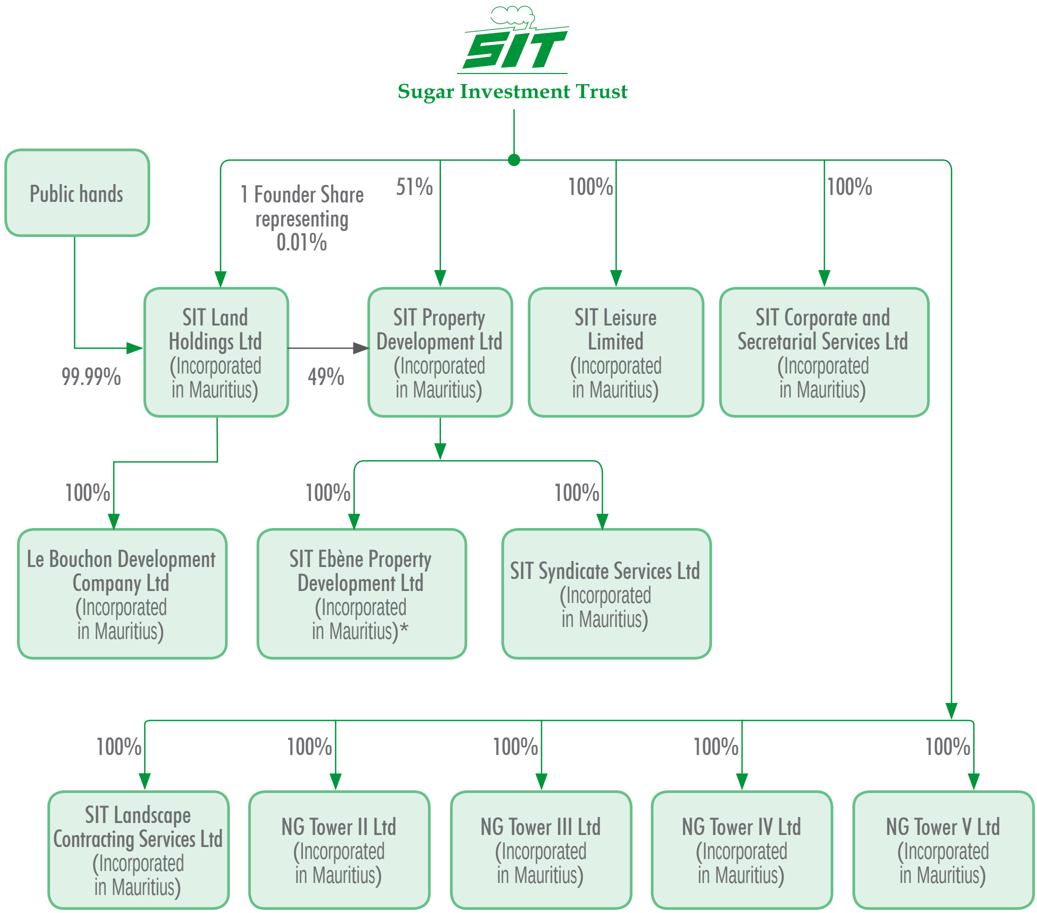
The Board has approved the appropriate job descriptions of key senior governance positions, an organisational chart and a statement of accountabilities.

(a) Organisational and Governance Structure



PRINCIPLE 1: GOVERNANCE STRUCTURE (CONT'D)

(b) Shareholding Structure



PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES

"The Board should contain independently minded directors. It should include an appropriate combination of executive directors, independent directors and non-independent non-executive directors to prevent one individual or a small group of individuals from dominating the Board's decision taking. The Board should be of a size and level of diversity commensurate with the sophistication and scale of the organisation. Appropriate Board committees may be set up to assist the Board in the effective performance of its duty."

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.1 Board Structure

SIT has a unitary Board structure which is established under section 5 of the Sugar Industry Efficiency Act. As at 30 June 2023, the Board of Directors of SIT consisted of 12 directors of whom:

- ⇨ Five (5) were appointed by the Minister of Agro Industry & Food Security (including the Chairperson);
- ⇨ One (1) was appointed by the Ministry of Agro Industry & Food Security;
- ⇨ 2 were elected by shareholders, who are representatives of sugarcane planters cultivating less than 5 Ha of land (small planters);
- ⇨ 1 was elected by shareholders, who are representatives of sugarcane planters cultivating 5 Ha of land or more (big planters);
- ⇨ 1 was elected by shareholders who are agricultural workers from the sugarcane industry;
- ⇨ 1 was elected by shareholders who are non-agricultural workers from the sugarcane industry; and
- ⇨ 1 was elected by shareholders who are staff from the sugarcane industry.

In August 2022, section 5 of the Sugar Industry Efficiency Act 2001 was amended under the Finance (Miscellaneous Provisions) Act 2022, where the number directors appointed by the Minister increased from 3 to 5 and 1 by the Ministry so that the total number of directors on the Board be increased from 9 to 12.

The Directors of SIT come from diverse business and academic backgrounds and possess the necessary knowledge, skills, objectivity, integrity, experience and commitment to make sound judgements on various key issues relevant to the business of the Company. All Board members are ordinary resident of Mauritius. Although the National Code of Corporate Governance 2016 recommends having at least two Executive Directors and two Independent Directors, the Board believes that the Board composition is adequate due to the size and complexity of the business, which is in line with the SIT Rules and the SIE Act. It is also noted that the Board has the appropriate balance of skills, experience, independence and knowledge to enable its members to discharge their respective duties and responsibilities effectively. The diversity of the Board avoids 'group think'.

There is no mechanism in place within the purview of the SIE Act or the SIT Rules to promote gender balance. However, given that it is a mandatory requirement under Section 133 (1) (b) of the Companies Act 2001 to have at least one woman on the Board of a public company, the Minister normally endeavour to appoint one person from the opposite gender from among his representatives.

All directors receive timely information so that they are equipped to fulfil their duties in Board Meetings. All Board members have access to the Company Secretary for any further information they require. The Company Secretary ensures that the Board members receive appropriate training as necessary. Independent professional advice would be available to directors in appropriate circumstances, at the Company's expense.

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.1 Board Structure (Cont'd)

The Board composition as at the date of reporting is as follows:

No.	Name of Director	Date of Appointment	Date of Cessation
1	Mr Praveen Kumar Ramburn (Chairperson)	03rd July 2023	-
2	Mrs Moheenee Nathoo	19th April 2023	03rd July 2023
		07th July 2023 (reappointed)	-
3	Mr Narainsamy Veeraragoo	18th November 2022	-
4	Mr Yosundeo Buchoo, MSK	18th November 2022	-
5	Mrs Madoobala Jeetah, OSK	08th December 2021	-
6	Mr Vageesh Ramduny	08th December 2021	-
7	Mr Gansam Boodram	15th November 2021	-
8	Mr Kamless Seeam	15th November 2021	-
9	Mr Douvendra Seesurun	15th November 2021	-
10	Mr Thierry Désiré Laval Govinden	15th November 2021	-
11	Mr Yousouf Oodally	15th November 2021	-
12	Mr Emmanuel Lindsay Hope	15th November 2021	-
13	Mr Harryduth Ramnarain	20th July 2020	15th April 2023
14	Mrs Chitra Jissury	18th November 2022	07th July 2023

2.2 Role of the Board

The Board is ultimately accountable and responsible for the performance and affairs of the Company. Its principal functions include the following:

- protecting and enhancing shareholders' value by identifying and monitoring key risks areas and key performance indicators;
- ensuring that the Company has clear strategies, policies and business plans, and monitoring its implementation;
- reviewing and approving the system of internal control and compliance with laws and regulations as may be appropriate and relevant to the business of the Company;
- approving such acquisition and disposal of assets as appropriate;
- exercising leadership, enterprise, intellectual honesty, integrity and judgement in directing the Company so as to achieve sustainable prosperity for the Company;
- ensuring timely communication with shareholders and other stakeholders;
- any conflict or potential conflict of interest occur, it would be the duty of any director of SIT to make a full and timely disclosure to the Board;
- to manage any conflict or potential conflict of interest that might arise regarding transactions between the Company and its management, Directors and Shareholders; and
- to appoint a Chief Executive Officer and ensure that succession is professionally planned in good time.

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.3 Role and function of the Chairperson

The Board is subject to the firm and objective leadership of a Chairperson who brings out the best in each director and ensures the smooth functioning of the Board in the interests of good governance. The Chairperson's principal functions include the following:

- provide overall leadership to the Board, and encourage and ensure active participation of each director in discussions and board matters;
- overseeing a formal succession plan for the Board and Senior Management;
- ensuring that all the relevant information and facts are placed before the Board to enable the directors to reach informed decisions; and
- maintaining sound relations with the Company's shareholders and ensuring that the principles of effective communication and pertinent disclosure are followed.

2.4 Role and function of the Chief Executive Officer

The Chief Executive Officer (CEO) is appointed by the Board of the Sugar Investment Trust (SIT) who oversees the activities of all the entities of the SIT Group. The role of the CEO is separate from the Chairperson and is responsible for all day-to-day management decisions. The principal functions of the CEO include the following:

- develop and recommend to the Board a long-term vision and strategy for the Company that will generate satisfactory levels of shareholder value and positive relations with relevant stakeholders;
- strive consistently to achieve the Company's financial and operating goals and objectives and ensure that the day-to-day business affairs of the company are appropriately managed and monitored;
- serve as the chief spokesperson for the company on all operational and day-to-day matters; and
- develop and recommend to the Board annual business plans and budgets that support the company's long-term strategy and ensure a proper assessment of the risks under a variety of possible or likely scenarios is undertaken and presented to the Board.

During the year under review, the post of CEO was vacant. Mrs Ranjeeta Deerpaul served as Officer in Charge up to 07th December 2022. Mr Yajneesh Soobhug was appointed as Officer in Charge for the SIT Group as from 08th December 2022 until 14th September 2023.

2.5 Role of Secretary

SIT Corporate and Secretarial Services Ltd and Boardroom Corporate Services are the secretaries to the Board of SIT.

The role of the Secretary is to:

- ensure compliance with the Company's constitution and all relevant statutory and regulatory requirements, codes of conduct and rules established by the Board;
- providing the Board as a whole and directors individually with detailed guidance as to how their responsibilities should be properly discharged in the best interests of the Company;
- Developing the agenda of the Board and Board committee meetings in consultation with the Chairperson and the CEO;
- Circulating agendas and any supporting papers in good time;

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.5 Role of Secretary (Cont'd)

- Ensuring the presentation of high-quality information to the Board and committees of the Group;
- Checking that quorum of meetings is present;
- Taking minutes of Board meetings and circulating the draft minutes to all members;
- Ensuring that meetings and resolutions of the Board are properly held and passed in accordance with the Company's articles of association;
- Ensuring that the procedure for the appointment of directors is properly carried out;
- Assisting in the proper induction of directors, including assessing the specific training needs of directors/executive management; and
- Providing comprehensive practical support and guidance to directors both as individuals and as a collective with particular emphasis on supporting the non-executive directors.

The Company Secretary also ensures compliance with all relevant statutory and regulatory requirements and have duties associated with the operation of the business.

2.6 Profile of present Directors

Mr. Praveen Kumar Ramburn is a non-executive Chairperson of the Company and is one of the 5 persons appointed by the Minister of Agro Industry & Food Security under section 5(2)(f) of the SIE Act. He is holder of a Diploma in Business and Industrial Administration. He has previously served as Mayor of the Municipal Council of Vacoas Phoenix and as Chairperson of the National Housing Development Co. Ltd (NHDC). He is presently a Councillor of the Municipal Council of Vacoas Phoenix.

Mrs. Moheenee Nathoo is a non-executive director and is one of the five directors appointed by the Minister. She has a diploma in Public Administration and Management (University of Mauritius), a BA (Hons) in Economics with Management Studies (Napier University, Scotland), Masters in Public Policy and Administration (University of Mauritius) and Diplome du Cycle International D'Administration Publique (L'Ecole National d'Administration, France). She has a rich experience in the civil service and has occupied various positions at different Ministries. She is currently the Senior Chief Executive at the Ministry of Agro Industry & Food Security and has briefly served as Chairperson on the Boad of the Sugar Investment Trust.

Mr. Vageesh Ramduny is a non-executive director of the Company since 8 December 2021 and is one of the 3 persons appointed by the Minister. He is holder of an LLB from the BPP University (UK) and also holds a Diploma in Business/Commerce. Mr Ramduny is the Chief Operating Officer of Alouette Bus Transport and also serves as Vice Chairman of the District Council of Moka.

Mrs. Madoobala Jeetah, OSK is a non-executive director of the Company since 8 December 2021 and is one of the 5 persons appointed by the Minister. She is a devoted social worker since many years and on 12th March 2023, she was awarded the rank of Officer of the Order of the Star and Key of the Indian Ocean (O.S.K) for her contribution in the social field. She has previously served as Chairperson and Board member of the National Women Council for 15 years as well as President and Village Councillor of Flacq Village Council. She is presently the Chairperson of the Staff & Remuneration Committee (SRC) of the SIT Group and also represents SIT on the Board of Directors of Omnicane Holdings Ltd, Omnicane Limited, Omnicane Management & Consultancy Ltd and Omnicane Thermal Energy Operations (La Baraque) Limited.

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.6 Profile of present Directors (Cont'd)

Mr. Yosundeo Buchoo, MSK is a non-executive director and is one of the five directors appointed by the Minister. He has previously briefly served in the Mauritius Police Force before changing his career path to teaching sector. He holds an Advance Certificate in Education, Diploma in Education and Diploma in Educational Management has a rich experience as primary school teacher. Mr Buchoo is now retired and was awarded the rank of Member of the Star and Key of the Indian Ocean (MSK) by the President of the Republic of Mauritius. He is also currently the Chairperson of the L'Avenir and Beau Bois Village Council.

Mr. Narainsamy Veeraragoo is a non-executive director and is one of the five directors appointed by the Minister. He is holder of a Certificate in Personal Management (South Africa) and Diploma in Business English (Manchester, UK). He has a long working experience at the Central Water Authority (CWA), where he occupied various positions. He also served as Board member of the Medical Council in the past. Mr Veeraragoo is now retired. He is a devoted social worker and is currently the Chairman of 'Club des Seniors Dynamiques de Riche Terre'. He has previously served as Secretary at 'Action Civique de Le Hochet Terre Rouge'.

Mr. Gansam Boodram is a non-executive director and representative of sugarcane planters cultivating less than 5 hectares of land. He was elected as director in November 2021 pursuant to section 5(2)(a) of the SIE Act for a term of 3 years. Mr Boodram is a professional in the agribusiness sector and he has acquired experience in Israel, Holland, USA and India. He graduated in agriculture with specialisation in soilless culture and protected cropping as well as agriculture in Israel. He also studied environment control crop in Holland, mechanisation in USA and sugar technology in India. He is currently the Managing Director of Greenmundo (Africa).

Mr. Kamless Seeam is a non-executive director and representative of sugarcane planters cultivating less than 5 hectares of land. He was elected as director in November 2021 pursuant to section 5(2)(a) of the SIE Act for a term of 3 years. Mr Seeam has been in employment with Bon Accueil Farmers Service Centre.

Mr. Douvendra Seesurun is a non-executive director and representative of sugarcane planters cultivating more than 5 hectares of land. He was elected as director in November 2021 pursuant to section 5(2)(b) of the SIE Act. He is a hydroponic technician.

Mr. Yousouf Oodally is a non-executive director and representative of agricultural workers of the sugar industry. He was elected as director in November 2021 by virtue of section 5(2)(c) of the SIE Act for a term of 3 years. Mr Oodally has been in employment with Alteo Ltd and has over 30 years of experience in the sugar industry. He is a field supervisor.

Mr. Thierry Desiré Laval Govinden is a non-executive director and representative of non-agricultural workers of the sugar industry. He was elected as director in November 2021 by virtue of section 5(2)(d) of the SIE Act for a term of 3 years. Mr Govinden has vast experience in the sugar industry and is currently employed as Operations Supervisor at Alteo Milling Ltd.

Mr. Emmanuel Lindsay Hope is a non-executive director and representative staff of the sugar industry. He was elected in November 2021 by virtue of section 5(2)(e) of the SIE Act for a term of 3 years. Mr Hope has been in employment with Alteo and is a weigher by profession.

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.7 Common directors within the group as at 30 June 2023

Name of Director	Sugar Investment Trust	SIT Leisure Limited	SIT Land Holdings Ltd	SIT Property Development Ltd	SIT Corporate and Secretarial Services Ltd	NG Tower II Ltd	NG Tower III Ltd	NG Tower IV Ltd	NG Tower V Ltd	SIT Ebene Property Development Ltd	SIT Landscape Contracting Services Ltd	SIT Syndicate Services Ltd	Le Bouchon Development Company Ltd
Mr Praveen Kumar Ramburn	✓	✓	✓	✓									✓
Mrs Moheenee Nathoo	✓		✓										
Mr Vageesh Ramduny	✓	✓	✓		✓								✓
Mrs Madoobala Jeetah, OSK	✓	✓				✓	✓	✓	✓				
Mr Narainsamy Veeraragoo	✓		✓										
Mr Yosundeo Buchoo	✓	✓	✓										✓
Mr Gansam Boodram	✓	✓		✓									✓
Mr Kamless Seeam	✓	✓		✓	✓								
Mr Douvendra Seesurun	✓	✓											
Mr Yousouf Oodally	✓	✓		✓									
Mr Thierry Govinden	✓	✓		✓						✓	✓	✓	
Mr Emmanuel Hope	✓	✓											
Mr Yajneesh Soobhug						✓	✓	✓	✓				✓
Mr Mahendra Kumar Ramroop					✓								

2.8 Board Attendance

The attendance for the SIT Board and subsidiaries as at 30 June 2023 is as follows:

No	Name of board member	Sugar Investment Trust	SIT Leisure Limited	SIT Land Holdings Ltd	SIT Property Development Ltd
1	Mr Harryduth Ramnarain	10/13	4/7	6/8	3/7
2	Mrs Moheenee Nathoo	4/4	-	2/2	1/1
3	Mr Vageesh Ramduny	9/17	2/7	8/8	-
4	Mrs Madoobala Jeetah, OSK	17/17	7/7	2/2	-
5	Mr Narainsamy Veeraragoo	12/12	-	2/2	-
6	Mr Yosandeo Buchoo, MSK	11/12	-	2/2	-
7	Mrs Chitra Jissury	12/12	-	2/2	-
8	Mr Gansam Boodram	16/17	6/7	7/8	6/8
9	Mr Kamless Seeam	15/17	7/7	-	8/8
10	Mr Douvendra Seesurun	13/17	3/7	7/8	4/7
11	Mr Yousouf Oodally	17/17	7/7	-	7/8
12	Mr Thierry Désiré Laval Govinden	16/17	7/7	7/8	6/8
13	Mr Emmanuel Lindsay Hope	14/17	5/7	8/8	-

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.9 Directors holding office on investee companies

The directors holding office on the Boards of investee companies as at the date of reporting are as follows:

Investee Companies	SIT Representatives
Alteo Energy Ltd	1) Mr Thierry Désiré Laval Govinden 2) Mr Vageesh Ramduny
Omnicane Holdings Limited	Mrs Madoobalah Jeetah, OSK
Omnicane Ltd	Mr Harryduth Ramnarain
Omnicane (Management & Consultancy) Ltd	1) Mr Harryduth Ramnarain 2) Mr Vageesh Ramduny
Omnicane Milling Operations Ltd	Mr Emmanuel Lindsay Hope
Omnicane Thermal Energy Operations (La Baraque) Limited	Mr Vageesh Ramduny
Omnicane Thermal Energy Operations (St Aubin) Limited	Mrs Madoobala Jeetah, OSK
Sugarworld Limited	Mr Yousouf Oodally
Terragen Ltd	Mr Kamless Seeam
Eole Plaine des Roches Ltée	1) Mr Gansam Boodram 2) Mr Mahendra Kumar Ramroop
Synnove Energy Ltd	Mr Vageesh Ramduny
Synnove Solar (Mauritius) One Ltd.	Mr Vageesh Ramduny

2.10 Planters and employees representing sit on board of directors of milling companies

As at 30 June 2023, the following persons represented SIT on the Boards of milling companies.

Sugar Milling Companies	Planters' representative	Employees' representatives
Terra Milling Ltd and Compagnie Usiniere de Mon Loisir Limitee	Mr Ramanand Kankee Ellapah	Mr Salim Soobadar
Alteo Milling Ltd, Deep River Beau Champ Milling Company Ltd and Mon Desert Alma Sugar Milling Co. Ltd	Mr Sutteea Buruthsing Bissessur	Mr Thierry Désiré Laval Govinden
Omicane Milling Holdings (Mon Tresor) Limited, Ominicane Milling Holdings (Britannia-Hoghlands) Limited, Union St Aubin Milling Vompany Limited and Compangie Suciere de Riche en Eau Limitee	Mr Soobas Muniah	Mr Rahanparsad Mahabirsing

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.11 Directors' interest

The interest of directors holding office as at 30 June 2023 is as follows:

	The Company - SIT		Subsidiary - SITLH	
	Number of Ordinary Shares		Number of Ordinary Shares	
Name of director	Direct	Indirect	Direct	Indirect
Mr Praveen Kumar Ramburn	Nil	Nil	15,000	Nil
Mr Harryduth Ramnarain	Nil	Nil	Nil	Nil
Mrs Moheenee Nathoo	Nil	2,500	Nil	Nil
Mr Vageesh Ramduny	Nil	Nil	Nil	30,000
Mrs Madoobala Jeetah, OSK	Nil	Nil	30,000	Nil
Mr Narainsamy Veeraragoo	Nil	Nil	Nil	1,000
Mr Yosundeo Buchoo, MSK	Nil	Nil	30,000	Nil
Mrs Chitra Jissury	Nil	Nil	Nil	Nil
Mr Gansam Boodram	26,500	25,500	15,000	Nil
Mr Kamless Seeam	26,000	16,400	15,000	15,000
Mr Douvendra Seesurun	1,750	Nil	Nil	Nil
Mr Yousouf Oodally	10,000	Nil	5,000	Nil
Mr Thierry Désiré Laval Govinden	3,500	Nil	Nil	Nil
Mr Emmanuel Lindsay Hope	4,000	2,000	Nil	Nil
Mr Gessavah Chengan	13,400	4,400	60,000	Nil
Mr Deepaksing Ramjeet	10,500	Nil	5,000	Nil
Mr Poonith Mungrooa	15,500	Nil	15,000	Nil

2.12 Directors' dealings

There were no directors' dealings during the year.

2.13 Committees

The Board is assisted in fulfilling its responsibilities by committees, namely the Corporate Governance Committee, Audit & Risk Management Committee, Strategy & Investment Committee and Staff & Remuneration Committee. These Committees operate under clearly defined terms of reference (reviewed by each committee as and when required and any proposed amendments submitted to the Board of SIT for its approval). The minutes of proceedings of each committee are recorded and the committees regularly report and recommend specific matters to the Board for its approval.

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.13 Committees (Cont'd)

For the year under review, the Board is satisfied that the Committees have effectively honoured their responsibilities and they have assisted the Board in dealing with existing and new challenges.

It is to be noted that other committees are set up by the Board on ad-hoc basis to consider specific matters when necessary.

a) Corporate Governance Committee

The Corporate Governance Committee acts as a useful mechanism for making recommendations to the Board on all corporate governance provisions to be adopted so that the Board remains effective and complies with the prevailing corporate governance principles.

