THE STATE INVESTMENT CORPORATION LTD

FINANCIAL STATEMENTS – YEAR ENDED

DECEMBER 31, 2014

THE STATE INVESTMENT CORPORATION LTD

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THE STATE INVESTMENT CORPORATION LTD
STATUTORY DISCLOSURE FOR THE YEAR ENDED 31 DECEMBER 2014

The Directors have the pleasure in submitting the annual report of The State Investment Corporation Ltd ('the Corporation') together with the audited financial statements for the year ended 31 December 2014.

PRINCIPAL ACTIVITY

The principal activity of the Corporation is to provide equity finance to both existing and new enterprises in all sectors of the Mauritian economy.

The registered office of the Corporation is Level 15, Air Mauritius Centre, 6, President John Kennedy Street, Port Louis.

DIRECTORS

Directors of the Corporation during the financial year 2014 and the subsequent appointment were as follows:-

RINGADOO, Raj Direvium Nagaya	Chairperson	*(Up to 19 December 2014)*
MALLAM-HASHAM, Muhammad Iqbal	Managing Director	*(Up to 18 December 2014)*
BRIGEMOHANE Renouka		*(Up to 22 December 2014)*
CHELLAPERMAL, Radhakrishna		*(Up to 06 March 2015)*
CHUREETUR, Bolanath		*(Up to 17 December 2014)*
LAW-HING-CHOY, Kang Foong		*(Up to 31 December 2014)*
SEEBALLUCK, Suresh Chundre		*(Up to 31 December 2014)*
YIP WANG WING, Patrick Youk Siane		*(Up to 06 March 2015)*
HOW FOK CHEUNG, How Cheey Lan		*(Up to 17 April 2015)*
NAKHUDA, Ayub Hussein	Chairperson	*(As from 16 February 2015)*
LUCHMEEPERSAD, Vidianand	Director	*(As from 17 April 2015)*
NAGHEE REDDY, Kritananda	Director	*(As from 17 April 2015)*
NEERUNJUN, Premode	Director	*(As from 27 December 2014)*
SOONDRAM, Visvanaden	Director	*(As from 06 March 2015)*
VEERASAMY, Banoomatee	Director	*(As from 26 December 2014)*

DIVIDENDS

No dividend has been proposed and paid during the period under review (2013: NIL).

DIRECTORS' SERVICE CONTRACTS

The Managing Director has a service contract with the Corporation.

None of the other Directors has a service contract.

DIRECTORS' REMUNERATION AND BENEFITS

The remuneration and benefits received and receivable during the period under review:-

(1) Directors of The State Investment Corporation Ltd

	31 December 2014	31 December 2013
	Rs.	Rs.
Executive Directors	**5,715,085**	5,584,876
Non-executive directors	**3,139,572**	3,269,578
	8,854,657	8,854,454

THE STATE INVESTMENT CORPORATION LTD
STATUTORY DISCLOSURE FOR THE YEAR ENDED 31 DECEMBER 2014

DIRECTORS' SHARE INTERESTS

The Directors hold no share of the Corporation whether directly or indirectly.

SIGNIFICANT CONTRACTS

No contracts of significance or loans existed during the period under review between Corporation and its directors.

DONATIONS

	31 December 2014 Rs.	31 December 2013 Rs.
Donations made during the year	**114,091**	299,469

No political donation was made by the Corporation during the period under review.

AUDITORS' FEES

The fees payable to the auditors, for audit and other services are:

	BDO 31 December 2014 Rs.	Ernst & Young 31 December 2013 Rs.
Audit Fees	**672,100**	800,000
Tax Fees	**30,400**	51,175

Approved by the Board of Directors on ...17 JUN 2015..... and signed on its behalf by:-

BPearson
....
DIRECTOR

Malchunda
....
DIRECTOR

1. STATEMENT ON CORPORATE GOVERNANCE

The directors have pleasure in submitting their report to shareholders on corporate governance.

Corporate Governance is the process and structure used to direct and manage the business and affairs of the Company towards enhancing both business prosperity and corporate accountability. Its ultimate objective is to realise the long term shareholders' value whilst taking into account the interests of various stakeholders.

The Board of Directors is committed to ensuring that 'The Principles and Best Practices of the Mauritian Code on Corporate Governance (the "Code")' are observed and practised as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value.

It is to be noted that during the financial year ended 31 December 2014, there was no Board Charter. Same will be implemented during the financial year ending 31 December 2015.

At the outset of this report, the existing Directors wish to point out that none of the Directors who served during the financial year 2014 is in office as at the date of this statement. The Board of Directors who served during the year 2014 is as follows:-

Mr. R. Ringadoo	Up to 19 Dec 2014
Mr. M. I. Mallam-Hasham (Managing Director)	Up to 18 Dec 2014
Mrs. R. Brigemohane	Up to 22 Dec 2014
Mr. R. Chellapermal	Up to 06 Mar 2015
Mr. B. Chureetur	Up to 17 Dec 2014
Mr. K.F Law-Hing-Choy	Up to 31 Dec 2014
Mr. S.C. Seeballuck, G.O.S.K	Up to 31 Dec 2014
Mr. P.Y. Yip Wang Wing	Up to 06 Mar 2015

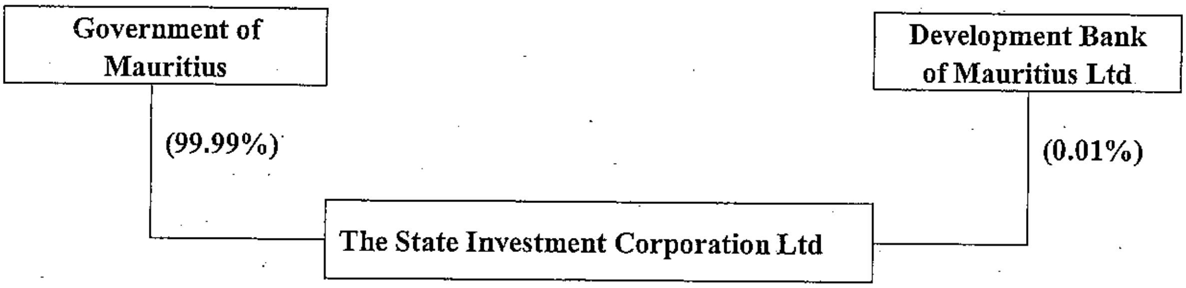
However, the Board of Directors, as at the date of this statement, is as follows:-

	Appointed on	Resigned on
Mr. A.H.Nakhuda, C.S.K	16 Feb 2015	-
Mrs.B. Veerasamy (Acting Managing Director)	26 Dec 2014	-
Mr. P. Neerunjun	27 Dec 2014	-
Mr. K. Naghee Reddy	17 Apr 2015	-
Mr. V. Lutchmeeparsad	17 Apr 2015	-
Mr. V. Soondram	06 Mar 2015	-
Mrs. H.C.L How Fok Cheung	06 Mar 2015	17 Apr 2015

As a result, the present Directors have relied on information made available to them by Management to prepare this Corporate Governance Report.

2. ULTIMATE SHAREHOLDING STRUCTURE

The State Investment Corporation Ltd is a public company. Its shareholding structure is as follows:-



During the year 2014, The State Investment Corporation Ltd finalised the buy-back of the 14.99% shareholding of the National Investment Trust (NIT) for an amount of Rs 423M, pursuant to the provisions of the Companies Act 2001. It is to be noted that based on the Memorandum of Understanding reached between NIT and the Corporation, it has been agreed that the consideration of Rs 423M would be settled in four equal annual instalments, with interests.