The Committee has the following responsibilities:

- Determine, agree and develop the Company's general policy on corporate governance in accordance with the National Code of Corporate Governance;
- Ensure that disclosures are made in the annual report in compliance with the disclosure provisions of the code;
- Consult other non-executive directors in its evaluation of the Chairperson and the Chief Executive Officer of the Board;
- Regular review of the Board structure, size and composition and make recommendations with regards to any adjustments that are deemed necessary;
- Make recommendations for the continuation (or not) in services of any director who has reached the age of 70;
- Recommend directors retiring by rotation for re-election;
- Have due regard for principles of governance and code of best practice;
- Liaise with the Board in relation to the preparation of the Committee's report to Shareholders;
- Assessing the Board's relationships with Management and to recommend, where necessary, limits on Management's authority to act without explicit Board approval; and
- Considering recommendations regarding the appointment of the Chief Executive Officer of the SIT Group.

The Members of the Corporate Governance Committee are as follows:

1) Mrs Divanandum Packiry P. Chinien (Chairperson)
2) Mr Kamless Seeam
3) Mr Emmanuel Lindsay Hope
4) Mr Vageesh Ramduny
5) Mrs Madoobala Jeetah, OSK

b) Audit & Risk Management Committee

The Audit & Risk Management Committee ("ARC") oversees the risk and audit-related issues and reviews and monitors the financial statements of SIT and its subsidiaries. It also performs other duties and responsibilities as assigned by the Board. The ARC does not presently have a Charter but will consider adopting one soon.

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.13 Committees (Cont'd)

The ARC meets regularly and mainly consists of non-executive directors. To ensure more independence and objectivity, an external resource person, preferably a Chartered Accountant with a fellow status, is appointed as the Chairperson of the ARC. The Company Secretary and Management executives attend the meetings as and when required.

The Committee has the following responsibilities:

- To monitor the integrity of the financial statements of the Company;
- To review financial statements prior to their approval;
- To review the Company's internal financial control and the risk management systems;
- To monitor and review the effectiveness of the Company's internal audit function;
- To make recommendations to the Board in relation to the appointment of the external auditors and to approve the remuneration and terms of engagement of the external auditors;
- To monitor and review the external auditors' independence, objectivity and effectiveness; and
- To develop and implement policy on the engagement of the external auditors to supply non-audit services.

The Committee has satisfied its responsibilities for the year, in compliance with its terms of reference. The Committee members and attendance for year under review were as follows:

No	Members	Attendance
1	Mr Madeven Sooben (Chairperson)	6/6
2	Mrs Madoobala Jeetah, OSK	6/6
3	Mr Thierry Désiré Laval Govinden	6/6
4	Mr Vageesh Ramduny	0/6
5	Mrs Chitra Jissury	2/2

c) Strategy & Investment Committee

The Committee consists of 6 members. Its main objective is to discuss strategic matters and oversee strategic investment of the SIT Group.

The Committee has the following functions:

- Ensure that the SIT Group has a proper strategy management system in place;
- Review the effectiveness of SIT Group strategy and make recommendation to the Board;
- Review strategic plans, corporate objectives and budgets and monitor performance compared to targets;
- Review and recommend strategic projects to the Board and monitor their implementation;
- Review management of the Group's capital resources;
- Seeking expert consultancy services pertaining to investment planning, due diligence, econometric modelling etc.; and
- Provide a rapid response forum capable of seizing opportunities as they arise.

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.13 Committees (Cont'd)

The Committee members and attendance for the year under review were as follows:

No	Members	Attendance
1	Mr Harryduth Ramnarain (Chairperson) (up to 19th April 2023)	2/2
2	Mr Gansam Boodram	2/2
3	Mr Yousouf Oodally	2/2
4	Mr Vageesh Ramduny	0/2
5	Mr Kamless Seeam	2/2
6	Mrs Madoobala Jeetah, OSK	2/2
7	Mr Gessavah Chengan	2/2

d) Staff & Remuneration Committee

The Staff & Remuneration Committee has been established to provide a mechanism to enhance communication and consultation between staff and management on matters of mutual interest in terms of work matters, issues and concerns. It also promotes the spirit of cooperation between management and staff, considers suggestions for continuous improvements in the Group's operational efficiency, ensures staff welfare and recognition of staff concerns and ensures that SIT Group is an inclusive workplace.

The functions of the Staff & Remuneration Committee are essentially to:

- Advise management on work matters of interest and of concern to staff;
- Determine, agree and develop the Group's general policy on recruitment, remuneration and conditions of employment;
- Co-ordinate its activities with the Chairperson of the Board and the Chief Executive Officer and consult them in formulating the Committee's remuneration policy and specific remuneration packages;
- Raise issues, initiate discussions and make suggestions to arrive at options to address the issues/concerns;
- Share with management staff ideas and suggestions for improvements to increase the Group's operational efficiency and ensure staff welfare;
- Act as a conduit for 2-way communication between staff and management and provide feedback both ways;
- Work such matters of interest/concern and issues/concerns for discussions that contribute towards achieving the Group's Mission and Vision;
- Personnel issues such as recruitment, staff training and development, performance management, grievance procedures, etc.;
- Administrative matters such as procurement, travel, transport, telecommunications, security, etc.;
- Staff relations and communications such as staff and customer satisfaction surveys, enhancing management/staff relationships, staff suggestions, etc.;
- New initiatives to benefit the SIT Group and the staff;
- Strategic issues for the future such as strategic staffing etc.;
- Matters relating to the wellbeing of staff – physical welfare, working conditions, sports and recreation, etc.; and
- Any other matters affecting the Group's operational efficiency and staff well-being.

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.13 Committees (Cont'd)

The Committee members and attendance for the year ended 30 June 2023 are as follows:

No	Members	Attendance
1	Mrs Madoobala Jeetah, OSK (Chairperson)	6/6
2	Mr Yousouf Oodally	6/6
3	Mr Thierry Désiré Laval Govinden	6/6
4	Mr Gansam Boodram	6/6
5	Mr Kamless Seeam	5/6

2.14 Senior Management

(a) Profile of Senior Management

Mr Yashwantsingh Ramdharee – Chief Executive Officer

Mr Ramdharee joined the SIT Group on 15th September 2023. He is holder of a BSc in Agriculture, an MSc in E-Business and an MBA with Specialisation in Marketing. He has 34 years of experience in the agro industry and has previously served as Manager at the MCIA (2011 to 2019), Acting Director, Farmers Services Agency (2019 to 2021) and Director at the Farmers Services Agency (2021 to September 2023). Mr Ramdharee has also served as Acting CEO of the MCIA on various occasions.

Mr Mahendra Kumar Ramroop – Chief Finance Officer

Mr Ramroop joined SIT in March 2017 and has vast experience in the field of finance. He has worked in the banking sector for over 18 years. After that he joined the SIC Group and worked in the leisure sector for 7 years. Subsequently, he was assigned responsibilities in Corporate Services and for at least 12 years in Fund Management. Mr Ramroop is a Fellow Member of the Association of Chartered Certified Accountants, UK. He is a member of M.I.P.A. He also holds an MBA with specialisation in Financial Management.

Mr Yajneesh Soobhug – Compliance Officer

Mr Soobhug joined the SIT Group in August 2011 and has occupied various positions until his appointment as Compliance Officer in June 2022. Before joining the SIT Group in August 2011, he had a brief working experience in the BPO sector. Mr Soobhug is holder of an LLB (Hons) from the University of Mauritius and a Diploma in Higher Education in Law from the University of London (International Programme). He has also undertaken a Law Practitioners Vocational Course (Barrister Stream). In addition to his functions as Compliance Officer, Mr Soobhug is also acting as Money Laundering Reporting Officer (MLRO) approved by the Financial Services Commission as well as Integrity Officer for the SIT Group. Mr Soobhug also served as Officer in Charge for the SIT Group from 08th December 2022 to 14th September 2023.

Mr Dayanand (Rakesh) Koobrawa – Team Leader – Administration & Human Resource

Mr Koobrawa joined SIT in June 2008 as Team Leader – Administration & Human Resources. He is a holder of an MBA General with Merit, a Degree in Human Resource Management, a Diploma in Occupational Health and Safety Management, a Diploma in Personnel Management and a Higher National Diploma in Computer Studies. He has also worked for 15 years as Administrative and Human Resource Manager at Triolet Bus Service Ltd.

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES (CONT'D)

2.14 Senior Management (Cont'd)

Mrs Ranjeeta Deerpaul – Accountant

Mrs Deerpaul joined the SIT Group in May 2016 as Accountant. She is a Fellow Member of The Association of Chartered Certified Accountants, UK. Prior to joining the SIT Group, she spent 7 years at KPMG Mauritius where she gained valuable accounting and auditing experience in supervisory positions. She was in charge of various audits of large institutions in the banking, manufacturing and hotel sector. She subsequently moved to London where she worked in a firm of accountants for 2 years. In 2011, she returned to Mauritius and joined Extell Investments Limited (a member of South African based Bravura Group) where she worked for 5 years as Finance Manager. Mrs Deerpaul served as Officer in Charge for the period 07th June 2022 to 07th December 2022.

Mr Chitlall (Dhiraj) Chintaram – Internal Auditor

Mr Chintaram joined the SIT Group in January 2020. He has over 20 years of working experience in Auditing and Finance and prior to joining the SIT Group, Mr Chintaram has worked for 17 years at Harel Mallac & Co. Ltd as Group Internal Auditor. He is a Fellow Member of The Association of Chartered Certified Accountants, UK; the member of the Mauritius Institute of Professional Accountants and a Certified Internal Auditor from the Institute of Internal Auditors, USA. Mr. Chintaram is also a holder of an MBA with specialisation in Financial Management.

Mr Oomar Essackjee – Project Executive

Mr Essackjee has been with the SIT Group for 18 years and has occupied various positions in the Land Business Unit. He is holder of a BSc (Hon) in Agriculture, Post Graduate Diploma in Information Technology and an MBA. Since April 2021, Mr Essackjee has been assigned the responsibility on a temporary basis to supervise and oversee the agricultural operation of SIT Land Holdings Ltd.

Arshad Soodhun – Acting Head of Operations for Splash n Fun Leisure Park

Mr Soodhun joined SIT Leisure Limited in August 2018 as F&B Officer and was responsible for the Food & Beverage Department of Splash n Fun Leisure Park. He has temporarily occupied the post of Acting Deputy Head of Operations and since December 2021, he is serving as the Acting Head of Operations. Before joining the SITL, he had 15 years of working experience in the hospitality sector as Assistant Food and Beverage Manager, Restaurant Manager, Banquet Manager and Events & Conference Manager. Mr Soodhun is a holder of a BA (Hons) from the Middlesex University, London (UK) and a diploma in Hospitality & Hotel Management.

(b) Senior Management Interests

Senior management holding shares in the Company and its subsidiary SIT Land Holdings Ltd is shown below:

Name	The Company - SIT Number of Ordinary Shares		Subsidiary- SITLH Number of Ordinary Shares	
	Direct	Indirect	Direct	Indirect
Mr Yashwantsingh Ramdharee	10,500	Nil	Nil	Nil
Mr Mahendra Kumar Ramroop	Nil	Nil	Nil	Nil
Mr Yajneesh Soobhug	Nil	Nil	Nil	Nil
Mr Dayanand (Rakesh) Koobrawa	5,000	Nil	15,000	Nil
Mr Chitlall (Dhiraj) Chintaram	Nil	Nil	Nil	Nil
Mrs Ranjeeta Deerpaul	Nil	Nil	Nil	Nil
Mr Oomar Essackjee	Nil	Nil	Nil	Nil
Mr Arshad Soodhun	Nil	Nil	Nil	Nil

PRINCIPLE 3: DIRECTORS APPOINTMENT PROCEDURES AND RE-ELECTION

The term of office of each board member is three years. Five directors (including the Chairperson) are appointed by the Minister of Agro Industry & Food Security and one by the Ministry under Section 5 of the SIE Act. The remaining six directors are elected by the Assembly of Delegates under the following categories:

(i) two directors are elected by planters cultivating less than 5 hectares of land;
(ii) one director is elected by planters cultivating more than 5 hectares of land;
(iii) one director is elected by agricultural workers;
(iv) one director is elected by non-agricultural workers; and
(v) one director is elected by employees as defined under Part I(a)(v) of the Third Schedule of the SIE Act.

The last election of directors was held on 15 November 2021 after the reconstitution of the Assembly of Delegates. No director is eligible hold office for more than two successive terms.

In line with the recommendations of the New Code of Corporate Governance 2016, the Board assumes the responsibilities for succession planning and for the appointment and induction of new directors to the Board. The Board has reviewed the professional development and ongoing education of directors. However, owing to the fact that the effects of the Covid-19 pandemic were heavily felt, no training were organised for the year under review. However, in-house trainings as well as professional development trainings are being planned for the next financial year.

PRINCIPLE 4: DIRECTORS DUTIES, REMUNERATION AND PERFORMANCE

4.1 Legal Duties

The directors are aware of their legal duties as provided under the Companies Act 2001 as well as other legal obligations contained in other legislations. The Directors carry out their duties and responsibilities as a prudent and competent director and exercise due care, skill and diligence in their functions as board members.

4.2 Code of Ethics

Management has prepared a Code of Ethics for the SIT and its subsidiaries. The Code of Ethics has been approved by the Board of SIT at its sitting held on 12 November 2021. The Code of Ethics sets out the standards of correct conduct expected from the Officers of the SIT Group. It is intended to promote effective administration and responsible behaviour. The Code of Ethics also complements existing legislations and rules and its guiding principles are designed to maintain and enhance values that inspire trust and confidence in the integrity if the employees of the SIT Group. The Code of Ethics applies to all Officers of the SIT including its subsidiaries.

4.3 Interests of directors and conflicts of interest

All directors declare their direct or indirect interests in the shares of the Company, including its subsidiaries, as well as their interests in any transaction undertaken by the Company and/or its subsidiaries. In this respect, the Company Secretary maintains an interest register and it is available for consultation by the shareholders upon written request made to the Company Secretary.

PRINCIPLE 4: DIRECTORS DUTIES, REMUNERATION AND PERFORMANCE (CONT'D)

4.4 Information, Information technology and information security policy

The Company is responsible for the safety and security measures in place to protect the data it collects, stores and processes in compliance with the Data Protection Act 2017. In this perspective, the SIT has registered with the Data Protection Office (DPO).

The Board of SIT oversees information governance within the organisation and ensures the performance of information and information technology (IT) systems lead to business benefits and create value. An independent IT firm has also been appointed who safeguards the IT framework at the SIT. The expenditures on information technology and information security policies are regularly reviewed and monitored and all major expenditures related to IT System are approved by the Board of SIT.

4.5 Board Information

The Chairperson is responsible for ensuring that the directors receive accurate, timely and clear information. The Company's Secretary responsibilities include ensuring good information flows within the Board and its committees and between senior management and non-executive directors. Management has an obligation to provide accurate, timely and clear information to the Board of Directors. All directors also have a duty of confidentiality and should ensure that all matters learned in their capacity as directors are kept strictly confidential and private and these matters are not divulged to anyone without the authorisation of the Board.

The Board makes sure that the directors have access to independent professional advice at the Company's expense, in cases where the directors judge it necessary, for discharging their responsibilities as directors.

4.6 Directors' Insurance

The Company is currently arranging to subscribe to a Directors' and Officers' Liability insurance cover for the directors and officers of the SIT and its subsidiaries.

4.7 Board Evaluation and Development

The Company has not yet implemented a Board Evaluation policy. However, such a policy will be soon implemented in line with the Code following the new Corporate Governance Scorecard for Mauritius (2021).

4.8 Directors' Remuneration

The remuneration of the non-executive directors is determined whilst having due regard to the market and industry conditions, as well as the interest of the shareholders. During the year under review, the Board has not reviewed the adequacy of directors' and senior executives' remuneration and the form of that remuneration.

The Board Members are entitled to a fixed monthly remuneration and a travelling allowance. The Committee Members are entitled to a fixed remuneration per sitting. There is no variable remuneration policy for the directors within the SIT Group.

PRINCIPLE 4: DIRECTORS DUTIES, REMUNERATION AND PERFORMANCE (CONT'D)

4.8 Directors' Remuneration (Cont'd)

For the year under review, the non-executive directors have not received remuneration in the form of share options or bonuses associated with the Group's performance. Monthly fees payable to the Chairperson and directors of Sugar Investment Trust and its subsidiaries as at 30 June 2022 are summarised as follows:

Capacity	Sugar Investment Trust	SIT Leisure Limited	SIT Land Holdings Ltd	SIT Property Development Ltd
Chairpersons	Rs. 24,000	Rs. 16,000	Rs. 16,000	Rs. 16,000
Directors	Rs. 8,000	Rs. 8,000	Rs. 8,000	Rs. 8,000

No emoluments were paid to the directors of SIT Corporate and Secretarial Services Ltd, Le Bouchon Development Company Ltd, SIT Ebène Property Development Ltd, SIT Syndicate Services Ltd, SIT Landscape Contracting Services Ltd, NG Tower II Ltd, NG Tower III Ltd, NG Tower IV Ltd and NG Tower V Ltd.

In line with the recommendations of the Code of Corporate Governance, the names of the Directors of the Company holding office as at 30 June 2023 and their respective earnings in terms of remunerations and other benefits are disclosed in the table hereunder:

No.	Name	The Company (Rs)	Subsidiaries & Committees (Rs)	Total (Rs) Including travelling allowance
1	Mr Harryduth Ramnarain	218,806	235,599	454,405
2	Mrs Moheenee Nathoo	59,100	24,742	83,842
3	Mr Vageesh Ramduny	101,000	265,661	366,661
4	Mrs Madoobala Jeetah, OSK	118,044	170,000	288,044
5	Mr Gansam Boodram	103,500	143,935	247,435
6	Mr Kamless Seeam	102,500	214,000	316,500
7	Mr Douvendra Seesurun	101,500	270,758	372,258
8	Mr Thierry Désiré Laval Govinden	99,500	312,081	411,581
9	Mr Yousouf Oodally	102,500	311,500	414,000
10	Mr Emmanuel Lindsay Hope	100,000	183,081	283,081
11	Mr Narainsamy Veeraragoo	64,967	13,919	78,886
12	Mr Yosundeo Buchoo	64,467	24,586	89,053
13	Mrs Chitra Jissury	64,967	29,586	94,553
14	Mr Gessavah Chengan	-	257,742	257,742
15	Mr Deepacksing Ramjeet	-	170,662	170,662
16	Mr Poonith Mungrooa	-	172,662	172,662
17	Mr Sobeersen Sanmukhiya	-	27,838	27,838
18	Mr Satyvanoo Gopal	-	27,838	27,838
19	Mr Ramanand Kankeea Ellapah	-	27,838	27,838
20	Mr Swaraj Soojhawon	-	27,838	27,838
		1,300,851	**2,911,866**	**4,212,717**

4.9 Directors' Service Contract

The Directors have no service contracts with the Company.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

5.1 Risk Management and Internal Control System

The Board is responsible for the governance of risk and for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. In this respect, the former audit committee and risk committee were merged into an Audit & Risk Management Committee as from 29 January 2019.

The Board acknowledges that internal control is one of the mechanisms used to reduce risk to an acceptable level. It is the role of Senior Management to oversee the establishment, administration and assessment of the system and processes. The monitoring and review exercise covers all material controls, including financial, operational and compliance. In this respect, internal control systems have been enhanced during the year to reduce risk and mitigate such deficiencies. The Internal Audit Department has implemented a risk register which compiles all identified risks (for all departments under the SIT Group). This risk register acts as a vehicle for capturing all the assessment and decisions made thereof. Regular meetings are held with the Management Team to monitor and review these risks. Emerging risks are taken on board and existing risks are rated according to impact and likelihood. The risk register is also tabled in the ARC which provides its recommendations, if any, for approval of the Board.

All areas of the operational activities were covered and no known risks or major deficiencies in the organisation's system were noted during the year under review.

5.2 Identification of key risk managements

A summary of key risks identified and affecting the SIT Group's ability to create value are as follows:

(i) Please refer to Note 4 of the Financial Statements for key financial risks identified for the Company.
(ii) Shareholders' Data Protection Risk

The SIT Group has over 55,000 shareholders and therefore it has to ensure that the share register is properly maintained and is duly updated. SIT Corporate and Secretarial Services Ltd, which acts as Company Secretary of the Company and its subsidiaries, ensures that all share transfers and amendments in shareholders' particulars are entered into the share register. The risk of leakage of shareholders personal information definitely invites for a negative external image of the Company.

To overcome the risk, SIT Corporate and Secretarial Ltd has worked in close collaboration with the Central Depository & Settlement Co Ltd (CDS), to ensure the highest level of privacy of shareholders personal information. The share transfers and any change in shareholders particulars are stocked in an external IT database, monitored by CDS at its registered office. Moreover, regular interaction is made with the Commissioner of Data Protection Office to ensure that the provisions of the Data Protection Act are thoroughly complied with. Therefore, with the above structure in place, the likelihood of any leakage of shareholders personal information can be said to be negligible.

5.3 Whistle-blowing rules and procedures

The SIT Board has approved a whistle-blowing policy during the year under review

PRINCIPLE 6: REPORTING WITH INTEGRITY

The Board is responsible to present a fair, balanced and understandable assessment of the Company's financial, environmental, social and governance position, performance and outlook when reporting. The Board confirms that the accounts adhere to International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and the Companies Act 2001 and departures, if any, have been disclosed, explained and quantified. This full annual report of the Company is available on the website of the SIT Group at www.sit.mu.

6.1 Environment: Carbon Reduction Reporting

In order to reduce its part of C02 and other greenhouse gas emissions, the SIT Group has implemented the following measures:

- The carrying out of an Energy Audit Exercise at the Core Building with a view to reduce energy consumption.
- The setting up of two solar farms in its residential morcellement project at Aurea – Living Harmony in collaboration with its subsidiary, SIT Property Development Ltd (SPDL). These solar farms are currently converting heat energy into electrical energy during the day and same is being transferred to the CEB Grid.
- The implementation of the VRF (Variable Refrigerant Flow) Air-Conditioning System in offices at the Core Building.

All the above measures are contributing towards the reduction of the burning of crude oil and charcoal for the production of electricity locally and show that SPDL is committed to providing a green environment to the public at large.

6.2 Health and Safety, Social and Corporate Social Responsibility

The Board recognises its responsibilities towards the health and safety of its stakeholders as well as its role with respect to corporate social responsibility. The SIT Group has a continual improvement approach to providing a healthy and safe working environment for all its employees, shareholders and stakeholders. COVID-19 has been a major health and safety concern since the year 2020 and the priority of the SIT Group was to protect its employees and their families. It was also important to learn from the crisis and to strengthen the health and safety culture across the SIT Group as well as focusing on the safety of all employees of the SIT Group. As such, the SIT Group is developing a work from home policy.

The Company did not implement a formal Corporate Social Responsibility (CSR) policy. However, a blood donation event was organised at the premises of the Core Building (owned by SPDL) in October 2020 and the SIT Group, through its nursery at Saint Avold, Britannia, arranged for giveaways of plants for the participants in the event. The objective behind such giveaways of plants was to encourage the stakeholders to think from an eco-friendly perspective.

The SIT Group will continue to drive efficiency and deliver solutions which shall benefit the environment, the stakeholders and the communities in which the SIT Group operates. As such, the Board of SIT as well as its subsidiaries caters for environmental impact when deliberating and Management is constantly looking for ways to optimise the resources of the SIT Group while reducing waste and emissions to a minimum.

PRINCIPLE 6: REPORTING WITH INTEGRITY (CONT'D)

6.3 Charitable donations

Charitable donations made by the Group for the year under review is as follows:

	2023	2022
	Rs'000	Rs'000
The Company	0	0
The Subsidiaries	0	0

6.4 Political donations

The Company, in line with its policy, did not make any political donation during the year under review (2022: Rs nil).

PRINCIPLE 7: AUDIT

An internal audit department was set up in January 2018. The scope of internal auditing within Sugar Investment Trust (the Group and its companies) is broad as companies in the Group have activities in sugar cane cultivation and harvesting, rental of buildings, waterpark business and property development projects.

The Institute of Internal Auditors (IIA) defines Internal Auditing as:

"An independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. The internal audit activity helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."

Consistent with its mission, the Internal Audit Department (IAD) provides management with information, appraisals, recommendations, and counsel regarding the activities examined and other significant issues.

IAD performs the following tasks in accordance with its overall strategy:

- Verify the existence of assets and recommend proper safeguards for their protection;
- Evaluate the adequacy of the system of internal controls;
- Recommend improvements in controls;
- Assess compliance with policies and procedures and sound business practices;
- Assess compliance with laws, regulations and contractual obligations;
- Review operations/programs to ascertain whether results are with established objectives and whether the operations/programs are being carried out as planned;
- Investigate reported occurrences of fraud, embezzlement, theft, waste etc.
- Ad hoc assignments from the Chief Executive Officer, the ARC and the Board of Directors.

PRINCIPLE 7: AUDIT (CONT'D)

The IAD is headed by the Internal Auditor who reports directly to the Audit & Risk Management Committee and in carrying out his duties and responsibilities, the Internal Auditor issues reports to the Chief Executive Officer, who takes remedial actions immediately. Such reports are made available to the Chairperson of the ARC.

The Board is mindful of the importance of the internal audit function which is key in providing reasonable assurance against material mis-statements and losses. As such, this responsibility of assessing the internal controls is fulfilled by the Audit & Risk Management Committee in behalf of the Board. For this purpose, the Internal Audit Department has full, free and unrestricted access to management, employees, any of the Company's financial and operational activities, physical operations and to all information/ records considered necessary for the proper execution of internal audit's work, subject to strict accountability for safekeeping and confidentiality thereof. An internal audit plan is prepared by the Internal Auditor following discussions with Senior Management under the supervision of the ARC which ultimately approves the final audit plan.

The SIT Group has a policy to rotate its auditors after every three (3) financial years. As such, a new external auditor is appointed through bidding process after every three (3) financial years. The last tender was launched in June 2021 and Moore was appointed as External Auditors for the financial year ended 30 June 2021, pursuant to section 195 (2) of the Companies Act 2001.

The Chairperson of the ARC is a qualified accountant and one of the members of the ARC has a sound financial literacy. The other members complement the ARC with a sound knowledge in the industry and environment in which the SIT Group operates. The ARC has also met with the external auditor once during the year and discussed the critical policies, judgements and estimates with the external auditor. The auditor's objectivity and independence are assessed by the ARC.

The current external auditor has not yet provided any non-audit services and in case there shall be the need for the provision of non-audit services, the matter shall be referred to the ARC and the recommendations of the ARC shall be accordingly considered by the Board.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

SIT is a statutory body established under the Sugar Industry Efficiency Act 2001 but operates on a purely commercial basis as a company under the Companies Act 2001. The shareholding structure of the SIT Group is at Section 1.1 of the report.

The Board aims to properly understand the information needs of all shareholders and places great importance on an open and transparent communication with all those involved with the SIT Group. It ensures that shareholders are kept informed on matters affecting the Company including its subsidiaries. Open lines of communication are maintained to ensure transparency and optimal disclosure. Communication with shareholders and stakeholders has been mainly through the annual report, the published results of the SIT and its subsidiary SITLH, the Annual General Meeting, dividend declarations, press communiques and the website of the SIT Group. Social Media platforms like Facebook and LinkedIn are also used to reach stakeholders.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS (CONT'D)

KEY STAKEHOLDERS

- Authorities, noteholders, investors, government and regulators
- Shareholders
- Employees
- Suppliers
- Clients
- Members of the public
- Competitors

Engagement with the above-mentioned stakeholders is regularly monitored in order to devise a systematic approach to ensure expectations, decisions, risk/issues and project progress information is delivered to the right person at the right time with the most efficient and effective level of information.

It is to be noted that shareholders are invited annually to attend the Annual General Meeting ("AGM") to adopt the audited financial statements and to vote on the (re)appointment of directors and external auditors. Shareholders receive the notice of the AGM at least 14 days prior to the meeting. The last AGM of the Company was held in April 2023.

The annual report, which includes the notice to shareholders, is published in full on the Company's website at www.sit.mu.

Any queries raised by shareholders at an Annual General Meeting are responded either during the meeting or they may be requested to call at the registered office of the Company to have the requested information.

8.1 Shareholders holding more than 5% of the capital of the Company

SHAREHOLDER	NO. OF SHARES	PERCENTAGE HOLDING (%)
The National Pensions Fund	41,263,241	10.58
MCB Equity Fund Ltd	25,992,500	6.67
Government of Mauritius	25,464,426	6.53

8.2 Dividend Policy

The Company normally aims to ensure that its shareholders have a consistent return on their investments in the form of stable dividends. Before making any distribution, the Board has a responsibility to ensure that the company satisfies the solvency test in accordance with the provisions of the Companies Act 2001.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS (CONT'D)

8.3 Related party transactions

Please refer to Note 29 of the Financial Statements.

8.4 Important Events

Reporting

Publication of Unaudited Abridged Interim Financial Statements for Quarter ending September 30, 2023	15 November 2023
Publication of Unaudited Abridged Interim Financial Statements for Half year ending December 31, 2023	15 February 2024
Publication of Unaudited Abridged Interim Financial Statements for nine months ending March 31, 2024	15 May 2024
Publication of Audited Financial Statements for year ending June 30, 2024	30 September 2024

8.5 Employee Share-Option Plan

There is no share-option plan in place for the directors and employees of the Company.

8.6 Material clauses of the constitution

A copy of the SIT Rules is available upon request at the registered office of the Company and on the website.

8.7 Shareholders' Agreement

There is no shareholder's agreement. However, section 6 of the SIE Act provides for an Assembly of Delegates, whereby 6 representatives from each factory area are elected by shareholders of the Company. The election of delegates is held every three years. An election of directors is further held whereby 6 delegates are elected from the Assembly of Delegates to hold office as directors on the Board of the Company for a term of 3 years.

The remaining delegates are appointed as directors on the sugar milling companies, thereby representing the Company on the Board of Directors.

8.8 Management Agreement

The Company has not entered into any management agreement with third parties.

Approved and authorised by the Board of Directors and signed on its behalf by:

Director **Director**

Date: 27 October 2023

STATEMENT OF COMPLIANCE
(Section 75(3) of the Financial Reporting Act 2004)

Name of Public Interest Entity	:	SUGAR INVESTMENT TRUST
Reporting Period	:	01 July 2022 to 30 June 2023

We, the Directors of **SUGAR INVESTMENT TRUST** confirm that throughout the year ended 30 June 2023 to the best of our knowledge, SIT has partially complied with the principles of the Code of Corporate Governance (the "Code"). The principles that have not been complied with have been highlighted altogether with the reasons for non-compliance:

Principle 1 – Governance Structure

- *Adoption of a Board Charter*

The company currently does not have a Board Charter in place. While the Board of Directors recognizes the importance of a comprehensive Board Charter as a foundational document that outlines the roles, responsibilities, and ethical principles governing our board of directors, the Board has encountered delays in the development and implementation of a Board Charter. The Board is committed to addressing it promptly and is actively working to draft and adopt a robust Board Charter in the coming weeks that aligns with best practices and ensures transparency, accountability, and responsible decision-making. In the absence of a Board Charter, the Board has ensured effectiveness through clear role documentation, committee charters, external expertise, transparency, legal compliance, in-house policies and open communication with all stakeholders.

Principle 2 – The Structure of the Board and its Committees

- *Executive Directors*

Although the National Code of Corporate Governance 2016 recommends having at least two Executive Directors, the Board believes that the Board composition is adequate due to the size and complexity of the business, which is in line with the company's Memorandum & Articles of Association.

- *Chairperson of Audit & Risk Management Committee*

The Code provides that the Chairperson of the Audit Committee should be an independent director. However, since none of the directors possess any financial background, the Board of Directors of the Sugar Investment Trust (the ultimate holding company) has deemed it appropriate to appoint an external Chartered Accountant as Chairperson of the Audit & Risk Management Committee to ensure more independence and objectivity.

Principle 3 – Director Appointment Procedures

- *Professional development and ongoing education of directors*

The Company did not undertake any professional development and ongoing education of directors during the year under review as the Board of Directors was being reconstituted during the Annual General Meeting. The Company will arrange a professional development programme for the directors in the coming months.

Principle 4 – Directors Duties, Remuneration and Performance

- *Board Evaluation and Development*

The SIT Group did not appoint any independent Board Evaluator during the year under review and no Board evaluation and development processes were undertaken. The Company is of the view that its composition is adequately balanced and that the Directors already have the range of skills, expertise and experience to carry out their duties properly. As such, no Board evaluation was warranted or conducted during the financial year.

....	....
Director	**Director**
Date: 27 October 2023	Date: 27 October 2023

STATEMENT OF DIRECTORS' RESPONSIBILTIES
Year ended 30 June 2023

The responsibilities of the Directors of **SUGAR INVESTMENT TRUST AND ITS SUBSIDIARIES** in respect of the operations of the Group and the Company are set out below:

Financial Statements

The Directors are required by the Mauritius Companies Act 2001 to prepare financial statements for the Group and the Company that provide a true and fair view of the financial position as at the end of the financial year and of the result of its operations for the year then ended. The Directors are responsible for the integrity of these annual financial statements and for the objectivity of any other information presented therein.

The Directors confirm that, in preparing these financial statements, they have:

- kept proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company;
- selected suitable accounting policies, in compliance with International Financial Reporting Standards (IFRS) and have applied them consistently;
- safe-guarded the assets of the Group and the Company by maintaining appropriate internal control systems and procedures;
- taken reasonable steps for the prevention and detection of fraud and other irregularities;
- made judgements and estimates that are reasonable and prudent;
- prepared the financial statements on the going concern basis;

Internal Controls

The Directors have an overall responsibility for taking such steps, to set up internal control systems and procedures as per best practices, to safeguard the assets of the Group and the Company and to prevent fraud and errors. The Group and the Company's internal control systems have been designed to provide the Directors with such reasonable assurance. Such systems ensure that all transactions are authorised and recorded. Any departures from established procedures are detected and corrective action taken.

Risk Management

The Directors are responsible for taking appropriate action to mitigate or eliminate risks associated with the Group and Company's business.

....

Director

....

Director

Date: 27 October 2023

COMPANY SECRETARY'S CERTIFICATE

We certify that, to the best of our knowledge and belief, **Sugar Investment Trust and its subsidiaries** has filed with the Registrar of Companies for the year ended June 30, 2023, all such returns as are required of the Company under the section 166 (d) Mauritius Companies Act 2001.

....

For SIT Corporate Services and Secretarial Service Ltd

Date: 27 October 2023

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of **SUGAR INVESTMENT TRUST** (the "Company") and its subsidiaries (the "Group") set out on pages 49 to 119, which comprise the consolidated and separate statements of financial position as at 30 June 2023, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated and separate financial statements give a true and fair view of the financial position of the Group and Company as at 30 June 2023 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 2001 and the Financial Reporting Act 2004.

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 Auditor's 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' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audits of financial statements of the Group and Company in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

In forming our opinion on the consolidated and separate financial statements, we have considered the adequacy of the disclosure made in note 38 concerning the Group's and Company's ability to continue as a going concern.

At June, 30 2023, the Group had net current liabilities of Rs. 275m (2022: net current assets of Rs. 234m) and the company had a net assets Rs. 375m (2022: Rs. 974m) and the group had made a profit of Rs. 32.8m (2022: profit of Rs. 152m) and the company made a loss of Rs. 111.1m (2022: loss of Rs. 54.3m) respectively for the year ended June 30, 2023.

The Directors have earmarked a number of properties and investments for sale within the Group's equity and land inventory portfolio as a whole to discharge the Group's and Company's liabilities in the normal course of business. The inherent illiquidity embedded in investments and land inventories coupled with the low cash flow from operations relative to the short-term borrowings of the Group and Company means that a breach of contractual debt obligations- Bridging loan from the State Bank of Mauritius Ltd (SBM) contracted on May 2022 and repayable over 12 months (see note 20) - remains highly likely. The Company has been in negotiation with its lender to contemplate the possibility of a waiver. Discussions are still ongoing.

Notwithstanding the above, the inherent uncertainty in future prices of land inventories and investments against a backdrop of bank borrowings repayable over the next twelve months individually indicates the existence of a material uncertainty related to going concern which may cast significant doubt about the Group's and Company's ability to continue as a going concern.

Report on the audit of the consolidated and separate financial statements (Cont'd)

In auditing the consolidated and separate financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the consolidated and separate financial statements is appropriate following our review of management's going concern assessment and future corporate restructuring plans to divest non-core and loss-making operating segments.

Our opinion is not modified in respect of this matter.

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.

<table>
<tr><th colspan="2">1. Land - Property, Plant and Equipment, Investment Properties and Land Inventories (Applicable to consolidated financial statements)</th></tr>
<tr><th>Key Audit Matter</th><th>How our Audit Addressed the Key Audit Matter</th></tr>
<tr><td>At 30 June 2023, total land owned/leased by the Group stretched across:
• Property, Plant and Equipment (PPE) - Rs. 240.4 m;
• Investment Properties - Rs. 2 bn; and
• Land Inventories - Rs. 1.1 bn.

The Group initially acquired land for cultivation of sugar cane; subsumed under property, plant and equipment. When the Group began diversifying its activities, several plots of land were sold, transferred to investment property for rental or capital appreciation and transferred to inventory property for such residential property that the Group develops and intends to sell before, or on completion of development.

The assessment of net realisable values for land inventories in particular involves assumptions and judgement relating to future market developments and future changes in costs and selling prices.

Given the significance of total land on the Consolidated statements of financial position coupled with the inherent management judgement involved in their classification as either PPE, Investment Properties or Land Inventories, we determined this to be a key audit matter.</td><td>As part of our audit procedures, we have:
• Obtained the Group's records of land and agreed both the area and cost of land at acquisition to title deed;
• Verified, on a sample basis, whether land transferred in and out different classes of assets were consistent with either IAS 16, IAS 40, IAS 2 or IFRS 5;
• Reconciled the land area recorded with the land surveyor records for completeness and accuracy;
• Ensured that land pertains to the actual way that the land is used, taking into consideration management's future plan; and
• Reviewed the appropriateness of land inventory recognition accounting policies and assessed the compliance with the requirements of IAS 2.</td></tr>
<tr><td colspan="2">Refer to note 5, 6 and 12(b) to the consolidated and separate financial statements.</td></tr>
</table>

Report on the audit of the consolidated and separate financial statements (Cont'd)

Key Audit Matters (Cont'd)

<table>
<tr><th colspan="2">2. Expected credit losses under IFRS 9 on other financial assets at amortised cost and trade receivables (Applicable to consolidated and separate financial statements)</th></tr>
<tr><th>Key Audit Matter</th><th>How our Audit Addressed the Key Audit Matter</th></tr>
<tr><td>IFRS 9 Financial Instruments requires an entity to incorporate reasonable and supportable information about past events, current conditions and future economic scenarios into the assessment of expected credit losses ("ECL"). Such an assessment should be based on information at the reporting date and adjusted for subsequent available information, such as the inherent uncertainty associated with the COVID-19 pandemic.

The current year results were impacted by expected credit losses (ECL) recognised for trade receivables amounting to Rs. 6.8m at the Group level. Management's impairment assessment at the Company level determined that an ECL on its other financial assets at amortised cost, which comprise non-current loan receivables, was not warranted.

The determination of ECL, if any, is complex and involves several judgmental assumptions. As a result, the ECL assessment has been identified as a key audit matter.</td><td>As part of our audit procedures we:

Other financial assets at amortised cost

• Assessed the design and operating effectiveness of key controls around the monitoring of recoverability;

• Reviewed management's evaluation of the recoverability of the intercompany balance and ensured whether the related party could repay the amount outstanding (current accounts) at the reporting date based on their highly liquid assets at year end;

• Tested the underlying assumptions used in cash flow forecasts prepared by management and accuracy of source information stemming from budgets to gauge recoverability in instances where there was a shortfall in the unrestricted cash position of the borrower at year end to repay the full amount due; and

• Ensured there was no management bias during the selection of forward-looking economic scenarios and forward-looking indicators of changes in credit risk used for the ECL assessment.

Trade receivables

• Obtained management's IFRS 9 model for trade receivables and tested this through vouching the integrity of the model and agreeing forward looking data to independent sources.

• Challenged management's key assumptions and judgments used in the models to determine the expected credit loss such as the loss rate by corroborating these to historical data.

• Reviewed the receivables ageing for the relevant buckets and challenged management on overdue balances that could not be supported through after year end receipts;

• Inspected post year end receipts to assess internal consistency of expected credit losses; and

• Reperformed management's IFRS 9 ECL calculation to ensure its mathematical accuracy.</td></tr>
<tr><td colspan="2">Refer to note 15 and 14 to the consolidated and separate financial statements.</td></tr>
</table>

Report on the audit of the consolidated and separate financial statements (Cont'd)

Key Audit Matters (Cont'd)

3. Valuation of unquoted investments (Applicable to separate financial statements)	
Key Audit Matter	**How our Audit Addressed the Key Audit Matter**
The Company hold unquoted investments which are carried at fair value through other comprehensive income (FVOCI) and are primarily classified as level 3 financial instruments in the fair value hierarchy. The accounting policy of the Company is to also fair value its investments in associated companies. At 30 June 2023, The Company had the following investments measured at fair value: • Investments in associated companies: Rs. 349.1m; • Financial assets at FVOCI: Rs. 980.1m These investments are valued using the net asset value approach (NAV). Due to the significant level of judgement and estimation exercised in the valuation of level 3 investments in associated companies and the financial assets at FVOCI, we determined this to be a key audit matter in our audit of the separate financial statements.	As part of our audit procedures, we have: • Obtained an understanding of how management determines the fair value of investments and evaluated the design and operating effectiveness of controls over the valuation process; • Evaluated the appropriateness of valuation methodology for each investment and ensured their consistency with generally acceptable valuation guidelines and principles; • Reperformed management's valuation calculation of each investment to assess their mathematical accuracy and ensure latest financial data were being used during the valuation process to again sufficient and reasonable comfort over data and model integrity.
Refer to note 9 and 10 to the separate and consolidated financial statements.	

Other Information

The Directors are responsible for the other information. The other information comprises the Statement of Compliance, Corporate Governance Report, Directors' Report and Certificate from the Company Secretary, or any other information but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or 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 (Cont'd)

Responsibilities of Directors for the consolidated and separate financial statements

The Directors are responsible for the preparation of the 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 2001 and the Financial Reporting Act 2004, and for such internal control as the Directors determine is necessary to enable the preparation of the 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 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 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 and Company's internal control.
- 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 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 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 auditor's 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 auditor's 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 and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Report on the audit of the consolidated and separate financial statements (Cont'd)

Auditor's responsibilities for the audit of the consolidated and separate financial statements (Cont'd)

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 to 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 auditor's 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.

Use of our report

This report is made solely to the Company's member, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters that we are required to state in an auditor's 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 member, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor 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 2004

Corporate Governance Report

The Directors are responsible for preparing the Corporate Governance Report. 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 Group, has pursuant to Section 75 of the Financial Reporting Act, complied with requirements of the Code.

MOORE
Chartered Accountants

Port Louis
Republic of Mauritius

Arvin Rogbeer, FCA, FCCA
Licensed by FRC

Date: 27 October 2023

STATEMENTS OF FINANCIAL POSITION
year ended 30 June 2023

	Notes	THE GROUP		THE COMPANY	
			Restated		
		2023	2022	2023	2022
ASSETS		Rs'000	Rs'000	Rs'000	Rs'000
Non-current assets					
Property, plant and equipment	5	**412,219**	456,111	**600**	805
Right-of-use assets	5A	**193,942**	199,184	**25,320**	28,270
Investment properties	6	**1,977,500**	1,865,421	**-**	-
Intangible assets	7	**88**	823	**88**	167
Investments in subsidiary companies	8	**-**	-	**167,476**	167,476
Investments in associated companies	9	**406,750**	429,044	**349,171**	323,859
Financial assets at fair value through other comprehensive income	10	**980,180**	773,084	**980,180**	773,084
Investments in jointly controlled entities	10A	**10**	10	**-**	-
Other asset	26(e)	**18,989**	18,982	**-**	-
Deferred tax assets	11	**1,448**	883	**1,078**	883
		3,991,126	3,743,542	**1,523,913**	1,294,544
Current assets					
Inventories	12A	**2,615**	1,957	**-**	-
Land inventories	12B	**1,192,932**	1,193,949	**-**	-
Consumables biological assets	13	**1,532**	1,852	**-**	-
Trade receivables	14	**46,037**	38,119	**22,500**	19,552
Other financial assets at amortised cost	15	**55,207**	40,104	**1,856,264**	1,958,224
Other current assets	16	**7,854**	5,159	**820**	416
Current tax asset	23(a)	**923**	758	**470**	572
Cash and cash equivalents	33(b)	**24,105**	27,346	**7,305**	948
		1,331,205	1,309,244	**1,887,359**	1,979,712
Non-current assets classified as held for sales	17	**-**	-	**-**	-
TOTAL ASSETS		**5,322,331**	5,052,786	**3,411,272**	3,274,256

The notes on pages 54 to 119 form an integral part of these financial statements.
Independent auditors' report on pages 43 to 48.