2.1 Common Directors

During the financial year ended 31 December 2014, the common directors at each level are as follows:-

Directors	The State Investment Corp. Ltd	Development Bank of Mauritius Ltd	NIT
Mr. R. Ringadoo	♦	-	♦
Mr. M. I. Mallam-Hasham (Managing Director)	♦	♦	-
Mrs R. Brigemohane	♦	-	-
Mr. R. Chellapermal	♦	-	-
Mr. B. Chureetur	♦	-	-
Mrs. H.C.L How Fok Cheung	♦	-	-
Mr. K.F. Law-Hing-Choy	♦	-	-
Mr. S.C. Seeballuck, G.O.S.K	♦	-	-
Mr. P.Y. Yip Wang Wing	♦	-	-

As at date of this statement, the composition of the Board has been reviewed. The common Directors at each level are as follows:-

Directors	The State Investment Corp. Ltd	Development Bank of Mauritius Ltd
Mr. A.H.Nakhuda, C.S.K	♦	-
Mrs. B. Veerasamy (Acting Managing Director)	♦	-
Mr. P. Neerunjun	♦	-
Mr. K. Naghee Reddy	♦	-
Mr. V. Lutchmeeparsad	♦	-
Mr.V.Soondram	♦	-

3. THE BOARD OF DIRECTORS

During the year ended 31 December 2014, the Board had a unitary structure and comprised 8 directors under the chair of Mr. Raj Ringadoo. The functions and responsibilities of the Chairperson and Managing Director are still separate. The Board consisted of one executive director (ED) and seven non-executive directors (NEDs)'. The table below illustrates the categorisation of the directors into ED and NEDs.

Name of Directors	Non-Executive Directors	Executive Directors
Mr. R. Ringadoo (Chairperson)	√	-
Mr. M. I. Mallam-Hasham (Managing Director)	-	√
Mrs R. Brigemohane	√	-
Mr. R. Chellapermal	√	-
Mr. B. Chureetur	√	-
Mr. K.F. Law-Hing-Choy	√	-
Mr. S.C. Seeballuck, G.O.S.K	√	-
Mr. P.Y. Yip Wang Wing	√	-

As at date of this statement, the composition of the Board has been reviewed. The Board still has a unitary structure and comprised 6 directors under the chair of Mr. A.H. Nakhuda, C.S.K. The functions and responsibilities of the Chairperson and Managing Director are still separate. The Board consists of one executive director and five non-executive directors. The table below illustrates the categorisation of the directors into executive director and NEDs.

Name of Directors	Non-Executive Directors	Executive Directors
Mr. A.H. Nakhuda, C.S.K (Chairperson)	√	-
Mrs. B. Veerasamy (Acting Managing Director)	-	√
Mr. P.Neerunjun	√	-
Mr. K.Naghee Reddy	√	-
Mr. V. Lutchmeeparsad	√	-
Mr. V.Soondram	√	-

The existing Directors consider that the current Board is of reasonable size and that its Directors possess the right mix of skills and experience to provide leadership, reflect integrity and make judgement in managing the affairs of the Company.

The Board is of the view that the appointment of a second executive director on the Board, as required by the Code, is not necessary taking into consideration the present level of operations of the Company.

With the exception of the Acting Managing Director, all directors have a term of office of one year. Senior Management may attend Board Meetings as and when required. The Acting Managing Director does not have a fixed-term contract.

On appointment to the Board and its Committees, directors receive a comprehensive induction pack from Prime Partners Ltd, Corporate Secretary. Members of the Board are elected at the annual meeting of shareholders.

3.1 Board Meetings

The Board met 4 times during the year ended 31 December 2014. We have been given to understand that during the financial year 2014, the Board considered a broad range of matters, including investment projects, review of performance, monitoring of progress on key issues, recommendations from the Committees and statutory matters.

3.2 Board Committees

During the financial year 2014, the Board had three standing committees. These committees could have access to independent expert advice at the expense of the Company. The approved terms of reference of the Board Committees can be made available upon request to the Corporate Secretary. A broad description of the Board Committees is provided below:-

3.2.1 Corporate Governance Committee

The Corporate Governance Committee acts as a mechanism for making recommendations to the Board on all the Corporate Governance principles to be adopted so that the Board remains effective and complies with the Code. During the financial year ended 31 December 2014, the Committee was composed as follows:-

Mr. R. Ringadoo		- Chairperson
Mr. M. I. Mallam-Hasham		- Managing Director
Mrs. R. Brigemohane		
Mr. R. Chellapermal		
Mr. B. Chureetur		
Mr. S.C. Seeballuck	*G.O.S.K*	
Secretary		- Prime Partners Ltd, Corporate Secretary

During the year under review, all matters of the Corporate Governance Committee have been dealt with by the Board of Directors. There was no meeting of the Committee.

As at date of this statement, the composition of the Corporate Governance Committee is as follows:-

Mr. P. Neerunjun	- Chairperson
Mr. K. Naghee Reddy	
Mr. V. Soondram	
Secretary	- Prime Partners Ltd, Corporate Secretary

3.2.2 Audit & Risk Committee

The Audit & Risk Committee operates according to the Audit & Risk Committee Charter as approved by the Board on 29 May 2007. The Charter sets out the role of the Audit & Risk Committee in assisting the Board to discharge its duties relating to the safeguarding of assets, operation of adequate systems control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards.

During the financial year ended 31 December 2014, the Members of the Audit & Risk Committee were as follows:-

Mr. R. Chellapermal	- Chairperson
Mr B. Chureetur	
Mr. K. F. Law-Hing-Choy	
Mr. P. Yip Wang Wing	
In attendance	- (as and when required)
	- Mr. M. I. Mallam-Hasham (Managing Director)
	- Mr. I. Golam (Group Finance Manager)
Secretary	- Prime Partners Ltd, Corporate Secretary

The main terms of reference of the Audit & Risk Committee are as follows:-

- To oversee the financial reporting process to ensure the balance, transparency and integrity of financial statements
- To review effectiveness of the Company's internal financial control and risk management system
- To review effectiveness of the internal audit function
- To review the independent audit process, including recommending the appointment and assessing the performance of the external auditor, the Company's process for monitoring compliance with laws and regulations affecting financial reporting and, if applicable, its code of conduct.
- To monitor the ethical conduct of the Company, its executives and senior officials
- To ensure compliance with laws and regulations as well as the Company's articles of association.

The Committee met twice during the period under review.

As at date of this statement, the composition of the Committee is as follows:-

Mr. V. Soondram	- Chairperson
Mr. V. Lutchmeeparsad	
Mr. K. Naghee Reddy	
Secretary	- Prime Partners Ltd, Corporate Secretary

3.2.3 *Nomination & Remuneration Committee*

The Nomination & Remuneration Committee is mainly responsible for determining, approving and developing the Company's general policy in respect of executives and senior management, recruitment, remuneration and terms and conditions of employment. During the financial year ended 31 December 2014, the composition of this Committee was as follows:

Mr. S. C. Seeballuck, *G.O.S.K*	- Chairperson
Mr. M.I. Mallam-Hasham	- Managing Director
Mrs. R. Brigemohane	
Mr B. Chureetur	
Mr. K. F. Law-Hing-Choy	
Mr. P. Yip Wang Wing	
Secretary	- Prime Partners Ltd, Corporate Secretary

The terms of reference of the Nomination & Remuneration Committee are available upon request from the Corporate Secretary. The Committee did not meet during the period under review. The Committee will be reconstituted shortly by the newly appointed Board of Directors.