EQUITY AND LIABILITIES		THE GROUP		THE COMPANY	
	Notes		Restated		
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Equity					
Share capital	18	**389,852**	389,852	**389,852**	389,852
Share premium	18	**13,931**	13,931	**13,931**	13,931
Other reserves	19	**212,935**	(5,833)	**349,510**	82,394
Retained earnings		**1,051,244**	1,134,310	**965,631**	1,033,185
Equity holders' interests		**1,667,962**	1,532,260	**1,718,924**	1,519,362
Non-controlling interest		**1,647,862**	1,465,056	**-**	-
Total equity and reserves		**3,315,824**	2,997,316	**1,718,924**	1,519,362
LIABILITIES					
Non-current liabilities					
Borrowings	20	**156,271**	717,765	**150,000**	717,765
Lease liabilities	21	**207,863**	209,588	**23,509**	26,065
Retirement benefits obligations	22	**36,661**	35,980	**6,500**	5,345
Deferred tax liabilities	11	**-**	17,102	**-**	-
		400,795	980,435	**180,009**	749,175
Current liabilities					
Borrowings	20	**1,422,672**	884,068	**1,421,572**	883,873
Lease liabilities	21	**1,725**	1,628	**2,556**	2,446
Current tax liabilities	23(a)	**337**	186	**-**	102
Trade and other payables	24	**110,581**	64,321	**88,211**	75,663
Dividend payable to shareholders	37	**-**	68,554	**-**	43,635
Liabilities related to contracts with customers	25	**70,397**	56,278	**-**	-
		1,605,712	1,075.035	**1,512,339**	1,005,719
TOTAL LIABILTIES		**2,006,507**	2,055,470	**1,692,348**	1,754,894
Liabilities directly associated with non-current assets classified as held for sale	17	**-**	-	**-**	-
TOTAL EQUITY AND LIABILITIES		**5,322,331**	5,052,786	**3,411,272**	3,274,256

These financial statements have been approved for issue by the Board of Directors on.......and signed on its behalf by:

Director **Director**

The notes on pages 54 to 119 form an integral part of these financial statements.
Independent auditors' report on pages 43 to 48.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
year ended 30 June 2023

	Notes	THE GROUP		THE COMPANY	
			Restated		
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Revenue	26	**324,173**	411,951	**26,751**	21,168
Cost of sales	27	**(175,567)**	(229,259)	**-**	-
		148,606	182,692	**26,751**	21,168
Other operating expenses	27	**(107,137)**	(122,181)	**(48,974)**	(54,603)
Change in fair value of biological assets	13(b)	**(320)**	(803)	**-**	-
Fair value gain on investment properties		**118,010**	190,890	**-**	-
Impairment loss on financial assets	9 &15(d)	**-**	-	**(76,269)**	(15,040)
Operating profit/(loss)		**159,159**	250,598	**(98,492)**	(48,475)
Share of result of associates	9	**(36,243)**	(10,241)	**-**	-
Finance income	28	**15,481**	1,872	**84,271**	79,092
Other income	29	**24,819**	27,613	**12,994**	10,437
Exceptional items	30	**(9,578)**	(1,934)	**-**	-
Profit/(Loss) before finance costs		**153,638**	267,908	**(1,227)**	41,054
Finance costs	28	**(123,137)**	(109,713)	**(109,992)**	(95,437)
Profit/(Loss) before taxation	31	**30,501**	158,195	**(111,219)**	(54,383)
Taxation	23(b)	**2,306**	(5,966)	**79**	(9)
Profit/(Loss) for the year		**32,807**	152,229	**(111,140)**	(54,392)
Profit/(Loss) attributable to:					
Owners of the parent		**(126,651)**	(401,964)	**(111,140)**	(54,392)
Non-controlling interests	8	**159,458**	554,193	**-**	-
		32,807	152,229	**(111,140)**	(54,392)
Other comprehensive income for the year:					
Items that will not be classified subsequently to profit or loss:					
Remeasurement of post employment benefit obligations	(19) & (22)	**(3,877)**	(3,152)	**(685)**	(881)
Change in fair value of financial assets at fair value through other comprehensive income	(10) & (19)	**207,096**	12,660	**207,096**	12,660
Income tax relating to components of other comprehensive income	23(b)	**116**	150	**116**	150
Items that may be classified subsequently to profit or loss:					
Increase/(decrease) in fair value of associated companies	(9) & (19)	**-**	-	**60,589**	(14,647)
Share of other comprehensive income of associated companies	(9) & (19)	**13,947**	4,542	**-**	-
Other comprehensive income for the year		**217,282**	14,200	**267,116**	(2,718)
TOTAL COMPREHENSIVE INCOME		**250,089**	166,429	**155,976**	(57,110)
Total comprehensive income attributable to:					
Owners of the parent		**100,542**	(379,339)	**155,976**	(57,110)
Non-controlling interests	8	**149,547**	545,768	**-**	-
		250,089	166,429	**155,976**	(57,110)
Loss per share	32	**(0.32)**	(0.25)	**(0.29)**	(0.14)

The notes on pages 54 to 119 form an integral part of these financial statements.

Independent auditors' report on pages 43 to 48.

STATEMENT OF CHANGES IN EQUITY
year ended 30 June 2023

(a) THE GROUP	Notes	Attributable to owners of the parent						
		Share capital	Share premium	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at July 1, 2022		389,852	13,931	(5,833)	1,134,310	1,532,260	1,465,056	2,997,316
Loss for the year		-	-	-	(126,651)	(126,651)	159,458	32,807
Other comprehensive income for the year		-	-	218,768	-	218,768	(1,486)	217,282
Total comprehensive income for the year		-	-	218,768	(126,651)	92,117	157,972	250,089
Dividend		-	-	-	43,585	43,585	24,834	68,419
Balance at june 30, 2023		**389,852**	**13,931**	**212,935**	**1,051,244**	**1,667,962**	**1,647,862**	**3,315,824**
Balance at July 1, 2022								
- as previously reported		389,852	13,931	(21,075)	1,075,746	1,458,454	404,253	1,862,707
- effect of prior year adjustments		-	-	-	476,122	476,122	520,653	996,775
- as restated		389,852	13,931	(21,075)	1,551,868	1,934,576	924,906	2,859,482
Loss for the year		-	-	-	(401,964)	(401,964)	554,193	152,229
Other comprehensive loss for the year		-	-	15,242	-	15,242	(1,042)	14,200
Total comprehensive income for the year		-	-	15,242	(401,964)	(386,722)	553,151	166,429
Dividend declared		-	-	-	(15,594)	(15,594)	(13,001)	(28,595)
Balance at June 30, 2023		**389,852**	**13,931**	**(5,833)**	**1,134,310**	**1,532,260**	**1,465,056**	**2,997,316**

(a) THE COMPANY	Notes	Share capital	Share premium	Other reserves	Retained earnings	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at July 1, 2022		389,852	13,931	82,394	1,033,185	1,519,362
Profit for the year		-	-	-	(111,140)	(111,140)
Other comprehensive income for the year	19	-	-	267,116	-	267,116
Total comprehensive income for the year		-	-	267,116	(111,140)	155,976
Dividend		-	-	-	43,586	43,586
Balance at june 30, 2023		**389,852**	**13,931**	**349,510**	**965,631**	**1,718,924**
Balance at July 1, 2021		389,852	13,931	85,112	1,103,171	1,592,066
Profit for the year		-	-	-	(54,392)	(54,392)
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	(2,718)	-	(2,718)
		-	**-**	**(2,718)**	**(54,392)**	**(57,110)**
Dividend declared		-	-	-	(15,594)	(15,594)
Balance at June 30, 2022		**389,852**	**13,931**	**82,394**	**1,033,185**	**1,519,362**

The notes on pages 54 to 119 form an integral part of these financial statements.

Independent auditors' report on pages 43 to 48.

STATEMENTS OF CASH FLOWS
year ended 30 June 2023

	Notes	THE GROUP 2023 Rs'000	THE GROUP 2022 Rs'000	THE COMPANY 2023 Rs'000	THE COMPANY 2022 Rs'000
Cash flow from operating activities					
Cash generated from operations	33(a)	**88,077**	195,076	**2,704**	124,897
Tax paid	23(a)	**(708)**	(2,471)	**-**	(1,473)
Tax refund	23(a)	**-**	383	**-**	-
Interest received	28	**2,282**	1,856	**84,271**	79,092
Interest paid		**(99,024)**	(97,487)	**(71,383)**	(94,867)
Net cash (used in)/generated from operating activities		**(9,373)**	97,357	**15,592**	107,649
Cash flow from investing activities					
Purchase of property, plant and equipment	5	**(641)**	(568)	**(93)**	(249)
Purchase of intangible assets	7	**-**	(79)	**-**	(79)
Proceeds from disposal of property, plant and equipment		**-**	323	**-**	-
Expenditure on investment properties	6	**-**	436	**-**	-
Dividend received		**26,751**	21,168	**26,751**	21,168
Acquisition of jointly controlled entity	10A	**-**	(10)	**-**	-
Proceeds from share buy back	10	**-**	8,885	**-**	8,885
Net cash generated from investing activities		**26,110**	30,155	**26,658**	29,725
Cash flow from financing activities					
Payments on long term borrowings	20	**(30,120)**	(836,838)	**(30,120)**	(836,838)
Proceeds from borrowings	20	**8,396**	594,001	**-**	594,001
Principal paid on lease liabilities	21	**(1,628)**	(1,536)	**(2,446)**	(3,082)
Interest paid on lease liabilities	21	**(12,265)**	(12,358)	**(1,206)**	(570)
Dividend paid to non controlling interest	37	**(85)**	(138)	**-**	-
Dividend paid to company shareholders	37	**(50)**	(3,128)	**(50)**	(62)
Cash received in advance - contract liabilties	25	**19,162**	15,917	**-**	-
Deposit refunded - contract liabilties	25	**(2,222)**	(400)	**-**	-
Net cash used in financing activities		**(18,812)**	(244,480)	**(33,822)**	(246,551)
Increase (Decrease) in cash and cash equivalents		**(2,075)**	(116,968)	**8,428**	(109,177)
Movement in cash and cash equivalents					
At July 1,		**25,026**	141,994	**(1,177)**	108,000
Increase/(Decrease)		**(2,075)**	(116,968)	**8,428**	(109,177)
A June 30,	33 (b)	**22,951**	25,026	**7,251**	(1,177)

The notes on pages 54 to 119 form an integral part of these financial statements.
Independent auditors' report on pages 43 to 48.

1. GENERAL INFORMATION

Sugar Investment Trust, a body corporate established under the Sugar Industry Efficiency Act 2001, operates on a commercial basis as a public company in accordance with the provisions of the Mauritius Companies Act 2001. Its registered office and principle place of business is Ground Floor, NG Tower, Cybercity, Ebene.

The principal activities of the Group consist of:

- investment holding;
- dealing in matters relating to agriculture in general;
- acquire, hold and/or dispose of moveable and immovable properties;
- rental of office space; and
- operation of leisure park and through the democratisation policy.

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

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements of Sugar Investment Trust 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. Where necessary, comparative figures have been amended to conform with changes in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

(i) relevant financial assets and financial liabilities are carried at amortised cost;
(ii) consumable biological assets are stated at fair value;
(iii) financial assets at fair value through other comprehensive income; and
(iv) investment in associated companies 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.

New Standards, Amendments to published Standards and Interpretation effective in the reporting period

In the current year, the following new and revised standards and interpretation issued by the IASB became mandatory for the financial year under review:

- Amendments to IAS 16: Proceeds before intended use

Amendments to IAS 16 'Property, plant and equipment' requires the Company to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related costs in profit or loss, instead of deducting the amounts received from the cost of the asset. This amendment is applied retrospectively and there was no impact as there were no sales of such items produced by equipment made available for use or after the beginning of earliest period presented.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

New Standards, Amendments to published Standards and Interpretation effective in the reporting period (Cont'd)

- Amendments to IAS 37 Onerous Contracts – Costs of fulfilling a contract

The Group and Company have also adopted the amendments to IAS 37 'Provisions, contingent liabilities and contingent assets' specify the costs that an entity includes when assessing whether a contract will be loss-making. There was no impact of adopting this amendment and no contracts have been identified as onerous.

The Company was not impacted by one of the Annual Improvements to IFRS Standards 2018–2020 specifically the changes to IAS 41 Agriculture and now include cash flows from taxation in the measurement of fair value.

Management has assessed the impact of these new and revised standards and interpretation and concluded that none of the above has an impact on these financial statements.

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

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 01 January 2023, or later periods, but which the Group and the Company has not early adopted.

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

- IFRS 17 Insurance Contracts - Applicable to annual reporting periods beginning on or after 1 January 2023.
- Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)- Applicable to annual reporting periods beginning on or after 1 January 2023.
- Classification of Liabilities as Current or Non-current — Deferral of Effective Date (Amendment to IAS 1) - Applicable to annual reporting periods beginning on or after 1 January 2023.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) - Applicable to annual reporting periods beginning on or after 1 January 2023.
- Definition of Accounting Estimates (Amendments to IAS 8) - Applicable to annual reporting periods beginning on or after 1 January 2023.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) - Applicable to annual reporting periods beginning on or after 1 January 2023.

Where relevant, the Group is still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

2.2 Financial assets

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. 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. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Financial assets (Cont'd)

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset and on the availability of highly liquid assets (unrestricted cash) of counterparties if the loans were to be demanded at the reporting date.

For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

From time to time, the Group elects to renegotiate the terms of trade receivables due from customers with which it has a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the statement of comprehensive income.

The Group and Company's financial assets measured at amortised cost comprise trade receivables, other financial assets at amortised cost and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents include cash in hand, cash at bank, and – for the purpose of the statement of cash flows - bank overdraft. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.3 Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

Financial liabilities include the following items:

- Bank borrowings and bond notes which are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs as well as any interest payable while the liability is outstanding.
- Trade payables and other short-term liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

2.4 Impairment of non-financial assets

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

2.5 Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risk, including:

- market risk (including price risk and cash flow interest risk);
- credit risk; and
- liquidity risk.

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

(a) Market risk

(i) Price risk

Equity

The Company is exposed to equity securities price risk mainly because of investment in Omnicane Holdings Limited, which is held as an investment in associate. The share price of Omnicane Limited – a company listed on the Stock Exchange of Mauritius and direct subsidiary of Omnicane Holdings Limited – is used as proxy to estimate the value of the investment in Omnicane Holdings Limited. A 10% increase/(decrease) in the share price of Omnicane Limited would have increased/(decreased) the Company's total comprehensive income(fair value reserves) by Rs. 24.6m (2022: Rs. 19.6m). There is no impact on post-tax profit as equity investments are classified as financial assets at fair value through other comprehensive income.

The Company monitors the annual financial performance of investees for a better oversight of the risk associated with listed investments.

Commercial

The Group is exposed to market risk in respect of residential units for sale and commercial units to rental. Management monitors the economic sentiment and real estate market conditions before embarking on projects.

Revenue

The Group is exposed to price risk with respect to sugar proceeds which is determined by the Mauritius Sugar Syndicate.

(ii) Cash flow interest risk

The Group and the Company are 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 and Company's interest rate risk arises from borrowings at variable rates. Financial assets bear a fixed interest rate; therefore, they are not exposed to interest rate risk.

At June 30, 2023, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the year for the Group and the Company would have been Rs. 590,674 (2022: Rs. 199,716) lower/higher (rounded to the nearest thousand) mainly due to exposure to interest rates on their variable rate borrowings.

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

(iii) Foreign exchange risk

The Group is not exposed to foreign exchange risk as transactions are effected in Mauritian Rupee only.

(b) Credit risk

Credit risk arises from cash and cash equivalents and credit exposures to customers, including outstanding receivables and amounts due from related parties.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factorss (Cont'd)

Credit risk is managed on a Company basis.

Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customer is regularly monitored by line management.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/ or regions.

The table below shows the credit concentration at the end of the reporting period.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
Counterparty	%	%	%	%
10 Major counterparties	**80%**	91%	**95%**	96%
Others (diversified risk)	**20%**	9%	**5%**	4%
	100%	100%	**100%**	100%

The Group does not set a credit limit for each customer. The Group has policies in place to ensure that investment properties are rented to customers with an appropriate credit history.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

(i) **The Group**	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At June 30, 2023					
Bond notes (note 20)	**606,517**	-	-	-	**606,517**
Bank loans (note 20)	**815,000**	**156,271**	-	-	**971,271**
Lease liabilities (note 21)	**1,725**	**4,361**	**10,781**	**192,721**	**209,588**
Bank overdrafts	**1,154**	-	-	-	**1,154**
Trade and other payables (note 24)	**110,581**	-	-	-	**110,581**

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factorss (Cont'd)

(c) Liquidity risk (cont'd)

(i) The Group (cont'd)

	Less than 1 year Rs'000	Between 1 and 2 years Rs'000	Between 2 and 5 years Rs'000	Over 5 years Rs'000	Total Rs'000
At June 30, 2022					
Bond notes (note 20)	6,519	600,000	-	-	606,519
Bank loans (note 20)	875,232	51,230	66,533	-	992,995
Lease liabilities (note 21)	1,628	4,361	10,781	194,446	211,216
Bank overdrafts	2,320	-	-	-	2,320
Trade and other payables (note 24)	64,321	-	-	-	64,321

(ii) The Company

	Less than 1 year Rs'000	Between 1 and 2 years Rs'000	Between 2 and 5 years Rs'000	Over 5 years Rs'000	Total Rs'000
At June 30, 2023					
Bond notes (note 20)	**606,517**	**-**	**-**	**-**	**606,517**
Bank loans (note 20)	**815,000**	**150,000**	**-**	**-**	**965,000**
Bank overdrafts	**54**	**-**	**-**	**-**	**54**
Lease liabilities (note 21)	**2,556**	**5,227**	**15,263**	**3,019**	**26,065**
Trade and other payables (note 24)	**88,211**	**-**	**-**	**-**	**88,211**

The Company

	Less than 1 year Rs'000	Between 1 and 2 years Rs'000	Between 2 and 5 years Rs'000	Over 5 years Rs'000	Total Rs'000
At June 30, 2022					
Bond notes (note 20)	6,518	600,000	-	-	606,518
Bank loans (note 20)	875,232	51,230	66,533	-	992,995
Bank overdrafts	2,125	-	-	-	2,125
Lease liabilities (note 21)	2,446	5,227	15,263	5,575	28,511
Trade and other payables (note 24)	75,663	-	-	-	75,663

3.2 Fair value estimation

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Capital risk management

The Group's objectives when managing capital are:

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

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in 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 adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistently with others in the industry, the Group monitors capital on the basis of the gearing ratio which is the net debt divided by total equity plus net debt. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and cash equivalents. Total equity is calculated as equity as shown in the statement of financial position.

During 2023, the Group's strategy, which was unchanged from 2022, was to maintain the gearing ratio at the lower end in order to secure access to finance at a reasonable cost.

The debt-to-capital ratios at June 30, 2023 and 2022 were as follows:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Borrowings (note 20)	**1,578,943**	1,601,833	**1,571,572**	1,601,638
Lease liabilities (note 21)	**209,588**	211,216	**26,065**	28,511
Total debt	**1,788,531**	1,813,049	**1,597,637**	1,630,149
Less cash and cash equivalents (note 33(b))	**(24,105)**	(27,346)	**(7,305)**	(948)
Net debt (note 33(c))	**1,764,426**	1,785,703	**1,590,332**	1,629,201
Total equity	**3,315,824**	2,997,316	**1,718,924**	1,519,362
Net debt	**1,764,426**	1,785,703	**1,590,332**	1,631,326
Total equity plus net debt	**5,080,250**	4,783,019	**3,309,256**	3,150,688
Gearing ratio	**35%**	37%	**48%**	52%

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

During 2023, the Group's strategy, which was unchanged from 2022, was to maintain the gearing ratio at the lower end in order to secure access to finance at a reasonable cost.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

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

Critical accounting estimates and assumptions

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

Judgements

Note 9	Investments in associated companies: whether the Group has significant influence over an investee;
Note 38	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;
Note 5	Property, plant and equipment: determining the useful life, residual value and economic viability of property and, plant and equipment
Note 6	Investment properties: determining the fair value of investment property for disclosure as required for investment properties under the Fair value model
Note 7	Intangible assets: determining the useful life, residual value and economic viability of intangible assets
Note 9	Investment in associate: the fair value is determined by the Company using valuation methods which involve the use of judgement and estimates
Note 11	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
Note 13	Consumable biological assets: determining the fair value of biological assets on the basis of significant unobservable inputs
Note 14	Trade receivables: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate
Note 15	Other financial assets at amortised cost: measurement of ECL allowance for amount due to related party and key assumptions in determining the probability of default and loss given default
Note 22	Retirement benefit obligations: measurement of defined benefit assets/obligations: key actuarial assumptions

Limitation of sensitivity analysis

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

Sensitivity analysis does not take into consideration how the Group's 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 14	Trade receivables: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted average loss rate
Note 22	Retirement benefit obligations: measurement of defined benefit assets/obligations: key actuarial assumptions

5. PROPERTY, PLANT AND EQUIPMENT

(a) Accounting policy

Property, plant and equipment held for use of plantation or for administrative purposes, are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 item will flow to the Company and the cost of the item can be measured reliably. All repair and maintenance are charged to profit or loss during the financial period in which they are incurred.

Bearer plants

Bearer plants have been estimated based on the cost of land preparation and planting of bearer canes.

Depreciation is calculated on the straight-line method to write off their cost to their residual values over their estimated useful lives.

5. PROPERTY, PLANT AND EQUIPMENT

It is applied at the following rates:

	Years
Bearer plants	7
Computer equipment	3
Motor vehicles	5
Furniture & fittings	10
Tools & equipment	4
Plant & machinery	3-5
Landscaping and Infrastructure	10
Amusement Rides	10
Waterpark Equipment	10

Land is not depreciated.

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

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss.

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

(b) THE GROUP	Notes	Buildings Leisure Park on Leasehold Land	Infrastructure and Landscaping	Assets under constructions	Waterpark equipment	Amusement rides	Freehold Land	Furniture and fittings	Plant and machinery	Tools and equipment	Office equipment	Computer equipment	Office partionning	Motor vehicles	Electrical equipment	Bearer plants	Total
(i) 2023		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
COST/VALUATION																	
At July 1,		193,649	63,890	31,757	83,100	251,712	240,383	20,018	991	6,089	525	14,393	-	10,256	49,509	82,402	1,048,674
Additions		-	-	-	-	-	-	34	-	-	50	92	-	-	-	465	641
Transfer to investment property		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to other assets		(10,641)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10,641)
Disposals		-	-	-	-	-	-	-	-	-	-	-	-	(35)	-	-	(35)
At June 30,		**183,008**	**63,890**	**31,757**	**83,100**	**251,712**	**240,383**	**20,052**	**991**	**6,089**	**575**	**14,485**	**-**	**10,221**	**49,509**	**82,867**	**1,038,639**
DEPRECIATION																	
At July 1,		145,204	47,843	9,386	70,389	141,757	-	17,926	308	6,089	504	13,884	-	10,166	46,705	82,402	592,563
Charge for the year		743	3,342	-	2,676	22,678	-	553	90	-	33	337	-	62	2,758	-	33,272
Disposals adjustments		-	-	-	-	-	-	-	-	-	-	-	-	(32)	-	-	(32)
Impairment losses	31	-	-	-	-	617	-	-	-	-	-	-	-	-	-	-	617
At June 30,		**145,947**	**51,185**	**9,386**	**73,065**	**165,052**	**-**	**18,479**	**398**	**6,089**	**537**	**14,221**	**-**	**10,196**	**49,463**	**82,402**	**626,420**
NET BOOK VALUES		**37,061**	**12,705**	**22,371**	**10,035**	**86,660**	**240,383**	**1,573**	**593**	**-**	**38**	**264**	**-**	**25**	**46**	**465**	**412,219**
(ii) 2022																	
COST/VALUATION																	
At July 1,		193,649	63,890	31,757	83,100	251,712	264,388	19,675	2,512	6,089	525	14,196	-	10,256	49,483	82,402	1,073,634
Additions		-	-	-	-	-	-	343	-	-	-	199	-	-	26	-	568
Transfer to investment property		-	-	-	-	-	(5,023)	-	(1,198)	-	-	-	-	-	-	-	(6,221)
Transfer to other assets		-	-	-	-	-	(18,982)	-	-	-	-	-	-	-	-	-	(18,982)
Disposals		-	-	-	-	-	-	-	(323)	-	-	(2)	-	-	-	-	(325)
At June 30		**193,649**	**63,890**	**31,757**	**83,100**	**251,712**	**240,383**	**20,018**	**991**	**6,089**	**525**	**14,393**	**-**	**10,256**	**49,509**	**82,402**	**1,048,674**
DEPRECIATION																	
At July 1,		143,826	44,500	9,386	67,712	117,075	-	17,594	218	6,089	497	13,080	-	10,101	42,237	82,402	554,717
Charge for the year		1,378	3,343	-	2,677	23,154	-	332	90	-	7	806	-	65	4,468	-	36,320
Disposals adjustments		-	-	-	-	-	-	-	-	-	-	(2)	-	-	-	-	(2)
Impairment losses	31	-	-	-	-	1,528	-	-	-	-	-	-	-	-	-	-	1,528
At June 30		**145,204**	**47,843**	**9,386**	**70,389**	**141,757**	**-**	**17,926**	**308**	**6,089**	**504**	**13,884**	**-**	**10,166**	**46,705**	**82,402**	**592,563**
NET BOOK VALUE		**48,445**	**16,047**	**22,371**	**12,711**	**109,955**	**240,383**	**2,092**	**683**	**-**	**21**	**509**	**-**	**90**	**2,804**	**-**	**456,111**

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

(c) THE COMPANY

(i) 2023	Furniture and Fittings	Office equipment	Computer equipment	Motor vehicles	Total
COST/VALUATION	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,	6,948	524	6,879	3,048	17,399
Additions	-	-	93	-	93
Disposals	-	-	-	-	-
At June 30,	**6,948**	**524**	**6,972**	**3,048**	**17,492**
DEPRECIATION					
At July 1,	6,564	503	6,479	3,048	16,594
Charge for the year	52	7	239	-	298
Disposals	-	-	-	-	-
At June 30,	**6,616**	**510**	**6,718**	**3,048**	**16,892**
NET BOOK VALUE	**332**	**14**	**254**	**-**	**600**

(ii) 2022	Furniture and Fittings	Office equipment	Computer equipment	Motor vehicles	Total
COST/VALUATION	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,	6,887	524	6,693	3,048	17,152
Additions	61	-	188	-	249
Disposals adjustments	-	-	(2)	-	(2)
At June 30,	**6,948**	**524**	**6,879**	**3,048**	**17,399**
DEPRECIATION					
At July 1,	6,514	496	6,173	3,048	16,231
Charge for the year	50	7	308	-	365
Disposals	-	-	(2)	-	(2)
At June 30,	**6,564**	**503**	**6,479**	**3,048**	**16,594**
NET BOOK VALUES	**384**	**21**	**400**	**-**	**805**

(d) The Group has pledged all its assets under property, plant and equipment to secure general banking facilities (note.20).

(e) Depreciation charge for the year can be analysed as follows:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Operating expenses (note 27)	33,272	36,320	298	365

(f) Impairment of equipment in SIT Leisure

During the year, as a result of the unexpected poor performance of the identified generating units which are namely Pirate Ship and VR Games, the Company carried out a review of the recoverable amount of that cash generating unit. Impairment losses recognised in respect of property, plant and equipment in the year amounted to **Rs. 617,000** (2022: Rs. 1,528,000) using a key assumption on all obsolete assets. These losses are attributable to significant changes with an adverse effect on the entity that has taken place during current period.

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

(g) Critical accounting estimates

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 are taken into account. Residual value assessments consider issues such as future market conditions, the remaining 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.

Property, plant and equipment are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

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.

Impairment of bearer plants

The recoverable amount of the bearer plants, which is based on value in use, is most sensitive to the following assumptions:

Sugar prices

The volatility in the sugar sector still persists with the price of sugar going down in the world market and there is no indication of a significant improvement in the foreseeable future. Considering the market trend, price of sugar used in the projections has been estimated at Rs 10,000 per ton going onwards.

Discount rates

Discount rates represent the current market assessment of the risks specific to sugar sector. The discount rate calculation is based on the specific circumstances of the Company and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity.

Sensitivity to changes in assumptions

The Directors have used prudent assumptions in preparing the financial forecast but recognise that downward pressure on sales of sugar prices can have a significant impact on the recoverable value of the bearer plants.

5A. RIGHT OF USE ASSETS

(a) 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 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 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.

5A. RIGHT OF USE ASSETS

(a) Accounting policy (Cont'd)

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.

(i) THE GROUP

	Notes	LEASEHOLD LAND	
		2023	2022
COST/VALUATION		Rs'000	Rs'000
At July 01,		**210,468**	210,468
Remeasurement charged to profit or loss		**-**	-
At June 30,		**210,468**	210,468
AMORTISATION			
At July 1,		**11,284**	6,042
Amortisation for the year	27	**5,242**	5,242
At June 30,		**16,526**	11,284
NET BOOK VALUES		**193,942**	199,184

(ii) THE COMPANY

	Notes	OFFICE SPACE	
		2023	2022
COST/VALUATION		Rs'000	Rs'000
At July 1,		**38,354**	8,855
Additions		**-**	29,499
At June 30,		**38,354**	38,354
AMORTISATION			
At July 1,		**10,084**	6,855
Amortisation for the year	27	**2,950**	3,229
At June 30,		**13,034**	10,084
NET BOOK VALUES		**25,320**	28,270

6. INVESTMENT PROPERTIES

(a) Accounting policy

Investment properties, held to earn rentals or for capital appreciation or both and not occupied by the companies are carried at fair value, representing open-market value determined annually. Changes in fair values are included in profit or loss as part of other income.

6. INVESTMENT PROPERTIES

(a) Accounting policy

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.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements are capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements are recognised in profit or loss when incurred.

Rental income from investment properties is recognised in revenue on a straight-line basis over the term of the lease. If an investment property becomes owner-occupied, it is reclassified to property, plant and equipment.

If an owner-occupied property becomes an investment property because its use has changed, it is transferred to investment property.

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.

(b) THE GROUP

	2023	2022 (Restated)
	Rs'000	Rs'000
At July 1,	**1,865,421**	1,699,138
Acquisitions	**240**	1,437
Increase in fair value	**111,839**	164,846
At June 30	**1,977,500**	1,865,421

(b) Details of the Group's investment properties measured at fair value and information about the fair value hierarchy as at June 30, 2023 are as follows:

June 30, 2023	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000
Building and Structures on leasehold land	**-**	**1,920,150**	**1,920,150**
Leasehold land	**57,350**	**-**	**57,350**
Total	**57,350**	**1,920,150**	**1,977,500**

June 30, 2022	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000
Building and Structures on leasehold land	-	1,812,121	1,812,121
Leasehold land	53,300	-	53,300
Total	53,300	1,812,121	1,865,421

6. INVESTMENT PROPERTIES (CONT'D)

(c) The leasehold land and the building and structures on the leasehold land of the Company have been valued by Aestima Ltd represented by the Chartered Valuation Surveyor, Mr. S.M.IKHLAAS BELATH, M.R.I.C.S. on June 30, 2023.

As at June 30, 2023, the fair value of the investment properties was based on its market value, which is defined as intended to mean the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion.

The market value of the land was derived using the following approach:

(i) The Sales Comparison Approach involves the estimation of the value of a property by comparing it to similar properties recently sold on the open market. The sales comparison approach is mainly used for value estimates of simple forms of property, such as vacant land and single-family homes, where the properties are homogeneous and the adjustments are few in number and relatively simple to compute.

(ii) The Income Capitalisation Approach takes a property's forecast net operating income and allocates these future benefits to the mortgage and equity components, based on market rates of return and loan to value ratios which is capitalised at an appropriate rate of return to produce a capital value.

The methods of valuation used to value the leasehold land is firstly, the comparative method of valuation which involves the assessment of the sales of leasehold land within the region and secondly, the Income Capitalization Approach which involves the use of a 5-year discounted cash flow based on the rental terms and assumptions.

The fair value of land is classified in level 2 of the fair value hierarchy as it has been valued using observable market data but there is no active market while the fair value of buildings is classified in level 3 of the fair value hierarchy as it has been valued by management using both costs and other valuation techniques.

The movements in the opening balance and closing balance of the investment properties categorised within levels 2 and level 3 of the fair value hierarchy during the year are as follows:

Year 2023	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000
At July 1,	**53,300**	**1,812,121**	**1,865,421**
Acquisitions	**-**	**240**	**240**
Fair value gain recognised in profit and loss	**4,050**	**107,789**	**111,839**
At June 30	**57,350**	**1,920,150**	**1,977,500**

Year 2022	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000
At July 1,	19,260	787,972	807,232
Prior year adjustments (note 40)	29,740	862,166	891,906
At January 1, restated	49,000	1,650,138	1,699,138
Acquisitions	-	1,437	1,437
Fair value gain recognised in profit and loss	4,300	160,546	164,846
At June 30	53,300	1,812,121	1,865,421

6. INVESTMENT PROPERTIES (CONT'D)

There was a change in accounting policy from the cost model to the fair value model for investment properties of the company. The change in accounting policy should be made retrospectively as per IAS 8, meaning that the financial statements for prior periods have been restated to reflect the fair value measurement (see note 40) .

The change in accounting policy was applied consistently to all investment properties held by the group. Furthermore, all depreciation charge on building and structures on leasehold land for year 2022 and prior years were reversed respectively.

(d) The Group has pledged all its investment properties to secure general banking facilities (note 20).

(d) The following amounts have been recognised in profit to loss:

		THE GROUP		THE COMPANY	
	Notes	2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Rental income from investment properties	26	**74,492**	62,645	**-**	-
Direct operating expenses arising from investment properties	27	**20,380**	18,848	**-**	-

(g) Lease arrangements - Lessor

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for some contracts include CPI increase, but there is no other variable lease payments that depend on an index or rate.

Although the Group is exposed to changes in the residential value at the end of current leases, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residential values are reflected in the fair value of the properties.

Minimum lease payments receivable on leases of investment properties are as follows:

	THE GROUP	
	2023	2022
	Rs'000	Rs'000
Not later than 1 year	**52,192**	48,844
Later than 1 year and before 5 years	**208,768**	215,711
	260,960	264,555

The Group leases buildings under non-cancellable operating lease agreements. The leases have varying clauses and renewable rights.

(h) Critical accounting estimates

The Group carries its investment properties at fair value with changes in fair value being recognised in the statement of profit and loss. Investment properties consist of leasehold land and buildings. The Group had engaged valuation specialists to determine fair value on June 30, 2023.

The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long term vacancy rate.

The directors consider the carrying amounts of the land and buildings and investment properties to represent their fair value, as at June 30, 2023.

7. INTANGIBLE ASSETS

(a) Accounting policy

Computer software

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives of 3 years.

(b) June 30,

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
COST				
At July 1,	**8,198**	8,119	**1,510**	1,431
Additions	**-**	79	**-**	79
At June 30,	**8,198**	8,198	**1,510**	1,510
AMORTISATION				
At July 1	**7,375**	5,632	**1,343**	1,239
Charge for the year (note 27)	**735**	1,743	**79**	104
At June 30	**8,110**	7,375	**1,422**	1,343
CARRYING AMOUNT				
At June 30	**88**	823	**88**	167

(c) Critical accounting estimates and assumptions

Intangible assets are amortised 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 are taken into account. Residual value assessments consider issues such as future market conditions.

Intangible assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

8. INVESTMENTS IN SUBSIDIARY COMPANIES

(a) Accounting policy

Separate financial statements of the investor

In the separate financial statements of the investors, investments in subsidiary companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns though its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(a) Accounting policy (Cont'd)

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred 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 values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interests' 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 transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree (if any) over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss as a bargain purchase gain.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions and non-controlling interests

The Group treats 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 acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purpose 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. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

		THE COMPANY	
	Notes	2023	2022
(b) Cost		Rs'000	Rs'000
At July 1,		**368,245**	368,245
Provision for impairment losses (note 8(e))	8(e)	**(200,769)**	(200,769)
At June 30,		**167,476**	167,476

NOTES TO THE FINANCIAL STATEMENTS *year ended 30 June 2023*

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(c) The subsidiaries details and % shareholding are as follows:

Name of company	Business activity	Stated capital	Cost of Investment	Carrying amount	Proportion of direct ownership interest		Proportion of indirect ownership interest	
					2023	2022	2023	2022
Unquoted shares		Rs'000	Rs'000		% Holding	% Holding	% Holding	% Holding
NG Tower IV Ltd	Rental of office space	0.2	45,000.0	45,000.0	100%	100%	-	-
NG Tower V Ltd	Rental of office space	0.2	45,000.0	45,000.0	100%	100%	-	-
NG Tower III Ltd	Rental of office space	0.2	42,448.0	42,448.0	100%	100%	-	-
NG Tower II Ltd	Rental of office space	0.2	34,984.0	34,984.0	100%	100%	-	-
SIT Property Development Ltd	Land promoters and land developers	25	13	13	51%	51%	-	-
SIT Corporate and Secretarial Services Ltd	Provision of corporate, secretarial, registrar and transfer agency	500	500	6	-	-	-	-
SIT Leisure Limited	Constructing, operating or managing leisure park or other recreational activities	200,000	200,000	-	100%	100%	-	-
SIT Syndicate services Ltd*	Landscape care and maintenance service activities	200	200	-	100%	100%	-	-
SIT Landscape contracting services Ltd*	Landscaping services	-	-	-	100%	100%	-	-
Le Waterpark Leisure Ltd*	Activities of amusement park	-	-	-	100%	100%	-	-
SIT Ebene Property Development Ltd*	Land promoters and land developers	100	100	-	100%	100%	-	-
Quoted shares								
SIT Land Holdings Ltd	Agricultural, property and investment	325,025	-	25	0%	0%		100%
		525,851	368,245	167,476				

*These companies have not been in operations since their dates of incorporation. The Board had resolved that these companies be wound up/ be removed from the register of Registrar of companies. Procedures are on-going.

The classes of shares held in the above subsidiaries are ordinary shares, with the exception of SIT land holdings Ltd where the Company holds 1 founder share, giving it all voting rights. Country of incorporation of the above subsidiaries is Mauritius.

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(d) Subsidiaries with material non-controlling interests:

The Group considers SIT Land Holdings Ltd over which it controls less than 50% of the voting rights as a subsidiary since the founder share held by the SIT gives it enough power to direct the relevant activities of SIT Land Holdings Ltd and therefore exerts control.

Below are summarised financial information on subsidiary with material non-controlling interests:

	SIT LAND HOLDINGS LTD	
		(Restated)
(i) Summarised of statement of profit or loss and other comprehensive income:	2023	2022
	Rs'000	Rs'000
Revenue	**61,238**	70,047
Profit for the year	**71,147**	164,736
Other comprehensive income for the year	**(1,486)**	(1,042)
Total comprehensive income for the year	**69,661**	163,694
Dividend paid to non-controlling interests	**-**	(13,001)
Total comprehensive income attributable to non-controlling interest:		
Analysed as follows:		
Share of loss attributed to non-controlling interests	**159,458**	554,193
Share of reserves attributed to non-controlling interests	**(1,486)**	(1,042)
Total comprehensive income attributable to non-controlling interest:	**157,972**	553,151

(ii) Summarised statement of financial position:	2023	2022
	Rs'000	Rs'000
Non-current assets	**1,213,256**	1,140,046
Current assets	**323,312**	330,935
Current liabilities	**322,376**	355,684
Non-current liabilities	**33,673**	29,273
Net assets	**1,180,519**	1,086,024

(e) The impairment assessment of each cash generating unit is based mainly on projected discounted future cash flows and takes into account the difficult economic environment.

No additional impairment losses has been recorded on investment in subsidiaries during the year 2023 (2022: nil)

The outbreak of COVID-19 has caused disruption to the group operations and consequently the Group performed an impairment assessment on all its investments in subsidiaries. It was determined that the recoverable amounts of subsidiary companies exceeded their carrying amounts. Hence, no impairment was warranted.

9. INVESTMENTS IN ASSOCIATED COMPANIES

(a) Accounting policy

An associate is an entity over which the Company has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Financial statements of the Company

Under IFRS 9, investment in associates are classified as financial assets at FVOCI and are carried at fair value. The gains and losses in fair value are recognised in other comprehensive income and accumulated under the heading of fair value reserves.

Financial statements of the Group

The policy for the equity method of accounting described below is specific to the consolidated financial statements.

Equity method of accounting

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates are initially carried in the consolidated statement of financial position at cost and adjusted for post-acquisition changes in the Group's share of the profit or loss and other comprehensive income of the associates, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate at the date of equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in profit or loss in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

(b)

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
Cost		Rs'000	Rs'000	Rs'000	Rs'000
At 01 July,		**429,044**	434,743	**323,859**	338,506
Share of loss		**(2,750)**	(10,241)	**-**	-
Share of reserves	19	**13,947**	4,542	**-**	-
Impairment loss		**(33,491)**	-	**(35,277)**	-
Fair value adjustments	19	**-**	-	**60,589**	(14,647)
At June 30,		**406,750**	429,044	**349,171**	323,859

9. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(c)

Name of company	Nature of business	Year end	Proportion of ownership interest Direct	Proportion of ownership interest Indirect	Country of incorporation and operation
Unquoted shares			%	%	
Omnicane Holdings Limited	Investment holding	December 31, *	35	-	Mauritius
Eole Plaine Des Rochess Ltee	Investment in green energy	December 31, *	49	-	Mauritius
Synnove Solar (Mauritius) One Ltd	Manufacturing and distribution	December 31, *	49	-	Mauritius
Synnove Energy Ltd	Manufacturing and distribution	December 31, *	29	-	Mauritius
Mauritius Land Based Oceanic Ltd	Oceanic park	December 31, *	39	-	Mauritius

* For the purpose of applying equity method of accounting, the financial statements of the associates for the year ended December 31, 2022 have been used.

(d) The results and reconciliations of the associates have been included in the financial statements:

(i) **At June 30, 2023**

	December 31, 2022*				
	Omnicane Holdings Limited	Eole Plaine Des Rochess Ltee	Synnove Solar (Mauritius) One Ltd	Mauritius Land Based Oceanic Ltd	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Current assets	**1,208**	**73,576**	-	-	**74,784**
Non-current assets	**986,342**	**51,743**	-	-	**1,038,085**
Current liabilities	**2,142**	**62,184**	-	-	**64,326**
Non-current liabilities	-	**401,428**	-	-	**401,428**
Loss for the year	**1,775**	**32,860**	-	-	**34,635**

* The financial statements of the associates for the year ended December 31, 2022 have been used.

(ii) **At June 30, 2022**

	December 31, 2021*				
	Omnicane Holdings Limited	Eole Plaine Des Rochess Ltee	Synnove Solar (Mauritius) One Ltd	Mauritius Land Based Oceanic Ltd	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Current assets	1,208	75,847	23,517	24,847	125,419
Non-current assets	986,342	588,122	358,330	24,796	1,957,590
Current liabilities	757	64,197	77,553	3,864	146,371
Non-current liabilities	-	496,387	227,934	-	724,321
Loss for the year	1,385	7,026	2,785	1,042	12,238

* The financial statements of the associates for the year ended December 31, 2021 have been used.

(e) Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements.

9. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(iii) **At June 30, 2023**

	Omnicane Holdings Limited	Eole Plaine Des Rochess Ltee	Synnove Solar (Mauritius) One Ltd	Mauritius Land Based Oceanic Ltd	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Opening net assets	**985,407**	**103,385**	**62,435**	**7,436**	**1,158,663**
Loss for the year	**(1,775)**	**24,124**	-	-	**22,349**
Impairment loss	-	-	**(62,435)**	**(7,436)**	**(69,871)**
Dividend	-	-	-	-	-
Closing net assets	**983,632**	**127,509**	-	-	**1,111,141**
Ownership interest (%)	35%	49%	49%	39%	-
Carrying value	**344,271**	**62,479**	-	-	**406,750**

(iv) **At June 30, 2022**

	Omnicane Holdings Limited	Eole Plaine Des Rochess Ltee	Synnove Solar (Mauritius) One Ltd	Mauritius Land Based Oceanic Ltd	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Opening net assets	986,792	110,412	65,220	8,478	1,170,902
Loss for the year	(1,385)	(7,027)	(2,785)	(1,042)	(12,239)
Dividend	-	-	-	-	-
Closing net assets	985,407	103,385	62,435	7,436	1,158,663
Ownership interest (%)	35%	49%	49%	39%	-
Carrying value	344,892	50,659	30,593	2,900	429,044

The fair value of the above investments has been determined using the Net Asset Value model.

(f) Critical accounting estimates

The fair value of securities not quoted in an active market may be determined by the Company using net asset value or any other valuation technique, whichever is considered to be appropriate. The Group would exercise judgement and estimates on the quantity and quality of pricing sources used, if applicable. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Accounting policy

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 reserves. 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.

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

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

Level 3	Notes	2023 Rs'000	2022 Rs'000
At July 01,		773,084	769,309
Share buy back		-	(8,885)
Change in fair value (note 19)	19	207,096	12,660
At June 30,		980,180	773,084

There were no transfers between level 1, 2 or 3 during the year.

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

Name of Company	Country of Operation	THE GROUP AND THE COMPANY 2023 Rs'000	2022 Rs'000
Unquoted, equity securities:			
Omnicane Thermal Energy Operations (St Aubin) Limited	Mauritius	**275,462**	225,817
Terra Milling Company Ltd	Mauritius	**177,984**	124,503
Alteo Milling Company Ltd	Mauritius	**219,891**	126,051
Terragen Ltd	Mauritius	**148,985**	134,899
Omnicane Thermal Energy Operations (La Baraque) Limited	Mauritius	**93,069**	93,162
Deep River Beau Champ Milling Company Ltd	Mauritius	**21,608**	23,188
Alteo Energy Ltd	Mauritius	**39,631**	42,718
Sugarworld Limited	Mauritius	**3,344**	2,570
MauBank Ltd	Mauritius	**206**	176
Omnicane Millings Holdings (Mon Trésor) Limited*	Mauritius	**-**	-
Omnicane Millings Holdings (Britannia-Highlands) Limited*	Mauritius	**-**	-
The Medine Sugar Milling Company Ltd*	Mauritius	**-**	-
Mon Desert Alma Sugar Milling Company Ltd*	Mauritius	**-**	-
Compagnie Sucrière de Riche-En-Eau Ltée*	Mauritius	**-**	-
The Savannah Sugar Milling Company*	Mauritius	**-**	-
Union St Aubin Milling Company*	Mauritius	**-**	-
Consolidated Energy Ltd*	Mauritius	**-**	-
		980,180	773,084

* The above investments were reduced to nil after accounting for losses. The status of these investments remains active as at June 30, 2022 and 2023, except for The Medine Sugar Milling Company Ltd where SIT transferred its entire shareholding to Medine Limited.

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

The Group and the Company

	Valuation technique	Unobservable inputs	Change in inputs	Sensitivity to changes in significant unobservable inputs	
			%	2023	2022
				Rs'000	Rs'000
				+/-	+/-
Omnicane Thermal Energy Operations (St Aubin) Limited*	NAV	-	5%	**13,773**	11,291
Terra Milling Ltd	NAV	-	5%	**7,449**	6,745
Alteo Milling Company Ltd	NAV	-	5%	**10,995**	6,303
Terragen Ltd*	NAV	-	5%	**8,899**	6,225
Omnicane Thermal Energy Operations (La Baraque) Limited*	NAV	-	5%	**4,653**	4,658
Deep River Beau Champ Milling Company Ltd	NAV	-	5%	**1,080**	1,159
Alteo Energy Ltd*	NAV	-	5%	**1,982**	2,136
Sugarworld Limited	NAV	-	5%	**167**	129
MauBank Ltd	NAV	-	5%	**10**	9

(d) *Valuation method

The fair value of the above investments has been determined using the NAV model.