Statement on Remuneration Policy

The Company's philosophy on remuneration is that the overall remuneration package should be sufficiently competitive to attract, retain and motivate high quality employees capable of achieving the Company's objectives and thereby enhancing shareholders' value.

Remuneration practices are structured to provide:-

- Clear difference between individuals with regard to performance;
- Strong incentives for superior performance;
- Reward top contributors with significantly higher bonuses;
- Strong signals to under performers to encourage them to improve performance or leave the Company in line with accepted practices.

The remuneration of Directors is decided by the Shareholders.

It is to be noted that there were no criteria for remunerating Excutive Directors approaching retirement.

The members of the Committee will be appointed shortly.

3.2.4 *Attendance at Board and Board Committees*

Directors are invited to attend each Board Meeting and each Meeting of Committees of which they are members. Their attendance for the year under review is shown below:

Name of Directors	Board	Audit & Risk
Mr. R. Ringadoo	4/4	-
Mr. M. I. Mallam-Hasham (Managing Director)*	4/4	-
Mrs R. Brigemohane	2/4	-
Mr B Chureetur	4/4	2/2
Mr. R. Chellapermal	3/4	2/2
Mr. K.F Law-Hing-Choy	3/4	1/2
Mr. S.C. Seeballuck *G.O.S.K*	4/4	-
Mr. P.Y. Yip Wang Wing	4/4	2/2

3.4 Remuneration paid to the Directors

Details of remuneration paid to Directors for the year under review are as follows:-

Name of Directors	Directors' Remuneration
Mr. R. Ringadoo	1,125,571.92
Mr. M. I. Mallam-Hasham (Managing Director)	5,715,085.14
Mrs. R. Brigemohane	330,000.00
Mr. R. Chellapermal	330,000.00
Mr. K.F. Law-Hing-Choy	330,000.00
Mr. S.C. Seeballuck, G.O.S.K	364,000.00
Mr. P.Y. Yip Wang Wing	330,000.00
Mr. B. Chureetur	330,000.00

* The Managing Director is not entitled to Directors' Fees.

3.5 Board Appraisal

An appraisal of the performance of the Board and its Directors was not conducted during the year.

3.6 Directors' dealing in Shares of the Company

No share of the Company has ever been held by the previous or existing Directors.

3.7 Profile of the existing Directors

Mr. Ayub Hussein Nakhuda, C.S.K, is currently the Chairman of the State Investment Corporation Ltd. Previously, he served as Chairman of the Board of Investment, Enterprise Mauritius, the Business Parks of Mauritius Ltd, Revenue Authority, among others. He also represented the parent Ministry on the Boards of several parastatal bodies.

Economist by training, Mr. Nakhuda has worked at various levels in Government. Starting as Economist in the then Ministry of Economic Planning & Development, he successively occupied the posts of Senior Economist, Principal Economist and Deputy Director. He subsequently moved to the Ministry of Finance, where he held the post of Financial Secretary until his retirement.

Mr. Nakhuda has extensive experience in economic planning and in devising policy agenda for sectoral development. He participated in the drafting of National Development Plans and annual budgets; coordinated the preparation of the document "Mauritius: Vision 2020", which charts out the vision of Mauritius in the year 2020; helped define the contours of new development initiatives to broaden the economic base; and contributed to efforts to promote R&D to enhance Mauritius' international competiveness through institutional changes. Mr. Nakhuda has represented Mauritius at several international conferences and meetings and presented papers on diverse themes.

Mrs. Banoomatee Veerasamy is presently the Acting Managing Director at the Company. She has been with the SIC since its inception and is presently the Group Corporate Secretarial Manager and Head of Corporate Services at the SIC. Moreover, she is the Executive Director of a wholly owned subsidiary of the SIC, Prime Partners Ltd, which offers Corporate Secretarial Services to entities within the SIC Group. She also leads another subsidiary of the SIC namely Prime Securities Ltd, which provides investment dealer services. A Fellow of the Institute of Chartered Secretaries and Administrators, Mrs Veerasamy also holds a B.A (Hons) in Administration and a LLB (Hons) and a LLM from the University of London. She is also a qualified Stockbroker and she played an active role in the setting up of a Stock Exchange in Mauritius. Besides, being director on various companies, Mrs Veerasamy is also responsible for the management of Le Val Development Co Ltd, EREIT Management Ltd and Prime Real Estate Ltd. Mrs Veerasamy has been appointed as Acting Managing Director of SIC end December 2014.

Mr. Premode Neerunjun holds the post of Deputy Permanent Secretary at the Ministry of Finance and Economic Development and has over thirty years of experience in the public sector. In addition, he has also been called upon to serve as Board Director in statutory bodies on a part time basis. Mr Neerunjun holds a Graduate Diploma in Business from Curtin University (Western Australia) and a Bsc in Economics & Management from University of London. He has also a Masters in Public Policy and Administration (University. of Mauritius).

Mr. Kritananda Naghee Reddy left the Ministry of Finance (as it was known then) as Principal Accountant to join the Attorney General's Office in 2002 as State Counsel after graduating in Law. Presently Acting Principal State Counsel, he represents the State in litigation on civil matter and also advises Ministries and Government Departments. He is also holder of an MBA and an LLM.

Mr. Vidianand Lutchmeeparsad is a fellow of the Institute of Chartered Secretaries and Administrators, Mr. Vidianand Lutchmeeparsad, holder of a Master of Business Administration with specialization in Marketing is presently the Permanent secretary of the Ministry of Finance and Economic Development. He was formerly Grade "A" Teacher at Friendship College where he taught Economics, Commerce, Accounts and British Constitutions. He has a rich career in Public Administration and Management. He has worked with Price Water House, International (UK) on the Public Sector Management and Improvement Programme (PSMIP), where he was fully involved in the reforms that have been initiated in the Public Sector in the 1980's. Since 1989, he has toured several Ministries. As Administrative Officer at the Prime Minister's Office, he carried out survey on Parastatal Bodies such as the Central Housing Authority (CHA), and Tea Development Authority amongst others, where he produced a comprehensive report on the basis of which the Government formed policy decisions for the redeployment of man-power within the Public Service. He has also headed the Health Infrastructure Planning Section of the Ministry of Health and Quality of Life where he was in charge of the Project of Mediclinics and Polyclinics and for the processing of the issue of Health Development Certificates to Private Promoters in the 1980's. In 1997 he joined the Ministry of Agriculture, Fisheries and Cooperatives and in 1998 he was promoted to the post of Principal Assistant Secretary and thereafter Permanent Secretary at the Ministry of Public Infrastructure, Land transport and Shipping. He has been representing the Government on a number of Boards and Committees. He was also the Chairperson of the Project Plan Committee up to April 2015and was involved in the assessment of Government Investment Projects for the Public Sector Investment Programmes. Besides, being Director of the SIC, SLDC and various other companies, Mr. Lutchmeeparsad is also the Secretary of Taskforce on Religious Festivals at National Levels.

Mr. Visvanaden Soondram is a Fellow of the Association of Chartered Certified Accountants and also holds a master degree in Finance. He has over 20 years of experience in the Public Sector and has served in various fields including management audit and finance. He is currently occupying the post of Lead Analyst at the Ministry of Finance and Economic Development.