(e) The carrying amounts of the financial assets represent the maximum credit exposure.

(f) Critical accounting estimates

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

10A INVESTMENT IN JOINTLY CONTROLLED ENTITY

(a) Accounting policy

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group as a joint operator recognises in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly.
- Its liabilities, including its share of any liabilities incurred jointly.
- Its revenue from the sale of its share of the output arising from the joint operation.
- Its share of the revenue from the sale of the output by the joint operation.
- Its expenses, including its share of any expenses incurred jointly.

10A INVESTMENT IN JOINTLY CONTROLLED ENTITY (CONT'D)

(a) Accounting policy (Cont'd)

When The Group transacts with a joint operation (such as a sale or contribution of assets), the gains and losses resulting from the transactions are recognised in the Group's financial statements only to the extent of other parties' interests in the joint operation.

When The Group transacts with a joint operation (such as a purchase of assets), The Group does not recognise its share of the gains and losses until it resells those assets to a third party.

(b) Le Bouchon Development Company Ltd

Following a Shareholder's Agreement ('the agreement') between SIT Land Holdings Limited ('The Group') and Curzon Investments (Le Bouchon) Limited ('the customer' or 'joint venturer'), Le Bouchon Development Company Ltd was set up on March 05, 2020, as a special purpose vehicle in the Republic of Mauritius.

The primary activity of Le Bouchon Development Company ('SPV') is real estate activities with (rental of) own or leased property (Excluding Multi-purpose hall and Exhibition Centre). The sole purpose of setting up The Group is to construct a smart city on a portion of land situated at le Bouchon. On March 21, 2022, the earmarked land was transferred from The Group to the SPV.

At June 30, 2023, management made an assessement that Le Bouchon Development Company Ltd is subject to substantive and protective rights. Even though SIT Land Holdings Limited has 100% shares, management is of the opinion that the entity should not be consolidated as the agreement does not give SIT Land Holdings Limited the ability to use its power to affect the SIT Land Holdings Limited's returns from its involvement with the investee.

The rights stipulates that there are matters which requires unanimous consent which are as follows:

- carry on any activity or business other than the Projects Activities as documented in the agreement;
- purchase, lease, acquire, take options over, exchange or otherwise deal in any real property other than the Land at Le Bouchon, as described in the agreement and accompanying documents
- do or permit or suffer to be done any act whereby The Group may be wound up voluntarily;
- carry out any transaction having effect or an alteration in the share capital, the creation of a class or category of shares or a variation in the rights attached to the Shares;

The rights stipulates that there are matters which requires unanimous consent which are as follows (Cont'd):

- make any appointment, replacement, revocation of the members of the Board of Directors and/or a change in the composition of the Board of Directors beyond the parameters set out in the Agreement,
- pay fees or emoluments to the Board of Directors or to any director, save and except for independent directors.

Furthermore, Curzon Investments (Le Bouchon) Limited have a material right to obtain further shares up to 80% of the investee which will vest automatically if the latter starts construction and pay for the shareholding in the future. SIT Land Holdings Limited does not have the power to influence or intervene in such rights.

Having no other purpose than to carry the project stated above, the investment is classified as a joint venture whereby the major economic decisions related to the investee requires the unanimity from the directors appointed by both parties.

	2023	2022
	Rs'000	Rs'000
At July 1,	**10**	-
Acquisition of investment	**-**	10
Share of result	**-**	-
At June 30,	**10**	10

10A INVESTMENT IN JOINTLY CONTROLLED ENTITY (CONT'D)

(b) Le Bouchon Development Company Ltd (Cont'd)

Name of jointly controlled entity	Principal activity	Country of incorporation	Proportion of interest and voting rights held	
			2023	2023
			%	%
Le Bouchon Development Company Ltd	Real estate activities with (rental of) own or leased property (Excluding Multi-purpose hall and Exhibition Centre)	Republic of Mauritius	100%*	100%*

a. Le Bouchon Development Company Ltd is a private company and there is no quoted market price available for its shares.

The above jointly controlled entity is accounted for using the equity method.

*** Classification of Le Bouchon Development Company Ltd as a joint venture**

Le Bouchon Development Company Ltd is a limited liability company whose legal form confers separation between the parties to the joint arrangement and The Group itself. The entity, however, is classified as a jointly controlled entity on the basis of a joint arrangement exist and decisions about the relevant activities require the unanimous consent of both parties sharing control, being SIT Land Holdings Ltd and Curzon Investments (Le Bouchon) Limited.

(c) Summarised financial information

Summarised financial information in respect of The Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRSs, adjusted for equity accounting purposes such as fair value adjustments made at the time of acquisition and adjustments for differences in accounting policies.

Summarised statement of financial position of Le Bouchon Development Company Ltd

	2023	2022
	Rs'000	Rs'000
Current assets	**2,030**	1,260
Non-current assets	**19,646**	19,327
Current liabilities	**21,891**	20,609
Non-current liabilities	**-**	-
The above amounts of assets and liabilities include the following :		
Cash and cash equivalents	**53**	9
Current financial liabilities (excluding trade and other payables and provisions)	**-**	-
Non-current financial liabilities (excluding trade and other payables and provisions)	**-**	-
Summarised statement of financial position of Le Bouchon Development Company Ltd		
Revenue*	**-**	-
loss for the year*	**(191)**	(30)
Other comprehensive income for the year*	**-**	-
Total comprehensive income for the year*	**(191)**	(30)

* At June 30, 2023, The Group has not started its operations as the necessary permit to operate was still in negotiation with the relevant authorities. Loss for the year does not include any depreciation, amortisation, interest income or interest expense.

10A INVESTMENT IN JOINTLY CONTROLLED ENTITY (CONT'D)

(c) Summarised financial information (Cont'd)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the financial statements:

Reconciliation of summarised financial information

	Le Bouchon Development Company Ltd	
	2023	2022
	Rs. 000	Rs. 000
Operating net assets	**(215)**	6
Loss for the year	**(191)**	(30)
Closing net liabilities	**(406)**	(24)
Ownership interest (%)	**100**	100
	(406)	(24)
Unrecognised loss*	**416**	34
Carrying value	**10**	10

* Loss is restricted to nil and further restricted to cash at bank of Rs.52k. Impairment of was not recognised since the project is being kickstarted after the obtention of the smartcity certificate and future positive cashflows are expected.

(d) Commitments and contingent liabilities

The parties to the jointly controlled entity has agreed to provide such additional funds as the SPV may require from time to time to carry out projects.

(e) Critical accounting estimates and assumptions

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.

11. DEFERRED INCOME TAX

(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 cost 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 some components of 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.

11. DEFERRED INCOME TAX (CONT'D)

(a) Accounting policy (Cont'd)

(b) Deferred income taxes are calculated on all temporary differences under the liability method at 17% (2022: 15%).

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.

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 Company had unused tax losses of Rs. 109m available for offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to unpredictability of future profit streams.

(b) The following amounts are shown in the statements of financial position:

		THE GROUP		THE COMPANY	
		2023	2022	2023	2022
	Notes	Rs'000	Rs'000	Rs'000	Rs'000
Deferred tax assets		**1,448**	883	**1,078**	883
Deferred tax liabilities		**-**	(17,102)	**-**	-
At June, 30		**1,448**	(16,219)	**1,078**	883

(c) The movement on the deferred income tax account is as follows:

		THE GROUP		THE COMPANY	
		2023	2022	2023	2022
	Notes	Rs'000	Rs'000	Rs'000	Rs'000
At July 01,		**(16,219)**	(11,081)	**883**	640
(Charged)/credited to profit and loss	(note 23)	**17,551**	(5,288)	**79**	93
Credited to other comprehensive income		**116**	150	**116**	150
At June, 30		**1,448**	(16,219)	**1,078**	883

(d) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity, is as follows:

(i) <u>THE GROUP</u>

(1) <u>For the year ended June 30, 2023</u>	**Notes**	At July 1, 2022	Credited / (debited) to profit or loss	Credited / (debited) to other comprehensive income	At June 30, 2023
		Rs'000	Rs'000	Rs'000	Rs'000
<u>Deferred tax assets:</u>					
- Retirement benefit obligations	22	909	79	116	1,104
		909	79	116	1,104
<u>Deferred tax liabilities:</u>					
- Accelerated tax depreciation		(17,128)	17,472	-	344
Net deferred tax assets		(16,219)	17,551	116	1,448

11. DEFERRED INCOME TAX (CONT'D)

(d) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity, is as follows (Cont'd):

(i) THE GROUP (CONT'D)

(2) For the year ended June 30, 2022	Notes	At July 1, 2021	Credited / (debited) to profit or loss	Credited / (debited) to other comprehensive income	At June 30, 2022
		Rs'000	Rs'000	Rs'000	Rs'000
Deferred tax assets:					
- Retirement benefit obligations	22	698	61	150	909
		698	61	150	909
Deferred tax liabilities:					
- Accelerated tax depreciation		(11,779)	(5,349)	-	(17,128)
Net deferred tax assets		(11,081)	(5,288)	150	(16,219)

Deferred tax asset on tax losses previously recognised has been expensed during the year, due to unpredictability of future profit streams. According to prevailing laws in Mauritius, the tax losses expire on a rolling basis of 5 years.

(ii) THE COMPANY

(1) For the year ended June 30, 2023	Notes	At July 1, 2022	Credited / (debited) to profit or loss	Credited / (debited) to other comprehensive income	At June 30, 2023
		Rs'000	Rs'000	Rs'000	Rs'000
Deferred tax assets:					
- Retirement benefit obligations	22	**909**	**80**	**116**	**1,105**
Deferred tax liabilities:					
- Accelerated tax depreciation		**(26)**	**(1)**	**-**	**(27)**
Net deferred tax assets		**883**	**79**	**116**	**1,078**

(ii) THE COMPANY

(2) For the year ended June 30, 2022	Notes	At July 1, 2021	Credited / (debited) to profit or loss	Credited / (debited) to other comprehensive income	At June 30, 2022
		Rs'000	Rs'000	Rs'000	Rs'000
Deferred tax assets:					
- Retirement benefit obligations	22	698	61	150	909
Deferred tax liabilities:					
- Accelerated tax depreciation		(58)	32	-	(26)
Net deferred tax assets		640	93	150	883

(e) Critical accounting estimates

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The directors have made an assessment and believe that the deferred tax assets are recoverable.

12A. NVENTORIES

(a) Accounting policy

Consumables comprise food and beverages and wristbands that are stated at the lower of cost and net realisable value. Cost is determined under the weighted average cost method. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

Net realisable value 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.

(b) Inventories can be analysed as follows:

	THE GROUP	
	2023	2022
	Rs'000	Rs'000
Consumables	**2,615**	1,957

(c) The cost of inventories is recognised as cost of sales and amounted to **Rs.10.9m** (2022: Rs.3.4m) (note 27).

12B. LAND INVENTORIES

(a) Accounting policy

Inventories and work in progress are valued at the lower of cost or net realisable value. The cost of finished goods and work in progress comprise 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 land inventory and is measured at the lower of cost and net realisable value (NRV).

Principally, this is residential property that the Company 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 land;
- Amounts paid to contractors for development; and
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs.

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

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

(b) Land inventories can be analysed as follows:

	THE GROUP	
	2023	2022
	Rs'000	Rs'000
Inventory property	**1,192,932**	1,193,949

(c) The cost of inventories recognised as expense and included in cost of sales amounted to Rs. 67m (2022: Rs.128m) (note 27).

(d) Critical accounting estimates

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account recent sales experience and other factors that affect inventory valuation.

13. CONSUMABLES BIOLOGICAL ASSETS

(a) Accounting policy

Consumable biological assets comprising the standing cane valuation, palm trees and herbaceous plants 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.

(b) THE GROUP

(i) As at June 30, 2023

	Plants in nursery	Total
	Rs'000	Rs'000
At July 1,	**1,852**	**1,852**
Decrease due to harvest	**-**	**-**
Charged to profit or loss	**(320)**	**(320)**
At June 30,	**1,532**	**1,532**

(ii) As at June 30, 2022

	Plants in nursery	Total
	Rs'000	Rs'000
At July 1,	3,080	3,080
Decrease due to harvest	(425)	(425)
Charged to profit or loss	(803)	(803)
At June 30,	1,852	1,852

The fair value measurements for standing canes and nursery plants have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

(c) Valuation techniques and significant unobservable inputs

The discounted cash flows valuation model was used to estimate the fair value of standing canes. The model considers the present value of the net cash flows expected to be generated by sugarcane plantation.

Nursery plants are valued using the future selling price of different type of plants.

(d) Critical accounting estimates

The fair value of consumable biological assets was derived 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.

14. TRADE RECEIVABLES

(a) Accounting policy

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

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Trade receivables		**58,219**	48,537	**22,500**	19,552
Less: provision for impairment (note 14(ii))		**(12,182)**	(10,418)	**-**	-
Carrying value of trade receivables		**46,037**	38,119	**22,500**	19,552

The directors have assessed the carrying value of trade receivables and are of opinion that they are fairly stated in the financial statements.

14. TRADE RECEIVABLES (CONT'D)

(i) Impairment of trade receivables

The Group and the Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before June 30, 2023 or July 01, 2022 respectively and the corresponding historical credit losses experienced within this period. 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 GDP as the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor.

On that basis, the loss allowance as at June 30, 2023 and June 30, 2022 was determined as follows for trade receivables:

(b) THE GROUP	Gross Carrying amount - Trade receivables	Loss Allowance	Expected loss rate
(i) At June 30, 2023	Rs'000	Rs'000	%
Current	**36,881**	**(6)**	0%
More than 30 days past due	**4,608**	**(409)**	9%
More than 60 days past due	**1,926**	**(510)**	26%
More than 90 days past due	**335**	**(124)**	37%
More than 120 days past due	**14,469**	**(11,133)**	77%
Total	**58,219**	**(12,182)**	

	Gross Carrying amount - Trade receivables	Loss Allowance	Expected loss rate
(ii) At June 30, 2022	Rs'000	Rs'000	%
Current	35,020	(1,809)	5%
More than 30 days past due	2,079	(149)	7%
More than 60 days past due	1,374	(103)	7%
More than 90 days past due	127	(18)	14%
More than 120 days past due	9,937	(8,339)	84%
Total	48,537	(10,418)	

(c) THE COMPANY	Gross Carrying amount - Trade receivables	Loss Allowance	Expected loss rate
(i) At June 30, 2023	Rs'000	Rs'000	%
Current	**22,500**	-	0%
Total	**22,500**	-	

14. TRADE RECEIVABLES (CONT'D)

(ii) At June 30, 2022	Gross Carrying amount - Trade receivables	Loss Allowance	Expected loss rate
	Rs'000	Rs'000	%
Current	19,552	-	0%
Total	19,552	-	

(ii) The closing loss allowances for trade receivables as at June 30, 2022 and 2021 reconcile to the opening loss allowances as follows:

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
At July 1,		**10,418**	3,609	-	-
Loss allowance recognised in profit or loss during the year	27	**1,764**	6,809	-	-
Reversal of provision for doubtful debts	29	-	-	-	-
At June 30,		**12,182**	10,418	-	-

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

(d) Critical accounting estimates

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

15. OTHER FINANCIAL ASSETS AT AMORTISED COST

(a) Accounting policy

Other financial assets at amortised cost include those assets held with a view to collect contractual cash flows and contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction 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.

Fair value of other financial assets at amortised cost

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

All of the financial assets at amortised cost are denominated in Mauritian rupee. As a result, there is no exposure to foreign currency risk.

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

(b) Other financial assets at amortised cost can be analysed as follows:

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
(i) Amount due from related parties*		**55,207**	40,104	**1,856,264**	1,958,224

*Other financial assets at amortised cost can be further analysed as follows:

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Loan to related party (note(i)) / (note 35)		**52,558**	37,137	**52,558**	37,137
Interest receivable on loan advanced (note(iii)) / (note 35)		**-**	-	**-**	-
Amount due from subsidiary companies (note (ii)) / (note 35)		**-**	-	**2,161,698**	2,238,087
Amount due from related parties (note (iv))/ (note 35)		**2,649**	2,967	**-**	-
		55,207	40,104	**2,214,256**	2,275,224
Less: Loss allowance for financial assets at amortised cost (see note (c))		**-**	-	**(357,992)**	(317,000)
		55,207	40,104	**1,856,264**	1,958,224

(i) Loan to related party
This relates to a current account with Eole plaine Des Roches Ltee. An annual interest of 5% p.a is charged on the outstanding balance.

(ii) Amount due from subsidiary companies
Amount due from subsidiary companies carry an interest rate of 5% p.a, are unsecured and repayable on demand.

(iii) Amount due from related parties
This relates to amount receivable from Omnicane Millings Holdings (Britannia-Highlands) Limited, is unsecured and repayable on demand.

(iv) All of the financial assets at amortised cost are denominated in Mauritius rupees. As a result, there is no exposure to foreign currency risk.

(v) The carrying amount of financial assets is considered to be the same as their fair value.

(vi) Refer to note 35, related party transactions for more details.

(c) Impairment and risk exposure

The loss allowance for the other financial assets at amortised cost as at June 30, 2023 reconciles to the opening loss allowance on July 1, 2022 and to the closing loss allowance as at June 30, 2023. This relates to specific loss provision against intercompany loan that the Company has with its subsidiary, SIT Leisure Limited.

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

(c) Impairment and risk exposure (cont'd)

The Company 2023	Related parties Rs'000	Total Rs'000
Loss allowance at July 1,	**317,000**	**317,000**
Allowance recognised in profit or loss during the year	**40,992**	**40,992**
Loss allowance at June 30,	**357,992**	**357,992**

The Company 2022	Related parties Rs'000	Total Rs'000
Loss allowance at July 1,	301,960	301,960
Allowance recognised in profit or loss during the year	15,040	15,040
Loss allowance at June 30,	317,000	317,000

(d) Critical accounting estimates

In relation to the Group and Company's loans and advances receivable from related parties, these are mainly repayable on demand and where the related companies do not have unrestricted cash at reporting date to repay the debts, management has determined expected credit losses based on future cash flows on the basis that the entities will continue to operate as well as a range of qualitative factors affecting specific segments within the Group.

When measuring ECL, the Group and Company use reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the entity would expect to receive, taking into account cash flows from credit enhancements, if applicable. ECL is deemed immaterial for those inter company exposures where there are highly liquid assets to repay the debt if demanded at the reporting date. However, management has estimated a probability of default for those intercompany exposures which have experience a significant increase in credit risk. Management's estimate of the probability of default is a hybrid estimate of Moody's probability of default according to the credit risk of entities and reflect a range of economic and qualitative factors affecting the counterparties.

The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group and Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

16. OTHER CURRENT ASSETS

(a) Accounting policy

These amounts generally arise from transactions outside the usual operating activities of the Company. Collateral is not normally obtained.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Prepayments	**1,084**	1,271	**223**	366
TDS receivable	**4,035**	3,163	**-**	-
Vat receivable	**927**	242	**-**	-
Others	**1,808**	483	**597**	50
	7,854	5,159	**820**	416

Due to the short-term nature of the current receivables, their carrying amount is considered to be similar to the same as their fair value.

17. 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.

(b) Land classified as held for sale

	Notes	THE GROUP	
		2023	2022
		Rs'000	Rs'000
At July 01,		-	7,699
Transfer from investment properties		-	-
Released to profit or loss		-	(5,815)
Transfer to investment properties		-	(1,884)
At June 30,		-	-

18. STATED CAPITAL

(a) Accounting policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares 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.

	THE GROUP AND THE COMPANY			
	No of ordinary shares	Ordinary shares	Share premium	Total
	Rs'000	Rs'000	Rs'000	Rs'000
(b) At June 30, 2022 & 2023	**389,852**	**389,852**	**13,931**	**403,783**

The Company has one class of shares and each share confers on the holder the following rights:

- One vote on a poll at a meeting of the Company on any resolution;
- An equal share in dividends and other distribution made by the Company; and
- An equal share in the distribution of surplus assets of the Company on its liquidation.

19. OTHER RESERVES

(a) THE GROUP

		Notes	Fair value Reserves Rs'000	Actuarial Reserves Rs'000	Transfer to non-controlling interest Rs'000	Total Rs'000
	At July 1, 2022		1,260	(10,276)	3,183	(5,833)
-	Remeasurement of post employment benefit obligations	22	-	(3,877)	1,486	(2,391)
-	Income tax relating to components of other comprehensive income	23	-	116	-	116
-	Share of other comprehensive income of associated companies	9	13,947	-	-	13,947
-	Increase in fair value of financial assets at fair value through other comprehensive income	10	207,096	-	-	207,096
	At June 30, 2023		**222,303**	**(14,037)**	**4,669**	**212,935**
	At July 1, 2021		(15,942)	(7,274)	2,141	(21,075)
-	Remeasurement of post employment benefit obligations	22	-	(3,152)	1,042	(2,110)
-	Income tax relating to components of other comprehensive income	23	-	150	-	150
-	Share of other comprehensive income of associated companies	9	4,542	-	-	4,542
-	Decrease in fair value of financial assets at fair value through other comprehensive income	10	12,660	-	-	12,660
	At June 30, 2022		**1,260**	**(10,276)**	**3,183**	**(5,833)**

(b) THE COMPANY

		Notes	Fair value Reserves Rs'000	Actuarial Reserves Rs'000	Total Rs'000
	At July 1, 2022		84,245	(1,851)	82,394
-	Remeasurement of post employment benefit obligations	22	-	(685)	(685)
-	Income tax relating to components of other comprehensive income	23	-	116	116
-	Share of other comprehensive income of associated companies	9	60,589	-	60,589
-	Increase in fair value of financial assets at fair value through other comprehensive income	10	207,096	-	207,096
	At June 30, 2023		**351,930**	**(2,420)**	**349,510**

19. OTHER RESERVES (CONT'D)

(b) THE COMPANY (CONT'D)

		Notes	Fair value Reserves Rs'000	Actuarial Reserves Rs'000	Total Rs'000
	At July 1, 2021		86,232	(1,120)	85,112
-	Remeasurement of post employment benefit obligations	22	-	(881)	(881)
-	Income tax relating to components of other comprehensive income	23	-	150	150
-	Share of other comprehensive income of associated companies	9	(14,647)	-	(14,647)
-	Increase in fair value of financial assets at fair value through other comprehensive income	10	12,660	-	12,660
	At June 30, 2023		**84,245**	**(1,851)**	**82,394**

- Fair value reserve relates to the remeasurements of financial assets held at fair value through other comprehensive income.
- The actuarial reserve represents the cumulative remeasurements of retirement benefit obligations.

20. 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/Company has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Bank loans	(i)	**971,271**	992,995	**965,000**	992,995
Bond notes	(ii)	**606,518**	606,518	**606,518**	606,518
Bank overdrafts	33(b)	**1,154**	2,320	**54**	2,125
		1,578,943	1,601,833	**1,571,572**	1,601,638
Analysed as follows:-					
Non-current					
Bank loans		**156,271**	117,765	**150,000**	117,765
Bond notes		**-**	600,000	**-**	600,000
		156,271	717,765	**150,000**	717,765
Current					
Bank loans		**815,000**	875,231	**815,000**	875,231
Bond notes		**606,518**	6,518	**606,518**	6,518
Bank overdrafts	33(b)	**1,154**	2,319	**54**	2,124
		1,422,672	884,068	**1,421,572**	883,873
Total borrowings		**1,578,943**	1,601,833	**1,571,572**	1,601,638

20. BORROWINGS (CONT'D)

(i) Bank loans - The Group/Company

(a) Bridging loan of Rs. 300,000,000 from the State Bank of Mauritius Ltd (SBM) contracted on July 2020 is repayable over 12 months. Interest is payable at SBM Prime Lending Rate ("SBMPLR") which is 4.25% plus 1 % per annum which may be subject to fluctuation. The bridging loan is secured by a first rank fixed charge in respect of immovable properties of the subsidiaries.