Senior Management's Profile

Mrs Vima Boomah Devi Dhaliah – Utchanah graduated from the London School of Economics with a Bsc Honours Degree in Actuarial Science in 1983. She followed the Advanced Programme for General Managers at the University of Mauritius in 1993 and has also been awarded a Master of Science in Information Technology (MSc IT) from the University of Liverpool, UK. She joined the Company in 1988 as Investment Executive and is presently Group Investment Coordination Manager.

Ms Kavita Kumari Achameesing holds a Master in Investment Promotion & Economic Development, Edinburgh Napier University, United Kingdom and a B.A (Hons) Financial Services, Edinburgh Napier University, United Kingdom. She also holds a Diploma Management and Marketing, Institute of Commercial Management, United Kingdom. She has been working in the Finance Department of SIC since 1989. She is Senior Administrative and Finance Officer at the SIC and has a wide experience in Corporate Financial Reporting, and Treasury Management. She has contributed to effective monitoring of financial operations and assets of SIC. She is also a Non Executive Director on the board of some companies where the Company has invested.

Mr. Deevendra Cally is presently working as Investment Executive at The State Investment Corporation Ltd. He is a member of the Association of Chartered Certified Accountants, UK and holds a Bachelor degree in Commerce and Master's degree in Business Administration with specialisation in Finance. Prior to joining SIC, he worked with Kross Border Trust Services Ltd, a sister company of KPMG, as Senior Offshore and Fund Administrator. He has more than 13 years wide-ranging experience in the finance sector and he currently acts as Board Member on various investee companies of SIC.

4. DIVIDEND POLICY

The Company has no formal dividend policy. However, the Company aims to supply to its shareholders adequate returns in the form of dividends. The Company has not declared dividend over the past five years.

5. CORPORATE SECRETARY

Prime Partners Ltd acts as Corporate Secretary for the Company and its subsidiaries. All directors have access to the advice and services of the Corporate Secretary. The Corporate Secretary is responsible to the Board for administration of Board and Committee proceedings.

The Corporate Secretary provides guidance to Directors on matters of Company Law and with regard to their responsibilities in the statutory environment in which the Company operated.

6. RISK MANAGEMENT AND INTERNAL CONTROL

(a) Responsibility and application

The Board is responsible for risk management and the procedures in place within the organisation for risk management. The Board is responsible for definition of the overall strategy for risk tolerance. Management and the assurance process on risk management are delegated to the Audit & Risk Committee. The Committee is responsible for the design and implementation of risk management processes while the day to day management of risk is performed by management.

The Company's policy on risk management encompasses all significant business risks, including physical, operational, human resources, technology, business continuity, financial, compliance and reputational which could influence the achievement of the Company's objectives.
The risk management mechanisms in place include:-

- A system for ongoing identification and assessment of risk and definition of acceptable and non acceptable of risk;
- Development of strategies in respect of risk and definition of acceptable and non-acceptable levels of risk
- The communication of risk management policies to all levels of the organisation as appropriate, and methods to ensure commitment, both my managers and by other employees, to the process;
- Processes to reduce or mitigate identified risks and contain them within the levels of tolerance defined by the Board and Management;
- Structures and processes for identification of risks and risk management;

(b) Structures and processes for identification of risks and risk management:

There was clear accountability for risk management. The managers were required to document how these risks would be managed and what mitigating activities have been put in place in respect of each significant risk.

(c) Integration of internal control and risk management

The system of internal control, which was embedded in all key operations, provide reasonable rather than absolute assurance that the Company's business objectives would be achieved within the risk tolerance levels defined by the Board. The effectiveness of the internal control systems was reviewed by the Audit & Risk Committee and the review covers all internal control systems including financial, operational, compliance and risk management

(d) Assurance on the effectiveness of the risk management process

Regular management reporting, which provides a balanced assessment of key risks and controls, was an important component of Board assurance. The finance department provided confirmation that financial and accounting control frameworks have operated satisfactorily. The Board also received assurance from the Audit & Risk Committee, which derived its information, in part, from internal and external audit reports on risk and internal control throughout the Company.

(e) *Management of Key risks identified within the Company were viewed under the following headings:*

- *Operational risk*: Operational risk is defined as risk of loss resulting from inadequate or failed internal processes, people and systems or from external events..
- *Human resource risks*: Losses arising from acts inconsistent with employment, health and safety laws, personal injury claims, etc.
- *Compliance risks*: Dishonest or fraudulent acts intended to defraud or misappropriate property or circumvent regulations, law and policies and involve at least one internal party and a thirty party respectively.
- *Physical risks*: Losses due to fire, cyclones, riots, etc.
- *Technology risks*: Includes hardware and software failures, system development and infrastructure issues.
- *Business continuity risks*: Losses from failed transaction processing, and process management.
- *Financial risks*: The identification and management of these risks are further discussed in note 3 on page 19 to the financial statements.

7. DONATIONS

Donations effected by the Company during the financial year under review amounted to Rs.114,090.93.

The Company did not make any political donations during the year.

8. RELATED PARTY TRANSACTIONS

Details on related party transactions are shown on page 24 of the Audited Financial Statements.

9. STAKEHOLDERS' RELATIONS AND COMMUNICATIONS

The Company's website www.stateinvestment.com provides information on the Company to the general public. Other channels of communication include presentations, seminars, press releases and annual report.

10. CALENDAR OF EVENTS

• **Financial Year End**	**31 December**
• **Dividends** - Declaration	**31 December**
- Payment	**June**
• **Annual Meeting of Shareholders**	**June**

11. MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company is governed by the Memorandum and Articles of Association approved by the Shareholders on 28 February 1992.

The Memorandum and Articles of Association are in agreement with the Companies Act 2001 and do not contain any material clause that needs to be disclosed.

12. SHAREHOLDERS' AGREEMENTS/THIRD PARTY MANAGEMENT AGREEMENTS

A Memorandum of Understanding has been signed between Government of Mauritius and the Corporation regarding the management and implementation of different schemes setup by government under the Restructuring Working Group (RWG). This is described further in note 25 of the financial statements. It is to be noted that functioning of the RWG is being reviewed during the financial year 2015.

13. SHARE OPTION PLAN

No share option plan is available in the Group.

14 CODE OF ETHICS

The Company's code of ethics is covered in the terms and conditions of service of the employees. The latter are expected to abide by the set Code.

15 SAFETY AND HEALTH ISSUES

The Company complies with the Occupational Safety and Health Act 2005 and other legislative and regulatory frameworks.

16. ENVIRONMENTAL ISSUES AND CARBON REDUCTION REPORTING

Due to the nature of its activities, the Company's operation is not expected to have an adverse impact on environment. However, as from the year 2015, Management is striving to operate its day-to-day-business activities in an eco-friendly and energy-saving environment.

The Corporation is committed to plan and operate the day-to-day business activities in such a way as to be in line with green, environmentally friendly and energy-saving processes to minimise carbon emissions. E-filing, e-mails, scanning of documents and files sharing are being encouraged and are already in place at the Corporation

17. INTERNAL CONTROL

Internal Audit is an objective assurance function reporting to the Board of Directors and management.

Internal Audit provides assurance to the Board of SIC on the efficiency and effectiveness of the internal control and risk management infrastructure of the Company as well as compliance with good corporate governance practices. It also assists the Board and Management to maintain and improve the process by which risks are identified and managed and help the Board to discharge its responsibilities to maintain and strengthen the internal control framework.

There was no Internal Auditor in post during the year 2014

18. CORPORATE SOCIAL RESPONSIBILITY

A CSR Policy is being worked out for the Company.

19. EXTERNAL AUDITORS

The external auditors are responsible for reporting on whether the financial statements are fairly presented. The fees charged by the auditors for audit and other services were:-

	ERNTS & YOUNG 2013 Rs (Exc Vat)	BDO 2014 Rs (Exc Vat)
Audit	800,000	672,100
Non-Audit (Tax Services)	51,175	30,400

20 STATEMENT OF DIRECTOR'S RESPONSIBILITIES

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

(i) select suitable accounting policies and apply them consistently;
(ii) make judgements and estimates that are reasonable and prudent;
(iii) state whether International Financial Reporting Standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
(iv) prepare the financial statements on an going concern basis unless it is inappropriate to presume that the company will not continue in business.

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

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

The Directors report that:
(i) adequate accounting records and an effective system of internal controls and risk management have been maintained;
(ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
(iii) applicable accounting standards have been adhered to. Any departure in the interest in fair presentation has been disclosed, explained and quantified;
(iv) the Code of Corporate Governance has been adhered to. Reasons have been provided where there has been a departure.

Signed on behalf of the Board of Directors: 17 JUN 2015

....
DIRECTOR DIRECTOR

STATEMENT OF COMPLIANCE

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

Name of PIE: The State Investment Corporation Ltd

Reporting Period: December 31, 2014

We, the Directors of The State Investment Corporation Ltd, have been made to understand that The State Investment Corporation Ltd has complied with all of its obligations and requirements under the Code of Corporate Governance except for the following sections:

Section 2.10.3: Board and Director Appraisal – Please refer to page 2(f) "Board Appraisal"
Section 2.2.3: Composition of the Board – Please refer to page 2(b) "Board of Directors"

These issues will be tackled during the financial year 2015.

Signed on behalf of the Board of Directors:

....
Director

....
Director

Date: ....2015.............

CERTIFICATE FROM THE COMPANY SECRETARY FOR THE YEAR ENDED DECEMBER 31, 2014

We hereby certify that to the best of my knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required by the Company under Section 166 (d) of the Companies Act 2001 during the financial year ended December 31, 2014.

....
For Prime Partners Ltd
Company Secretary

Date: ...17 JUN 2015..

BDO

Tel : +230 202 3000
Fax: +230 202 9993
www.bdo.mu

10, Frère Félix de Valois Street
Port Louis, Mauritius
P.O. Box 799

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

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

Report on the Financial Statements

We have audited the financial statements of The State Investment Corporation Ltd on pages 5 to 56 which comprise the statement of financial position at December 31, 2014 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

THE STATE INVESTMENT CORPORATION LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Report on the Financial Statements (Continued)

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

Opinion

In our opinion, the financial statements on pages 5 to 56 give a true and fair view of the financial position of the Company as at December 31, 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

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

We have obtained all information and explanations we have required.

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

Financial Reporting Act 2004

The Directors are responsible for preparing the corporate governance report. Our responsibility is to report the extent of compliance with the Code of Corporate Governance as disclosed in the annual report and on whether the disclosure is consistent with the requirements of the Code.

In our opinion, the disclosure in the annual report is consistent with the requirements of the Code.

BDO & Co
Chartered Accountants

Azize Rajabalee, FCCA
Licensed by FRC

Port Louis,
Mauritius.

17 JUN 2015

STATEMENT OF FINANCIAL POSITION - DECEMBER 31, 2014

ASSETS	Notes	2014 Rs'000	2013 Rs'000
Non-current assets			
Property, plant and equipment	4	**20,358**	32,471
Investment property	5	**19,500**	10,500
Intangible assets	6	**14,907**	14,304
Investments at fair value through profit or loss	7	**6,552,897**	7,016,696
Non-current receivables	8	**8,382**	7,790
Deferred tax assets	14	**715**	1,094
		6,616,759	7,082,855
Current assets			
Trade and other receivables	9	**418,248**	432,754
Cash and cash equivalents	23(b)	**890,063**	735,921
		1,308,310	1,168,675
Total assets		**7,925,069**	8,251,530
EQUITY AND LIABILITIES			
Equity			
Share Capital	10(a)	**100,000**	100,000
Share buy back reserve	10(b)	**(15,000)**	(15,000)
Retained earnings		**6,601,258**	6,913,498
Actuarial reserve		**(7,237)**	(7,619)
Total equity		**6,679,021**	6,990,879
Non-current liabilities			
Retirement benefit obligation	12	**6,738**	6,827
Other liabilities	13	**105,750**	209,328
		112,488	216,155
Current liabilities			
Other payables	15	**878,823**	724,274
Current tax liabilities	16	**191**	690
Borrowings	11	**43,046**	105,860
Other liabilities	13	**211,500**	213,672
		1,133,560	1,044,496
Total liabilities		**1,246,049**	1,260,651
Total equity and liabilities		**7,925,069**	8,251,530

These financial statements have been approved for issue by the Board of Directors on: 17 JUN 2015

....
Directors **Directors**

The notes on pages 9 to 56 form an integral part of these financial statements.
Auditors' report on pages 4 and 4(a).

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - YEAR ENDED DECEMBER 31, 2014

	Notes	2014 Rs'000	2013 Rs'000
INCOME			
Net change in investments at fair value through profit or loss profit or loss	17	**-**	563,446
Increase in fair value of investment property	5	**548**	-
Investment income	18	**239,149**	168,202
Interest income	19	**1,175**	934
Other income	20	**8,305**	7,535
Net foreign exchange gain		**2,259**	-
		251,436	740,117
EXPENSES			
Net change in investments at fair value through profit or loss profit or loss	17	**386,717**	-
Decrease in fair value of investment property	5	**-**	500
Employee benefit expense	22	**39,504**	38,477
Motor vehicle running expenses		**1,801**	1,862
Professional and other related fees		**865**	3,739
Depreciation of Property, plant and equipment	4	**3,914**	3,720
Amortisation of intangible assets	6	**760**	256
Repairs and maintenance		**399**	835
Interest expense	23	**4,780**	6,341
Impairment of receivables from related companies		**110,033**	649
Net loss on foreign exchange		**-**	110
Other general expenses		**13,225**	8,383
		561,999	64,872
(Loss)/Profit before tax		**(310,563)**	675,245
Tax	16	**(1,677)**	(907)
(Loss)/Profit after tax		**(312,240)**	674,338
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods		**-**	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement losses on defined benefit plans		**449**	(3,083)
Income tax effect		**(67)**	463
		382	(2,620)
Other comprehensive income for the year, net of tax		**382**	(2,620)
Total comprehensive income for the year, net of tax		**(311,858)**	671,718

The notes on pages 9 to 56 form an integral part of these financial statements.
Auditors' report on pages 4 and 4(a).