(b) Bridging loan of Rs. 600,000,000 from the State Bank of Mauritius Ltd (SBM) contracted on May 2022 is repayable over 12 months. Interest is payable at SBM Prime Lending Rate ("SBMPLR") which is 4.4% plus 1 % per annum which may be subject to fluctuation. The bridging loan is secured by a first rank fixed charge in respect of immovable properties of the subsidiaries.

(c) Bank loan of Rs. 250,000,000 contracted from the MauBank Ltd in year 2018 is repayable over 7 years, including moratorium of 2 years on capital and interest. After the moratorium period, interest is payable at PLR (5.15%) minus 1.75% per annum in quarterly instalments. The loan is secured by fixed and floating charge over immovable properties of the subsidiaries.

(d) COVID-19 loan of Rs. 5,633,000 contracted from the MauBank Ltd in year 2020 is repayable over 30 months including moratorium of 6 months on capital and interest. Interest is payable at a fixed rate of 1.50% per annum on a monthly instalment. The loan is secured by fixed and floating charge over immovable properties of the subsidiaries.

(ii) Bond notes - The Group/Company

The details of the Bonds are analysed as follows:

- Rs. 600m 6.50% fixed rate secured notes of Rs.100,000 each redeemable on April 23, 2024;

(b) The exposure of the Group's and the Company's borrowings to interest rate changes and the contractual repricing dates are as follows:

(i) THE GROUP	6 months or less	6 - 12 months	1 - 5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At June 30, 2023	**127,672**	**1,295,000**	**156,271**	**-**	**1,578,943**
At June 30, 2022	234,357	649,711	717,765	-	1,601,833

(ii) THE COMPANY	6 months or less	6 - 12 months	1 - 5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At June 30, 2023	**126,572**	**1,295,000**	**150,000**	**-**	**1,571,572**
At June 30, 2022	234,162	649,711	717,765	-	1,601,638

(c) The maturity profile of borrowings (bank loans and bond notes) has been disclosed under note 3.1(c).

(d) All the borrowings are denominated in Mauritian rupee.

(e) The carrying amounts of borrowings are not materially different from the fair value.

21. LEASE LIABILITIES

(a) Accounting policy

From July 1, 2019, all leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

21. LEASE LIABILITIES (CONT'D)

(a) Accounting policy (Cont'd)

Identifying Leases

The Group/Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

(a) There is an identified asset;

(b) The Group/Company obtains substantially all the economic benefits from use of the asset; and

(c) The Group/Company has the right to direct use of the asset.

The Group/Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group/Company obtains substantially all the economic benefits from use of the asset, the Group/Company considers only the economic benefits that arise from the use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group/Company has the right to direct use of the asset, the Group/Company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group/Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group/Company applies other applicable IFRSs rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group/ Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group/Company if it is reasonable certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease; and
- the amount of any provision recognised where the Group/Company is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Identifying Leases

When the Group/Company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that is applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

21. LEASE LIABILITIES (CONT'D)

(a) Accounting policy (Cont'd)

When the Group/Company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and the right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

(b) At June 30,	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
At July 1,	**211,216**	212,752	**28,511**	2,094
Lease payment adjustment	**-**	-	**-**	29,499
Interest expense (note 28)	**12,265**	12,358	**1,206**	570
Lease payments	**(13,893)**	(13,894)	**(3,652)**	(3,652)
At June 30,	**209,588**	211,216	**26,065**	28,511
Analysed as follows:				
- Current	**1,725**	1,628	**2,556**	2,446
- Non-Current	**207,863**	209,588	**23,509**	26,065
	209,588	211,216	**26,065**	28,511

*SIT Leisure entered into a contract with the Government of Mauritius for the lease of a portion of land to an extent of 29Ha 9850.69m^2 at Belle Mare which expired on June 30, 2020. The lease was renewed for a period of 40 years, under an extension option. Annual rental of Rs. 13.5m was maintained.

(iii) Nature of leasing activities (in the capacity as lessee)

The Group/Company leases a number of properties in Mauritius from which it operates. It is customary in Mauritius for lease contracts to provide for payments to increase each year by inflation or and in others to be revised periodically to market rental rates. In some jurisdictions property leases the periodic rent is fixed over the lease term.

(iv) Variable lease payments

The percentages in the table below reflect the current proportions of lease payments that are either fixed or variable. The sensitivity reflects the impact on the carrying amount of lease liabilities and right-of-use assets if there was an uplift of 5% on the balance sheet date to lease payments that are variable.

21. LEASE LIABILITIES (CONT'D)

(a) Accounting policy (Cont'd)

THE GROUP

	YEAR 2023		
	Number of lease contracts	Fixed payments	Sensitivity
		%	Rs'000
Property lease with potential uplifts to market rentals	2	100	±695

	YEAR 2022		
	Number of lease contracts	Fixed payments	Sensitivity
		%	Rs'000
Property lease with potential uplifts to market rentals	2	100	±695

THE COMPANY

	YEAR 2023		
	Number of lease contracts	Fixed payments	Sensitivity
		%	Rs'000
Property lease with potential uplift to market rentals	1	100	183

	YEAR 2022		
	Number of lease contracts	Fixed payments	Sensitivity
		%	Rs'000
Property lease with potential uplift to market rentals	1	100	±183

There are extension options ranging between 30 and 60 years in the property leases across the Group.

(d) Critical accounting estimates

The Group/Company cannot readily determine the interest rate implicit in the lease. Therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group/Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

22. RETIREMENT BENEFIT OBLIGATIONS

(a) Accounting policy

Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statements of financial position in respect of defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

22. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Accounting policy (Cont'd)

Remeasurement 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. Remeasurements recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent period.

The Group/Company 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 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.

Unfunded plan

Artisans and labourers of sugar companies are entitled to a gratuity on death or retirement, based on years of service. This item is not funded. The benefits accruing under this item are calculated by an actuary and have been accounted for in the financial statements.

Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pension 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.

(b) At June 30,

Amount recognised in the statements of financial position as non-current liabilities.

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
- Amount recognised in statement financial position	(i)	**36,661**	35,980	**6,500**	5,345
- Amount charged to profit or loss		**2,392**	(272)	**470**	358
- Amount charged to other comprehensive income		**3,877**	3,152	**685**	881

(i) Defined pension benefits

(a) Some companies of the Group operate defined benefit pension plans. The plan is a final salary plan, which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The assets of the plan are independently administered separately. The present value of the defined benefit obligations and the related current service cost were measured using the Projected Unit Credit Method.

22. RETIREMENT BENEFIT OBLIGATIONS

(a) Accounting policy (Cont'd)

(b) The amounts recognised in the statement of financial position are as follows:

	Note	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Present value of defined benefit obligations	(ii)	**41,910**	39,407	**8,705**	7,414
Fair value of plan assets	(iii)	**(5,249)**	(3,427)	**(2,205)**	(2,069)
Liability in the statements of financial position	(i)	**36,661**	35,980	**6,500**	5,345

(i) The reconciliation of the opening balances to the closing balances for the net defined benefit liability is as follows:

THE GROUP	Note	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
At July 1 ,		**35,980**	37,865	**5,345**	4,106
Charged to profit or loss	(27) / (iv)	**2,392**	(272)	**470**	358
(Credited)/charged to other comprehensive income	19 / (v)	**3,877**	3,152	**685**	881
Employer contributions/benefits paid		**(5,588)**	(4,765)		-
At June 30,	(b)	**36,661**	35,980	**6,500**	5,345

(ii) The reconciliation of the present value of the defined obligation over the year is as follows:

	Note	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
At July 1 ,		**39,407**	41,598	**7,414**	6,115
Interest expense		**1,065**	1,235	**298**	259
Current service cost		**1,452**	(1,739)	**256**	184
Employer contributions		**2**	5	**-**	-
Benefits paid		**(4,121)**	(4,756)	**-**	-
Liability experience gain		**2,984**	1,993	**737**	-
Remeasurement recognised in OCI		**1,121**	1,071	**-**	856
At June 30,	(b)	**41,910**	39,407	**8,705**	7,414

22. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Accounting policy (Cont'd)

(iii) The movement in the fair value of plan assets of the year is as follows:

	Note	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
At July 1 ,		**3,427**	3,733	**2,069**	2,009
Interest income		**148**	131	**85**	84
Employee contributions		**2**	13	**-**	-
Employer contributions		**5,659**	5	**-**	-
Benefits paid		**(4,193)**	(368)	**-**	-
Return on plan assets excluding interest income		**176**	(63)	**-**	-
Remeasurement recognised in OCI - Losses		**30**	(24)	**51**	(24)
At June 30,	(b)	**5,249**	3,427	**2,205**	2,069

(iv) The amounts recognised in profit or loss are as follows:

	Note	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Current service cost		**1,454**	(1,376)	**257**	184
Net interest on net defined benefit liability		**938**	1,104	**213**	174
Total included in "employee benefit expense"	**27**	**2,392**	(272)	**470**	358
Actual return on plan assets		**148**	131	**85**	84

(v) The amount recognised in other comprehensive income are as follows:

THE GROUP	Note	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Return on plan assets above interest income		**202**	88	**-**	25
Liability experience (loss)/gain		**5,076**	972	**1,164**	208
Liability (loss)/gain due to change in financial assumptions		**(1,375)**	2,092	**(832)**	648
Actuarial loss		**378**	-	**353**	-
Total included in other comprehensive income	19	**3,877**	3,152	**685**	881

22. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Accounting policy (Cont'd)

(vi) The principal actuarial assumptions used for the purposes of the actuarial valuations were:

		THE GROUP		THE COMPANY	
	Note	2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Discount rate (%)		**4.8-6.15%**	2.5-5.5%	**5.0-6.15%**	4.1-5.5%
Future salary increases (Staff/ Workers) (%)		**2-4.5%**	1-3.5%	**2-4%**	1-3.5%
Future pension increases (%)		**0-3%**	0-3%	**3.0%**	3.0%
Average retirement age		**60-65**	60-65	**60-65**	60-65

(vii) Sensitivity analysis on defined benefit obligations at the end of the reporting date:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Increase in benefit obligation at end of period resulting from 1% decrease in discount rate	**2,767**	1,648	**1,201**	300
Decrease in benefit obligation at end of period resulting from 1% increase in discount rate	**2,178**	1,482	**822**	270
Increase in benefit obligation at end of period resulting from 1% increase/decrease in salary growth	**2,217**	1,278	**687**	831
Decrease in benefit obligation at end of period resulting from 1% increase/decrease in salary growth	**1,786**	723	**434**	418

An increase /decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

The sensitivity above has been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligation has been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation 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.

(viii) The defined benefit pension plan exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment rate risk

The plan liability is calculated using a discount rate determined by reference to government bonds yield; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest rate risk

A decrease in the bond interest rate will increase the plan liability. However, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

22. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Accounting policy (Cont'd)

Longevity risk

The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk

The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

(ix) The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

(c) Critical accounting estimates

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.

23. INCOME TAX

(a) Amounts recognised in the statements of financial position:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
At July 01,	**(572)**	858	**(470)**	901
Less : Payment during the year	**(121)**	(1,284)	**-**	(901)
Add: Refund obtained during the year	**-**	383	**-**	-
(Over)/ under provision in previous year	**-**	-	**-**	-
	(693)	(43)	**(470)**	-
Current tax on the adjusted profit for the year ended June 30,	**633**	462	**-**	-
Covid-19 levy	**-**	-	**-**	-
Less : Payment under Advance Payment System	**(587)**	(1,187)	**-**	(572)
CSR Contribution	**61**	196	**-**	102
	107	(529)	**-**	(470)
At June 30,	**(586)**	(572)	**(470)**	(470)
<u>Analysed as follows:</u>				
- Current tax assets	**(923)**	(758)	**(470)**	(572)
- Current tax liability	**337**	186	**-**	102
Net current tax (asset) / liability	**(586)**	(572)	**(470)**	(470)

23. INCOME TAX ASSETS / (LIABILITIES) (CONT'D)

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.

(b) Amounts recognised in the statements of profit or loss and other comprehensive income:

THE GROUP		THE GROUP		THE COMPANY	
	Note	2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Current tax on the adjusted profit for the year at 15% (2022: 15%)		**633**	462	**-**	-
(Over)/under provision in previous year		**-**	20	**-**	-
Deferred tax credit/(charge)	11	**(3,000)**	5,288	**(79)**	(93)
CSR contribution		**61**	196		102
Covid-19 levy		**-**	-	**-**	-
Tax charged to profit or loss		**(2,306)**	5,966	**(79)**	9
Deferred tax credit to other comprehensive income	11	**(116)**	(150)	**(116)**	(150)
		(2,422)	5,816	**(195)**	(141)

(c) Tax reconciliation

The tax on the Group's and the Company's loss before taxation differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
(Loss)/profit before taxation	**30,501**	158,195	**(111,219)**	(54,383)
Tax calculated at a rate of 15%	**4,575**	(8,477)	**(16,791)**	(8,157)
Expenses not deductible for tax purposes	**20,079**	5,956	**13,230**	2,446
Income not subject to tax	**(21,781)**	(4,951)	**(5,989)**	(3,776)
Tax losses carried forward	**(2,240)**	7,934	**9,550**	9,487
Current tax on the adjusted profit for the year	**633**	462	**-**	-
Other charges related to income tax:	**-**	20	**-**	-
Covid-19 levy	**-**	-	**-**	-
CSR Contribution	**61**	196	**-**	102
Deferred tax (credit)/charge (note 11)	**(3,000)**	5,288	**(79)**	(93)
Total tax credit/(charge) to profit or loss	**(2,306)**	5,966	**(79)**	9
Deferred tax credit to other comprehensive income (note 11)	**(116)**	(150)	**(116)**	(150)
	(2,422)	5,816	**(195)**	(141)

Income not subject to tax includes annual allowances, dividend income from resident companies and reversals of impairment losses.

Expenses not deductible for tax purposes include depreciation, expenditure on entertainment, share of result of associates, change in fair value of biological assets and other expenses relating to exempt income.

24. TRADE AND OTHER PAYABLES

(a) Accounting policy

Trade payables and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(b) Trade and other payables are detailed as follows:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Trade payables	**75,389**	27,262	**2,374**	2,251
Amount due to subsidiary companies (note 35)	**-**	-	**73,910**	63,354
Amount due to associated companies (note 35)	**-**	-	**-**	-
Legal cost payable	**-**	-	**-**	350
Interest payable	**8,446**	2,236	**8,446**	2,236
Payroll and other related expenses payable	**3,408**	5,117	**-**	-
Medical facilities	**-**	3,715	**-**	-
Garage and fuel facilities	**-**	968	**-**	-
Annual report expenses accrued	**-**	1,498	**-**	1,498
Provision on ligitation claim	**-**	2,000	**-**	2,000
VAT payable	**1,223**	1,525	**1,223**	1,525
Refundable deposits	**4,680**	2,383	**-**	-
Retention monies payable	**3,952**	3,952	**-**	-
Other payables and accrued expenses	**13,483**	13,665	**2,258**	2,449
Total	**110,581**	64,321	**88,211**	75,663

(i) Refundable deposits represent deposits paid by lessees and tenants on lease of land and rental of industrial and commercial space.

(ii) The carrying amount of trade and other payables approximate their fair value.

25. LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

(a) Accounting policy

A contract liability is the obligation to transfer goods 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 goods 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 i.e., when sales deed of land are signed by the customers.

(a) Liabilities related to contracts with customers can be analysed as follows:

		THE GROUP	
	Notes	2023	2022
		Rs'000	Rs'000
At July 1,		**56,278**	157,562
Amounts included in contract liabilities that was recognised as revenue	26	**(2,821)**	(116,801)
Cash received in advance of performance and not recognised as revenue		**19,162**	15,917
Deposit refunded		**(2,222)**	(400)
At June 30,		**70,397**	56,278

26. TURNOVER

(a) Accounting policy

A Revenue from contracts with customers

(i) Performance obligations and timing of revenue recognition

Sugar proceeds

The majority of the revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has been transferred to the customer. This is generally when the goods are delivered to the customer.

Sugar, molasses, bagasse and distillers/bottlers proceeds are recognised based on the total production of the crop year. There is limited judgement needed in identifying the point control passes: once crop has been harvested and processed into sugar, molasses, bagasse and distillers/bottlers and delivered to the Mauritius, Sugar Syndicate, the Group 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.

Rental income

Rental income from operating leases is recognised on a straight-line basis over the lease term, with revenue recognised typically on an over time basis.

Sales of land/ completed inventory property

Revenue is recognised at a point in time when ownership of the land is actually transferred to the customer.

Park tickets

Revenue from park tickets is recognised at a point in time upon the sale of the ticket at the different point of sales. Revenue from sale of tickets are recognised upon the issue of tickets to the customers.

Amusement rides and entertainment

Revenue from amusement rides and entertainment is recognised at a point in time upon the sale of the ticket at the different point of sales. Revenue from amusement rides and entertainment is recognised upon issue of tickets to the customers.

Food and beverages

Revenue from food and beverages is recognised upon the issue of billing at the different point of sales. Revenue is recognised at a point in time upon recording of the sales on the different point of sales. Revenue from food and beverages is recognsied upon the recording of the sales on the point of sales ('POS').

(ii) Determining the transaction price

Revenue is 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.

(iii) Allocating amounts to performance obligations

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. Any differences between the recommended prices and the final prices are reflected in profit or loss of the period in which they are established.

For most contracts, there is a fixed unit price for each product sold or services rendered. Therefore, there is no judgement involved in allocating the contract price to each unit ordered or service rendered in such contracts (it is the total contract price divided by the number of units ordered or service rendered). Where a customer orders more than one product line, the Company 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).

26. TURNOVER (CONT'D)

(a) Accounting policy

The costs of fulfilling contracts do not result in the recognition of a separate asset because:

- such costs are included in the carrying amount of inventory for contracts involving the sale of goods; and
- for service contracts, revenue is recognised over time by reference to the stage of completion meaning that control of the assets is transferred to the customer on a continuous basis as work is carried out. Consequently, no asset for work in progress is recognised.

Practical Exemptions

The Group/Company has taken advantage of the practical exemptions:

- not to account for significant financing components where the time difference between receiving consideration and transferring control of goods (or services) to its customer is one year or less; and
- expense the incremental costs of obtaining a contract when the amortisation period of the asset otherwise recognised would have been one year or less.

B Other revenues earned by the Group/Company are recognised on the following bases:

- 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).
- Dividend income is accounted for when the shareholder's right to receive payment is established
- Management fees are recognised when control of services is transferred to the customer at an amount that reflects the condition to which the Group/Company expects to be entitled in exchange of those services
- Other income is recognised as it accrues unless collectability is in doubt.

C Contract balances

A contract liability is the obligation to transfer services to a customer for which the Company has received full or partial consideration. In cases where the customer pays consideration before the Company transfers goods/services, 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 Company performs under the contract. The Company 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.

D Costs of obtaining long-term contracts and costs of fulfilling contracts

In addition to the contract balances, as disclosed above, the Company has also recognised an asset in relation to costs to fulfil a long-term contract ('Le Bouchon Contract'). This is presented within 'Other assets' in the statement of financial position.

E Remaining performance obligations

The vast majority of the Company's contracts are for the delivery of goods within the next 12 months for which the practical expedient in paragraph 121(a) of IFRS 15 applies. However, Le Bouchon Contract for the sales of land have been entered into for which both:

- the original contractual period was until construction date is announced and 4 years thereafter; and
- the Company's right to consideration does not correspond directly with the performance.

26. TURNOVER (CONT'D)

(b) The following is an analysis of the Group and the Company's turnover for the year.

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Sugar and agricultural diversification proceeds		45,414	38,369	-	-
- Sales of properties:		-	-	-	-
- Amount recognised as revenue that were included in:					
- contract liabilities	25	2,336	116,801	-	-
- contract liabilities directly associated with non- current assets classified as held for sale	17	2,222	400	-	-
- Direct sales received during the year		126,870	160,852	-	-
- Rental of investment properties		74,492	62,645	-	-
- Park tickets		17,396	7,498	-	-
- Amusement rides and entertainment		6,114	1,073	-	-
- Food and beverages		22,578	3,145	-	-
Revenue from contract with customers		297,422	390,783	-	-
- Dividend income from associated companies		26,751	21,168	26,751	21,168
Total revenue	(i) & (ii)	324,173	411,951	26,751	21,168

(i) 2023

	Agro-industry	Real estate	Investment	Leisure	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Segment revenue	45,414	209,572	26,751	46,088	327,825
Inter-segment revenue	-	(3,652)	-	-	(3,652)
Revenue from contracts with customers	45,414	205,920	26,751	46,088	324,173
Product type					
Sugar cane	44,993	-	-	-	44,993
Agriculutral produce	421	-	-	-	421
Rental of investment property	-	74,492	-	-	74,492
Sales of real estate	-	131,428	-	-	131,428
Amusement park	-	-	-	46,088	46,088
Dividend income	-	-	26,751	-	26,751
	45,414	205,920	26,751	46,088	324,173
Contract counterparties					
Syndicate	44,993	-	-	-	44,993
Investee	-	-	26,751	-	26,751
Direct to consumers	421	205,920		46,088	252,429
	45,414	205,920	26,751	46,088	324,173
Timing of revenue recognition					
At a point in time	45,414	131,428	26,751	46,088	249,681
Over time	-	74,492	-	-	74,492
	45,414	205,920	26,751	46,088	324,173

26. TURNOVER (CONT'D)

(ii) 2022

	Agro-industry	Real estate	Investment	Leisure	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Segment revenue	38,369	342,220	21,168	11,716	413,473
Inter-segment revenue	-	(1,522)	-	-	(1,522)
Revenue from contracts with customers	38,369	340,698	21,168	11,716	411,951
Product type					
Sugar cane	37,944	-	-	-	37,944
Agricultral produce	425	-	-	-	425
Rental of investment property	-	62,645	-	-	62,645
Sales of real estate	-	278,053	-	-	278,053
Amusement park	-	-	-	11,716	11,716
Dividend income	-	-	21,168	-	21,168
	38,369	340,698	21,168	11,716	411,951
Contract counterparties					
Syndicate	37,944	-	-	-	37,944
Investee	-	-	21,168	-	21,168
Direct to consumers	425	340,698	-	11,716	352,839
	38,369	340,698	21,168	11,716	411,951
Timing of revenue recognition					
At a point in time	38,369	278,053	21,168	11,716	349,306
Over time	-	62,645	-	-	62,645
	38,369	340,698	21,168	11,716	411,951

(d) The primary geographic market is located in Mauritius. There are no transactions with a single external customer that accounts for more than 10% of the Group/ Company's total revenue.