THE STATE INVESTMENT CORPORATION LTD

STATEMENTS OF CHANGES IN EQUITY - YEAR ENDED DECEMBER 31, 2014

	Note	Issued capital	Share by back capital	Retained earnings	Actuarial reserve	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At January 1, 2014						
- As previously stated		**100,000**	**(15,000)**	**6,905,879**	**-**	**6,990,879**
- Reclassification (see note below)		**-**	**-**	**7,619**	**(7,619)**	**-**
- As restated		**100,000**	**(15,000)**	**6,913,498**	**(7,619)**	**6,990,879**
Profit for the year		**-**	**-**	**(312,240)**	**-**	**(312,240)**
Other comprehensive income		**-**	**-**	**-**	**382**	**382**
Total comprehensive income		**-**	**-**	**(312,240)**	**382**	**(311,858)**
At December 31, 2014		**100,000**	**(15,000)**	**6,601,258**	**(7,237)**	**6,679,021**
At January 1, 2013						
- As previously stated		100,000	-	6,642,161	-	6,742,161
- Reclassification (see note below)		-	-	4,999	(4,999)	-
- As restated		100,000	-	6,647,160	(4,999)	6,742,161
Profit for the year		-	-	674,338	-	674,338
Other comprehensive income		-	-	-	(2,620)	(2,620)
Total comprehensive income		-	-	674,338	(2,620)	671,718
Share buy transaction	10	-	(15,000)	(408,000)	-	(423,000)
At December 31, 2013		100,000	(15,000)	6,913,498	(7,619)	6,990,879

Note: The cumulative actuarial movements have been reclassified from retained earnings to actuarial reserve. This reclassification has impacted only on retained earnings and actuarial reserve.

The notes on pages 9 to 56 form an integral part of these financial statements.
Auditors' report on pages 4 and 4(a).

STATEMENT OF CASH FLOWS - YEAR ENDED DECEMBER 31, 2014

	Notes	2014	2013
		Rs'000	Rs'000
Cash flows from operating activities			
Cash generated from operations	23(b)	**183,438**	(314,141)
Interest received		**9,099**	4,534
Tax paid	16	**(1,167)**	(713)
Net cash generated from operating activities		**191,370**	(310,320)
Cash flows from investing activities			
Purchase of equipment	4	**(253)**	(3,847)
Purchase of intangible assets	6	**(1,363)**	(75)
Purchase of investment in financial asset		**(83,434)**	(43,838)
Disposal of investment in financial assets		**208,856**	69,231
Redemption of held-to-maturity investment	7	**10,051**	-
Repayment of share buy back NIT	13	**(105,750)**	-
Net cash used in investing activities		**28,107**	21,471
Cash flows from financing activities			
Repayment of long term borrowings		**-**	(5,000)
Interest paid	21	**(4,780)**	(6,341)
Net cash from financing activities		**(4,780)**	(11,341)
Net increase/(decrease) in cash and cash equivalents		**214,697**	(300,190)
Movement in cash and cash equivalents			
At January 1,		**630,061**	930,361
Net increase/(decrease) in cash and cash equivalents		**214,697**	(300,190)
Effect of exchange difference		**2,259**	(110)
At December 31,	23(b)	**847,017**	630,061

The notes on pages 9 to 56 form an integral part of these financial statements.
Auditors' report on pages 4 and 4(a).

1. GENERAL INFORMATION

The Statement Investment Corporation Ltd (the 'Company) was incorporated as a private company on August 21, 1984 and was converted into a public company on April 7, 1992.

The address of its registered office is situated on the 15th Floor, Air Mauritius Centre, John Kennedy Street, Port Louis, Mauritius.

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

The Company acts as the invesment arm of the Government of Mauritius and provides funds for the realisation of high-growth entrepreneurial ventures and assists businesses to industry leadership position. It also invests in quoted and unquoted financial assets.

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 The Statement Investment Corporation Ltd comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS).

These financial statements are that of an individual entity. The Company is an investment entity and, as such does not consolidate the entities it controls. Instead, interests in subsidiaries are classified at fair value through profit or loss, and measured at fair value. Investment in associate are also classified at fair value through profit or loss, and measured at fair value.

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 change in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

(i) Investment properties are stated at fair value;
(ii) Available-for-sale investments are stated at their fair value.

Amendments to published Standards and Interpretations effective in the reporting period

Amendments to IAS 32, 'Offsetting Financial Assets and Financial Liabilities', clarify the requirements relating to the offset of financial assets and financial liabilities. The amendment is not expected to have any impact on the Company's financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

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

Amendments to IFRS 10, IFRS 12 and IAS 27, 'Investment Entities', define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements. Consequential amendments have been made to IFRS 12 and IAS 27 to introduce new disclosure requirements for investment entities. The Company has early adopted this standard in 2013.

IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what obligating event that gives rise to pay a levy and when should a liability be recognised. The Company is not subject to levies so the interpretation has no impact on the Company's financial statements.

Amendments to IAS 36, 'Recoverable Amount Disclosures for Non- financial Assets', remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated.

Amendments to IAS 39, 'Novation of Derivatives and Continuation of Hedge Accounting', provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness. The amendment has no impact on the

Annual Improvements 2010-2012 Cycle

IFRS 13 (Amendment), 'Fair Value Measurement' clarifies in the Basis for Conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. The amendment has no impact on the Company's financial statements.

Annual Improvements 2011-2013 Cycle

IFRS 1 (Amendment), 'First-time Adoption of International Financial Reporting Standards' clarifies in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first IFRS financial statements. The amendment has no impact on the Company's financial statements, since the Company is an existing IFRS preparer.

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 January 1, 2015 or later periods, but which the Company has not early adopted.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

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

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

IFRS 9 Financial Instruments
Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)
Annual Improvements to IFRSs 2010-2012 cycle
Annual Improvements to IFRSs 2011-2013 cycle
IFRS 14 Regulatory Deferral Accounts
Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS
IFRS 15 Revenue from Contract with Customers
Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)
Equity Method in Separate Financial Statements (Amendments to IAS 27)
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
Annual Improvements to IFRSs 2012-2014 Cycle
Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS
Disclosure Initiative (Amendments to IAS 1)

2.2 Plant and equipment

All plant and equipment are stated at historical cost of acquisition 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.

Depreciation is calculated on the straight line method to write off the cost of assets to their residual values over their estimated useful life as follows :

	Annual rates
	%
Buildings	2-5
Furniture & fittings	10-25
Motor Vehicles	20-25

Land is not depreciated. .

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Plant and equipment (cont'd)

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

2.2 Investment property

Investment property, held to earn rentals or for capital appreciation or both and not occupied by the company are measured initially at cost, including transaction costs. Subsequent to initial recognition investment properties are carried at fair value, representing open-markey value determined annually by external valuers. Changes in fair values are included in profit or loss as part of other income. Land held under operating leases is classified and accounted for by the company as investment property when the rest of the definition of investment property is met

2.3 Intangible assets

(a) *Leasehold rights*
Leasehold rights are shown at historical cost, have a fnite useful life and are carried at cost less acumulated depreciation. Amortization is calculated using the straight line method over its estimated useful lives (55.5 years).

(b) *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 (5 years).

2.4 Investment in subsidiaries

Investments in subdiaries are accounted for as financial assets at fair value through profit or loss. In accordance with the exception under IFRS 10 Consolidated Financial Statements, the Company does not consolidate subsidiaries in the financial statements.

2.5 Investment in associates

Investment in associates are accounted for as financial assets at fair value though profit or loss. In accordance with the exemption within IAS 28 Investments in Associates and Joint Ventures, the Company does not account for its investment in associates using the equity method.

2.6 Financial assets

(a) *Categories of financial assets*
The Company classifies its financial assets in the following categories:
financial assets through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its financial assets at initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Financial assets (cont'd)

(a) *Categories of financial assets (cont'd)*

(i) *Financial assets at fair value through profit or loss*

This category has two sub-categories: financial assets held-for-trading, and those designated at fair value through profit or loss at inception.