(e) Other assets

During the year 2022, the Company entered into a contract with Curzon ('the customer') and transferred a portion of land, with historical cost of Rs.18,989k, to a jointly controlled entity (See Note 10A(b)). Performance obligation is satisfied when the start of the construction of a smart city is announced. As at June 30, 2022, no date was announced but both parties remained committed to the completion of the project. The cost of the land will be recoverred when a construction date is announced and the Company obtain rights for consideration. The total consideration of the land is USD50M. Payment for the land shall be as follows:

- USD20M following announcement with 4 consecutive annual payment of USD5M.
- USD10M retained in consideration of 20% shares and voting rights of retained in the joint venture.

(f) Critical accounting estimates

<u>Revenue recognition</u>

Revenue is recognised over time for long-terms contracts. Management exercises judgement in determining the performance obligations. In addition, management exercises judgement in assessing whether control has been transferred to the customer before revenue is recognised.

27. EXPENSES BY NATURE

	Notes	THE GROUP 2023 Rs'000	THE GROUP 2022 Rs'000	THE COMPANY 2023 Rs'000	THE COMPANY 2022 Rs'000
Cultivation costs		**24,139**	19,551	**-**	-
Cost of land inventory sold:					
Land inventories	12B	**66,636**	128,101	**-**	-
Classified as held for sales	17	**-**	5,815	**-**	-
		66,636	133,916	**-**	-
Employee benefit expenses:					
Wages and salaries		**68,384**	78,395	**27,165**	32,895
Social security costs		**5,691**	5,238	**1,810**	2,145
Retirement benefit obligations	22	**2,392**	(272)	**470**	358
Other staff costs		**4,562**	4,581	**1,777**	1,661
		81,029	87,942	**31,222**	37,059
Direct operating expenses arising from investment properties	6(d)	**20,380**	18,848	**-**	-
Depreciation and amortisation on:					
- property, plant and equipment	5	**33,272**	36,320	**298**	365
- investment property	6	**-**	-	**-**	-
- right-of-use-assets	5A	**5,242**	5,242	**2,950**	3,229
- intangible assets	7	**735**	1,743	**79**	104
		39,249	43,305	**3,327**	3,698
Other operating expenses:					
Directors fees	35(e)	**4,237**	4,028	**1,471**	1,201
Irrecoverable VAT		**-**	777	**-**	-
Impairment of receivables	14	**1,764**	6,809	**-**	-
Bad debts written off		**-**	78	**-**	-
Syndic fees		**2,837**	2,837	**288**	288
Motor vehicle running expenses		**1,359**	1,117	**1,007**	636
Cost of inventory recognised as expense	12A	**10,909**	3,386	**-**	-
Professional fees		**2,737**	2,727	**1,992**	1,936
Delegate fees and expenses		**231**	1,318	**231**	1,318
Printing and postages		**5,582**	4,655	**4,629**	3,270
Electricity and water		**7,205**	6,263	**492**	808
Security expenses		**1,865**	2,889	**-**	-
Bank charges		**680**	1,073	**630**	1,045
Repairs and maintenance expenses		**1,397**	1,969	**41**	188
Scrapped assets written off	5	**-**	-	**-**	-
Other expenses		**10,468**	7,952	**3,644**	3,156
		51,271	47,878	**14,425**	13,846
Total operating expenses		**282,704**	351,440	**48,974**	54,603
Analysed as follows:					
Cost of sales		**175,567**	229,259	**-**	-
Other operating expenses		**107,137**	122,181	**48,974**	54,603
		282,704	351,440	**48,974**	54,603

28. FINANCE COSTS

	Notes	THE GROUP 2023 Rs'000	THE GROUP 2022 Rs'000	THE COMPANY 2023 Rs'000	THE COMPANY 2022 Rs'000
Interest on bank		23	16	-	-
Interest income on related party loans	35	2,282	1,856	84,271	79,092
Exchange gain		13,176	-	-	-
		15,481	1,872	84,271	79,092
Interest expenses:					
- Bank and other loans		69,491	23,496	69,491	23,496
- Bonds		39,010	71,371	39,010	71,371
- Lease liabilities	21	12,265	12,358	1,206	570
- Others		2,371	2,488	285	-
		123,137	109,713	109,992	95,437
Net finance cost / (income)		120,855	107,857	25,721	16,345

29. OTHER INCOME

	Notes	THE GROUP 2023 Rs'000	THE GROUP 2022 Rs'000	THE COMPANY 2023 Rs'000	THE COMPANY 2022 Rs'000
Management fees	35	-	-	12,994	10,435
Government wage assistance scheme		-	6,876	-	-
Lease payment exemption			-	-	-
Other income from investment property		21,741	16,961	-	-
Remeasurement of right of use assets	5A	-	-	-	-
Profit on disposal of property, plant and equipment (excluding land)		22	682	-	2
Sundry income		3,056	3,094	-	-
		24,819	27,613	12,994	10,437

30. EXCEPTIONAL ITEMS

	Notes	THE GROUP 2023 Rs'000	THE GROUP 2022 Rs'000	THE COMPANY 2023 Rs'000	THE COMPANY 2022 Rs'000
Impairment of:					
- property, plant and equipment	5	617	1,528	-	-
- inventory property	6	-	-	-	-
- VAT and and tax arrears		8,961	406	-	-
		9,578	1,934	-	-

31. (LOSS)/PROFIT BEFORE TAX

	Notes	THE GROUP 2023 Rs'000	THE GROUP 2022 Rs'000	THE COMPANY 2023 Rs'000	THE COMPANY 2022 Rs'000
(Loss)/profit before taxation is arrived at after:					
Crediting:					
Government wage assistance scheme	29	-	6,876	-	-
Fair value gain on investment properties	6	**118,010**	190,890	-	-
Lease payment exemption	29	-	-	-	-
Finance income	28	**2,282**	1,856	-	-
Charging:					
Depreciation and amortisation on:					
- property, plant and equipment	5	**33,272**	36,320	**298**	365
- right-of-use-assets	5A	**5,242**	5,242	**2,950**	3,229
- intangible assets	7	**735**	1,743	**79**	104
Change in fair value of biological assets	13	**320**	803	-	-
Impairment of:					
- property, plant and equipment	5	**617**	1,528	-	-
- inventory property	6	-	-	-	-
- financial assets	15(d)		-	-	15,040
Scrapped assets written off	5	-	-	-	-
Employee benefit expenses	22	**81,029**	87,942	**31,222**	37,059

32. (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 (2022: nil).

		THE GROUP 2023	THE GROUP 2022	THE COMPANY 2023	THE COMPANY 2022
Net (loss)/profit attributable to owners of the Group/Company	Rs'000	**(126,651)**	(95,594)	**(111,140)**	(54,392)
Basic number of ordinary shares in issue ('000)		**389,852**	389,852	**389,852**	389,852
Weighted number of ordinary shares in issue ('000)		**389,852**	389,852	**389,852**	389,852
(Loss)/earnings per share	Cts.	**(0.32)**	(0.25)	**(0.29)**	(0.14)

33. 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.

	Notes	THE GROUP		THE COMPANY	
			Restated		
		2023	2022	2023	2022
(a) **Cash generated/(used in) from operations:**		Rs'000	Rs'000	Rs'000	Rs'000
(Loss) / profit before taxation		**30,501**	158,195	**(111,219)**	(54,383)
Adjustments:					
Depreciation and amortisation on:					
- property, plant and equipment	5	**33,272**	36,320	**298**	365
- investment property	6	**-**	-	**-**	-
- right-of-use-assets	5A	**5,242**	5,242	**2,950**	3,229
- intangible assets	7	**735**	1,743	**79**	104
Impairment of:					
- property, plant and equipment	5	**617**	1,528	**-**	-
Amount recognised as revenue that were included in:					
- contract liabilities	25	**(2,821)**	(116,801)	**-**	-
- contract liabilities directly associated with non-current assets classified as held for sale	25	**(2,222)**	(400)	**-**	-
Lease payment exemption		**-**	-		
Cost of non-current asset held for sale	17	**-**	5,815	**-**	-
Profit on disposal (excluding land)	29	**-**	(323)		
Share of result of associates	9	**36,243**	10,241		
Retirement benefit obligations, net of benefits paid		**2,392**	(272)	**470**	358
Changes in fair value of biological assets	13	**320**	(2)	**-**	-
Dividend income	26	**(26,751)**	(21,168)	**(26,751)**	(21,168)
Fair value gain	6	**(118,010)**	(190,890)	**-**	-
Unwinding effect of loan notes	33(c)	**-**	75,192	**-**	75,192
Finance income	28	**(15,481)**	(1,872)	**(84,271)**	(79,092)
Interest expense	28	**123,137**	109,713	**109,992**	95,437
		67,174	72,261	**(108,452)**	20,042
Changes in working capital:					
- Inventories		**(658)**	109	**-**	-
- Land inventories*		**1,017**	105,002	**-**	-
- Trade receivables		**(7,918)**	7,622	**(2,948)**	(17,121)
- Other financial assets at amortised cost		**(15,103)**	(332)	**101,960**	114,167
- Other current assets		**(2,695)**	(559)	**(404)**	(271)
- Trade and other payables		**46,260**	10,973	**12,548**	8,080
Cash generated from operations		**88,077**	195,076	**2,704**	124,897

* Changes in land inventories exclude transfer from investment properties of Rs.32,951 (see note 6) which is a non-cash transaction.

33. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(b) Cash and Cash equivalents

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Cash in hand and at bank	**24,105**	27,346	**7,305**	948
Bank overdraft (note 20)	**(1,154)**	(2,320)	**(54)**	(2,125)
Cash and cash equivalents	**22,951**	25,026	**7,251**	(1,177)

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(c) Reconciliation of liabilities arising from financing activities

THE GROUP

(i) Year 2023

	At July 01, 2022	Cash flows	Non-cash changes	At June 30, 2023
	Rs.	Rs.	Rs.	Rs.
Bank loans	**992,995**	**(21,724)**	**-**	**971,271**
Bond notes	**606,518**	**-**	**-**	**606,518**
Lease liabilities	**211,216**	**(13,893)**	**12,265**	**209,588**
Liabilities arising from financing activities	**1,810,729**	**(35,617)**	**12,265**	**1,787,377**
Cash & cash equivalents and bank overdraft	**(25,026)**	**2,075**	**-**	**(22,951)**
Net debt (note 3.1)	**1,785,703**	**(33,542)**	**12,265**	**1,764,426**

(ii) Year 2022

	At July 01, 2021	Cash flows	Non-cash changes	At June 30, 2022
	Rs.	Rs.	Rs.	Rs.
Bank loans	**554,473**	438,522	-	**992,995**
Bond notes	**1,212,685**	(681,359)	75,192	**606,518**
Lease liabilities	**212,752**	(13,894)	12,358	**211,216**
Liabilities arising from financing activities	**1,979,910**	(256,731)	87,550	**1,810,729**
Net cash & cash equivalents	**(141,994)**	116,968	-	**(25,026)**
Net debt (note 3.1)	**1,837,916**	(139,763)	87,550	**1,785,703**

33. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

THE COMPANY

(iii) Year 2023

	At July 01, 2022	Cash flows	Non-cash changes	At June 30, 2023
	Rs'000	Rs'000	Rs'000	Rs'000
Bank loans	**995,120**	**(30,120)**		**965,000**
Bond notes	**606,518**	**-**		**606,518**
Lease liabilities	**28,511**	**(3,652)**	**1,206**	**26,065**
Liabilities arising from financing activities	**1,630,149**	**(33,772)**	**1,206**	**1,597,583**
Cash & cash equivalents and bank overdraft	**1,177**	**6,074**	**-**	**7,251**
Net debt (note 3.1)	**1,631,326**	**(27,698)**	**1,206**	**1,604,834**

(iv) Year 2022

	At July 01, 2021	Cash flows	Non-cash changes	At June 30, 2022
	Rs'000	Rs'000	Rs'000	Rs'000
Bank loans	554,473	435,647	5,000	995,120
Bond notes	1,212,685	(681,359)	75,192	606,518
Lease liabilities	2,094	(3,652)	30,069	28,511
Liabilities arising from financing activities	1,769,252	(249,364)	110,261	1,630,149
Cash & cash equivalents and bank overdraft	(108,000)	109,177	-	1,177
Net debt (note 3.1)	1,661,252	(140,187)	110,261	1,631,326

34. SEGMENT INFORMATION

(a) Accounting policy

Segment information presented relates to operating expenses incurred. segments that engage in business activities for which revenues are earned.

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.

Operating segments that do not meet any of the quantitative thresholds of 10% reported revenue or profit or assets are included in the unallocated category. Product description of segments are as follows:

(i) Agro-industry - Sugar cane plantation and sales of herbaceous plants
(ii) Land sales and investments - Sales of agricultural land, investment holding
(iii) Real estate - rental of offices and sale of residential property
(iv) Leisure - recreational activities (amusement park and rides)

34. SEGMENT INFORMATION (CONT'D)

(b) At June 30,

THE GROUP 2023	Agro-industry Rs'000	Land sales and investments Rs'000	Real estate Rs'000	Leisure Rs'000	Unallocated Rs'000	Total Rs'000
Total segment revenues	45,414	209,572	26,751	46,088	-	327,825
Inter-segment revenues	-	(3,652)	-	-	-	(3,652)
Revenue from external customers	45,414	205,920	26,751	46,088	-	324,173
Segment profit	21,175	125,344	42,607	(36,937)	-	152,189
Unallocated corporate expenses	-	-	-	-	6,970	6,970
Operating (loss)/profit	21,175	125,344	42,607	(36,937)	6,970	159,159
Share of profit of associates	-	-	-	-	(36,243)	(36,243)
Exceptional items	-	-	-	-	(9,578)	(9,578)
Other income	-	-	24,819	-	-	24,819
Finance income	-	-	-	-	15,481	15,481
Finance costs	-	-	-	-	(123,137)	(123,137)
(Loss)/profit before taxation	21,175	125,344	67,426	(36,937)	(146,507)	30,501
Taxation	-	2,306	-	-		2,306
(Loss)/profit for the year	21,175	127,650	67,426	(36,937)	(146,507)	32,807
Segment assets	270,941	1,041,392	3,255,766	389,245	364,987	5,322,331
Segment liabilities	41,844	733,427	20,673	869,283	341,280	2,006,507

THE GROUP 2022	Agro-industry Rs'000	Land sales and investments Rs'000	Real estate Rs'000	Leisure Rs'000	Unallocated Rs'000	Total Rs'000
Total segment revenues	38,369	299,221	64,167	11,716	-	413,473
Inter-segment revenues	-	-	(1,522)	-	-	(1,522)
Revenue from external customers	38,369	299,221	62,645	11,716	-	411,951
Segment profit	(14,257)	115,970	151,028	(70,049)	-	182,692
Unallocated corporate expenses	-	-	-	-	67,906	67,906
Operating (loss)/profit	(14,257)	115,970	151,028	(70,049)	67,906	250,598
Share of profit of associates	-	-	-	-	(10,241)	(10,241)
Exceptional items			-	(1,528)	(406)	(1,934)
Other income	-	-	16,961	-	10,652	27,613
Finance costs	-	-	-	-	(109,713)	(109,713)
Finance Income	-	-	-	-	1,872	1,872
(Loss)/profit before taxation	(14,257)	115,970	167,989	(71,577)	(39,930)	158,195
Taxation	-	(5,966)	-	-	-	(5,966)
(Loss)/profit for the year	(14,257)	110,004	167,989	(71,577)	(39,930)	152,229
Segment assets	270,941	1,041,392	2,986,221	389,245	364,987	5,052,786
Segment liabilities	41,844	733,427	20,673	918,246	341,280	2,055,470

(c) Operating segments are components of the Group about which separate financial information is available. The primary geographic market of the Group is wholly in Mauritius.

35. RELATED PARTY TRANSACTIONS

(a) THE GROUP

(i) 2023	Associates Rs'000	Total Rs'000
Finance income (note 28)	2,282	2,282
Share of loss (note 9)	36,243	36,243
Amount owed to associated companies (note 24)	-	-
Loan receivable from related parties (note 15)	52,558	52,558
Amount owed by related parties (note 15)	2,649	2,649

(i) 2022	Associates Rs'000	Total Rs'000
Finance income (note 28)	1,856	1,856
Share of loss (note 9)	10,241	10,241
Amount owed to associated companies (note 24)	-	-
Loan receivable from related parties (note 15)	37,137	37,137
Amount owed by related parties (note 15)	2,967	2,967

(b) THE COMPANY

(i) 2023	Subsidiaries Rs'000	Associates Rs'000	Total Rs'000
Management fees (note 29)	12,994	-	12,994
Finance income (note 28)	78,681	5,590	84,271
Lease payment - rental of office floor (note 21)	-	-	-
Amount owed by related parties (note 15)	2,161,698	52,558	2,214,256
Loan receivable from related parties (note 15)	-	-	-
Amount owed to related parties (note 24)	73,910		73,910

(i) 2022	Subsidiaries Rs'000	Associates Rs'000	Total Rs'000
Management fees (note 29)	10,435	-	10,435
Finance income (note 28)	77,236	1,856	79,092
Lease payment - rental of office floor (note 21)	3,652	-	3,652
Amount owed by related parties (note 15)	2,238,087	37,137	2,275,224
Loan receivable from related parties (note 15)	-	-	-
Amount owed to related parties (note 24)	63,354	-	63,354

35. RELATED PARTY TRANSACTIONS (CONT'D)

(c) Terms and conditions of transactions

Transactions with the related parties have been made at arm's length, on normal commercial terms and in the ordinary course of business.

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:

Amount due from related companies carry interest rate ranging from 5% to 8.5% p.a.

(d) There were no guarantees received or provided for any amounts receivable from related company and amounts payable to related company.

(e) Directors and key management personnel compensation:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Directors fees and remuneration	**4,237**	4,028	**1,471**	1,201
Salaries and short-term employee benefits	**4,562**	4,581	**1,777**	1,661
	8,799	8,609	**3,248**	2,862

36. ...!!

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) Reconciliation

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
At July 01,	**68,554**	40,161	**43,635**	28,103
Dividend declared during the year	**-**	28,595	**-**	15,594
Reversal of Unclaimed dividend	**(68,419)**	-	**(43,585)**	-
Paid during the year	**(135)**	(202)	**(50)**	(62)
	-	68,554	**-**	43,635

(i) Rule 71 of the SIT Rules and Article 132 of the Memorandum & Articles of Association provide that all dividends unclaimed for a period of 5 years after having been declared shall be forfeited and shall revert to the companies. Dividends amounting to MUR 43.5 m were unclaimed and unpaid at 30 June 2023 and have been reversed in line with provisions of the SIT Rules and Memorandum & Articles of Association.

38. GOING CONCERN AND COVID-19 IMPACT

Most of the segments have shown a certain degree of resilience despite the national lockdown in March 2021 except for leisure which has been severely impacted by the complete closure of its activities. As COVID-19 continues to evolve, the extent of the impact of the pandemic remains uncertain as it is dependent on future developments that cannot be accurately predicted at this time.

The Directors have made an assessment of the Company's ability to continue as a going concern. At June, 30 2023, the Group had net current liabilities of **Rs. 275m** (2022: net assets of Rs. 234m) and the company had a net assets of **Rs. 375m** (2022: Rs. 974m) and the Group had made a profit of **Rs. 32.8m** (2022: profit of Rs. 152m) and the company made a loss of **Rs. 111.1m** (2022: loss of Rs. 54.3m) for the year ended June 30, 2023.

As part of this assessment, the Directors have factored in the short- and medium-term effects of the pandemic on the Group's and the Company's activities and their ability to post profitable results and positive cash flows in the years ending June 30, 2023 and beyond.

Leisure

This segment remains the key risk of the Group and has adversely been impacted by the COVID-19 pandemic. The amusement Park and rides is now normally fully opened to the public. Consequently the revenue of SIT Leisure has increased from 11M in 2022 to 46M in 2023. The Directors believe that a material uncertainty exists that may cast doubt on this sector's ability to continue as a going concern in the next twelve months.

The Company has obtained a letter of comfort from its holding company-SUGAR INVESTMENT TRUST (The "Support company")stipulating that it will provide the Company with financial assisstance that may be required to ensure the Company is able to satisfy its financial obligations and pay its debts (both current and future) as and when they fall due in the ordinary course of business.

Notwithstanding the material uncertainty regarding the leisure operating segment, when assessing the mitigating actions available to the Group in terms of debt restructuring, disposal of non-core assets, the upbeat prospect of higher land sales and austerity measures for enhanced cost control, the Directors are of the opinion the Group will be able to meet its financial obligations and fund its operational losses that can result from the protracted COVID-19 impact in the next financial year. Accordingly, the financial statements of the Group have also been prepared on the going concern basis.

39. EVENTS AFTER REPORTING DATE

There has been no material events since the end of the reporting date.

40. CHANGES IN ACCOUNTING POLICIES - INVESTMENT PROPERTY

Impact on the financial statements (cost to fair value model)

(a) The Group has adopted a change in accounting policy to measure its investment properties at fair value in accordance with International Accounting Standard (IAS) 40.

In preparing the financial statements for the year ended June 30, 2023, the group identified all necessary corrections and restatements that ought to be 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.

40. CHANGES IN ACCOUNTING POLICIES - INVESTMENT PROPERTY (CONT'D)

Impact on the financial statements (cost to fair value model)

During the year ended June 30, 2023, the following balances were restated retrospectively and the effect of the restatements are summarised as follows:

	Notes	2022		
		As previously reported	Prior year adjustments	Restated balance
		Rs'000	Rs'000	Rs'000
Statement of financial position				
Investment properties -(e)	6	804,323	1,061,098	1,865,421
Non controlling interests		424,153	1,040,903	1,465,056
Retained earnings -(d)		964,558	169,752	1,134,310

Statement of profit or loss and other comprehensive income

June 30, 2022

	2022		
	As previously reported	Prior year adjustments	Restated balance
	Rs'000	Rs'000	Rs'000
Fair value gain on investment properties	-	164,846	164,846
Depreciation on building and structures on leasehold land -(c)	23,883	(23,883)	-

	Notes	2021		
		As previously reported	Prior year adjustments	Restated balance
		Rs'000	Rs'000	Rs'000
Statement of financial position				
Investment properties -(e)	6	855,515	843,623	1,699,138
Non controlling interests		404,253	515,035	919,288
Retained earnings -(d)		1,075,746	476,122	1,551,868

Statement of profit or loss and other comprehensive income
June 30, 2021

	2021		
	As previously reported	Prior year adjustments	Restated balance
	Rs'000	Rs'000	Rs'000
Depreciation on building and structures on leasehold land -(c)	23,525	(23,252)	-

40. CHANGES IN ACCOUNTING POLICIES - INVESTMENT PROPERTY (CONT'D)

(b) The above adjustments have no impact on the statement of cash flows for year ended 2022 and 2021.

(c) All depreciation charge on building and structures on leasehold land for year 2022 and prior years were reversed respectively.

(d) Retained earnings were adjusted to record the net effect of all other adjustments noted.

(e) This change in accounting policy has been consistently applied to all investment properties held by the group. Additionally, the depreciation charges for buildings and structures on leasehold land have been reversed for the year 2022 and prior years, respectively.

(f) Reason for change from cost model to fair value model

(i) The reason for changing from the cost model to the fair value model under IAS 40 was to provide more relevant and reliable information about the investment property's current value in the market. The fair value model captures these changes in a more timely and accurate manner compared to the cost model.

(ii) Fair value measurement reflects the market's expectations of future cash flows, which can be influenced by factors such as rental rates, occupancy levels, and market demand.

(ii) By using a consistent approach to fair value measurement, financial statements of different entities can be more easily compared, facilitating a better understanding of the relative value and performance of investment properties across the industry.