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

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

The Company's loans and receivables comprise cash and cash equivalents, and trade and other receivables.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinables payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. Held-to-maturity investments are recognised initially at fair value plus directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity investments are measured at fair value through profit or loss.

(iv) *Available-for-sale financial assets*

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

(b) *Recognition and measurement*

Purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Investments are initially measured at fair value plus transaction costs for all financial assets except those that are carried at fair value through profit or loss.

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

Realised and unrealised gains and losses arising from changes in the fair value of financial assets at fair value through profit or loss category are recognised in the period in which they arise.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Financial assets (cont'd)

(b) *Recognition and measurement (cont'd)*

Unrealised gains and losse arising from changes in the fair value of financial assets classified as availabale-for-sale are recognised in other comprehensive income.

When financial assets classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in profit or loss as gains and losses on financial assets.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent arm's lenght transactiobs, reference to other instruments that are substantially the same, dicounted cas flow analysis, and option pricing models to reflect the issuer's specific circumstances.

(c) *Impairment of financial assets*

(i) *Financial assets classified as investments at fair value through profit or loss*

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

If the fair value of a previously impaired debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed and the reversal recognised in profit or loss.

(ii) *Financial assets carried at amortised cost*

For loans and receivables category, the amount of the loss is measured as the difference between the asset's acrrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and, the amount of the loss is recognised in profit or loss. If a laon or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying aount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Long term receivables

Long term receivables with fixed maturity terms are measured at amortised cost using the effective interest method, less provision for impairment. The carrying amount of the asset is reduced by the difference between assets's carrying amount and the present value of estimated cash flows discounted using the original effective interest rate. The amount is recognised in profit or loss. If there is objective evidence that an impairment loss has been incurred, the amount of impairment loss is measured according to the original terms of receivables.

2.8 Current and deferred income tax

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.

Current tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted by the end of 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 profit will be available against which deductible temporary differences can be utilised.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and held within a business model whose objective is to consume substantially all of the economic benefits embodies in the investment property over time, rather than through sale.

2.9 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Trade receivables (cont'd)

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in profit or loss.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.1C Share capital

(a) Ordinary shares
Ordinary shares are classified as equity.

2.11 Borrowings

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

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

2.12 Retirement benefit obligations

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 statement of financial position in respect of defined benefit pension plans 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.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in acturial 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 classified to profit or loss in subsequent period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Retirement benefit obligations (cont'd)

Defined benefit plans (cont'd)

The 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 liability 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 recognsied immediately in profit or loss.

2.13 Provisions

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.14 Trade and other payables

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

2.15 Foreign currencies

(i) *Functional and presentation currency*

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

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Foreign currencies (cont'd)

(ii) *Transactions and balances (cont'd)*
Foreign exchange gains and losses that relate to cash and cash equivalents are presented in profit or loss within 'finance costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other gains- net'.

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

2.16 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for sales of services, stated net of discounts, returns, value added taxes, rebates and other similar allowances.

(a) Rendering of services
- Directorship fees on repreentation of directors in investee companies are recognised on a cash basis.

(c) Other revenues earned by the Company are recognised on the following bases:
- Interest income - as it accrues unless collectibility is in doubt.
- Dividend income - when the shareholder's right to receive payment is established.
- Rental income - as it accrues.

2.17 Dividend distribution

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

3. FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factors

The Company's activities expose it to a variety of financial risks: credit risk and liquidity risk.

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

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

(a) **Market risk**

(i) **Currency risk**

The company has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

The currency portfolio is as follows:

	MUR	USD	EURO	GBP	TOTAL
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
As at December 31, 2014					
Investments	5,805,080	301,354	446,463	-	6,552,897
Trade and other receivables	417,569	-	-	-	417,569
Cash in hand and at bank	273,472	196,466	418,414	1,711	890,063
Long term receivables	8,382	-	-	-	8,382
Total assets	6,504,503	497,820	864,877	1,711	7,868,911
Liabilities	650,463	175,473	418,414	1,711	1,246,061
As at December 31, 2013					
Investments	6,367,557	160,293	488,846	-	7,016,696
Trade and other receivables	354,246	66,259	-	-	420,505
Cash in hand and at bank	165,061	241,707	317,237	11,491	735,496
Long term receivables	7,790	-	-	-	7,790
Total assets	6,894,654	468,259	806,083	11,491	8,180,487
Liabilities	702,584	221,398	317,237	11,491	1,252,710

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

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

(i) **Currency risk (cont'd)**

The following table demonstrates the sensitivity to a reasonable possible change in the US Dollar and Euro exchange rate, with all other variables held constant, of the Group's and the Company's profit before tax (due to changed in the fair value of monetary assets and liabilities).

	Increase/ decrease in rates	Effect on profit/(loss) before tax
	%	Rs'000
2014		
US Dollar	+5	16,117
	-5	(16,117)
EURO	+5	22,323
	-5	(22,323)
2013		
US Dollar	+5	18,330
	-5	(18,330)
EURO	+5	20,725
	-5	(20,725)

(i) **Price risk**

The company is exposed to equity securities price risk because of investments held by the company and classified as either available-for-sale or at fair value through profit orloss. The company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

Sensitivity analysis

A sensitivity analysis showing the impact of the increase/decreases in the fair value of the investments on the company's post-tax profit for the year and on equity is shown in note 3.2.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

(a) **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Company's management based on prior experience and the current environment.

The Company is exposed to credit risk as follows:

	2014	2013
	Rs'000	Rs'000
Receivable from related party	375,723	297,877
Cash at bank	639,893	735,921
	1,015,616	1,033,798

(b) **Liquidity risk**

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

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

		Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
		Rs'000	Rs'000	Rs'000	Rs'000
At December 31, 2014					
Borrowings		43,046	-	-	-
Other payables		878,823	-	-	-
Other liabilities		211,500	105,750	-	-
	Rs.	1,133,369	105,750	-	-
At December 31, 2013					
Borrowings		105,860	-	-	-
Other payables		724,274	-	-	-
Other liabilities		213,672	115,585	93,743	-
	Rs.	1,043,806	115,585	93,743	-

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

(b) **Interest rate risk**

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates. The company's interest-rate risk arises from banking facilities.

The sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Company's profit before tax has only an immaterial impact on the Company's equity.

3.2 Fair value estimation

The fair value of financial information traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transaction on an arm`s length basis. The quoted market price used for financial assets held by the Company/Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily quoted equity investments classified as trading securities or available-for-sale.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:
- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of the forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period, with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Fair value estimation (cont'd)

(i) Recurring fair value measurement

	2014			
	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Investment property			19,500	19,500
Investment at fair value through profit or loss				
Agriculture	1,068		37,669	38,737
Communications	51,109	151,456	91,407	293,971
Distribution	-		400,638	400,638
Entertainment & Tourism	686,135		271,275	957,411
Financial Services	509,711	643,664	1,178,169	2,331,544
Gaming	318,750	-	323,542	642,292
ICT	-		41,089	41,089
Manufacturing	63,986	643,382	60,000	767,368
Other Holdings	11,889		-	11,889
Other Services	22,547		18,850	41,397
Real Estate	9,030	768,392	249,140	1,026,562
	1,674,224	2,206,894	2,691,279	6,572,397

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Fair value estimation (cont'd)

(ii) Fair values

Fair value hierarchy

Fair value measurement using significant unobservable inputs (Level 3).

	Balance at January 1, 2014	Additions	Disposal	Transfer	Fair value Adjustment	Balance at December 31, 2014
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Investment property	10,500			8,452	548	19,500
Agriculture	35,077	2,500	-	-	92	37,669
Communications	75,407	16,000	-	-	(0)	91,407
Distribution	420,350	-	-	-	(19,712)	400,638
Entertainment & Tourism	255,976	-	(10,051)	-	25,351	271,275
Financial Services	1,112,008	127,227	-	-	(61,066)	1,178,169
Gaming	323,542	-	-	-	-	323,542
ICT	35,458	-	-	-	5,630	41,089
Manufacturing	29,715	32,000	(1,607)	-	(108)	60,000
Other Holdings	-	-	-	-	-	-
Other Services	31,792	-	-	-	(12,942)	18,850
Real Estate	215,927	-	-	-	33,213	249,140
	2,545,752	177,727	(11,658)	8,452	(28,994)	2,691,279

The entity's policies is to recognise transfers out of Level 3 as of the date of the event or change in circumstances that cause the transfer.

Except as detailed in the table above, the directors consider that carrying amounts of financial assets and financial liabilities recognised approximates their fair values.

The gains and losses arising on level 3 investments amounting to Rs 29m included in profit or loss is attributable to the change in unrealised gain or loss relating to the investment held at end of the reporting period.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Fair value estimation (cont'd)

(ii) **Fair values (cont'd)**

Fair value hierarchy (cont'd)

Fair value measurement using significant unobservable inputs (Level 2).

	Balance at January 1, 2014	Additions	Disposal	Transfer to level 1	Fair value Adjustment	Balance at December 31, 2014
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Investment at fair value through profit and loss:						
Communications	212,441	-	-	-	(60,985)	151,456
Financial services	630,517	-	-	-	13,147	643,664
Gaming	595,000	-	(148,750)	(318,750)	(127,500)	-
Manufacturing	671,790	-	-	-	(28,407)	643,382
Real Estate	815,047	-	-	-	(46,655)	768,392
	2,924,794	-	(148,750)	(318,750)	(250,401)	2,206,894

For investment classified as Level 2, fair value is estimated by reference of dividend, maintainable earnings, net assets value of the underlying assets, observable market data and indices of similar entities.

The following table shows the valuation techniques used in determinaton of fair values with in Level 3 of the hierarchy as well as the key unobservable inputs used in the valuation model.

Quantitative information of significant unobservable inputs - Level 3

3. **FINANCIAL RISK MANAGEMENT (CONT'D)**

3.2 **Fair value estimation (cont'd)**

(ii) **Fair values (cont'd)**

Fair value hierarchy (cont'd)

The following table shows the valuation techniques used in determination of fair values with in Level 3 of the hierarchy as well as the key unobservable inputs used in the valuation model.

Quantitative information of significant unobservable inputs - Level 3

Type	2014 Fair value Rs'000	Valuation approach	Key unobservable inputs	Range of unobservable inputs (probability – weighted average)	Relationship of unobservable inputs to fair value
Investments					
Fair value through profit and loss investments :					
Agriculture	37,669	Carrying value			
Communications	91,407	Carrying value			
Distribution	400,638		PE	5%	An increase/decrease in PE will lead to an increase/decrease in fair value of Rs 20m
Entertainment & Tourism	271,275		PE	5%	An increase/decrease in PE will lead to an increase/decrease in fair value of Rs 4m
Financial	1,178,169	Carrying value			
Gaming	323,542	Discounted	Growth rate	5%	An increase/decrease in growth rate will lead to an increase/decrease in fair value of Rs 39.5m and Rs 37.9m respectively
ICT	41,089	Carrying			
Manufactu	60,000	Carrying value			
Other Holdings	-				
Other Services	18,850		PE	5%	An increase/decrease in PE will lead to an increase/decrease in fair value of Rs 0.0m
Real Estate	249,140	Rental	Rental	5%	An increase/decrease in rental yield and decrease/increase in growth rate will lead to an decrease/increase in fair value of Rs 7m and Rs 8m respectively
	2,671,779				

3. **FINANCIAL RISK MANAGEMENT (CONT'D)**

3.2 **Fair value estimation (cont'd)**

(ii) **Fair values (cont'd)**

Sensitivity analysis to significant changes in unobservable inputs within Level 3 hierarchy – Level 3

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 December 2014 are as shown below:

Description	**Input**	**Sensitivity used**	**Effect on fair value Rs'000**	**Effect on fair value Rs'000**
Investment				
Fair value through profit and loss investments :				
Agriculture				
Communications				
Distribution	PE	-5% and +5%	(19,768)	19,768
Entertainment & Tourism	PE	-5% and +5%	(3,996)	3,996
Financial Services				
Gaming	Growth	-5% and +5%	(37,906)	39,476
ICT				
Manufacturing				
Other Holdings				
Other Services	PE	-5% and +5%	-	-
Real Estate	Rental	-5% and +5%	8,327	(7,427)

*The sensitivity analysis refers to a percentage amount added or deducted from the input and the effect this has on the fair value.

3. **FINANCIAL RISK MANAGEMENT (CONT'D)**

(ii) **Fair values (cont'd)**

Fair value hierarchy (cont'd)

	2013			
	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Investment property			10,500	10,500
Investment at fair value through profit or loss				-
Agriculture	1,086	-	35,077	36,163
Communications	74,340	212,441	75,407	362,188
Distribution	-	-	420,350	420,350
Entertainment & Tourism	746,985	-	255,976	1,002,961
Financial Services	639,489	630,517	1,112,008	2,382,014
Gaming	-	595,000	323,542	918,542
ICT	-	-	35,458	35,458
Manufacturing	63,057	671,790	29,715	764,562
Other Holdings	10,363	-	-	10,363
Other Services	13,419	-	31,792	45,211
Real Estate	7,910	815,047	215927	1,038,884
	1,556,649	2,924,795	2,545,752	7,027,196

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(ii) Fair values (Cont'd)

Fair value hierarchy (cont'd)

Fair value measurement using significant unobservable inputs (Level 3).

	Balance at January 1, 2013	Additions	Disposal	Transfer to/ (from) level 3	Fair value Adjustment	Balance at December 31, 2013
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Investment propety	11,000				(500)	10,500
Investment at fair value through profit or loss						
Agriculture	40,677				(5,600)	35,077
Communications	67,413	8,000			(6)	75,407
Distribution	366,858				53,491	420,349
Entertainment & Tourism	253,902		(2,320)		4,393	255,975
Financial Services	1,429,952	9,813		(467,048)	139,292	1,112,009
Gaming	720,448			(428,348)	31,443	323,543
ICT	34,530	22			907	35,459
Manufacturing	1,538	28,000			177	29,715
Other Services	28,449				3,343	31,792
Real Estate	217,927				(2,000)	215,927
	3,172,694	45,835	(2,320)	(895,396)	224,940	2,545,753

The entity's policies is to recognise transfers out of Level 3 as of the date of the event or change in circumstances that cause the transfer.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(ii) Fair values (cont'd)

Fair value hierarchy (cont'd)

Fair value measurement using significant unobservable inputs (Level 2).

	Balance at January 1, 2013	Additions	Disposal	Transfer to/ (from) level 2	Fair value Adjustment	Balance at December 31, 2013
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Investment at fair value through profit and loss:						
Communications	141,345				71,096	212,441
Financial services	52,979		(50,106)	467,048	160,595	630,516
Gaming	-			428,348	166,652	595,000
Manufacturing	623,149				48,641	671,790
Real Estate	838,480				(23,433)	815,047
	1,655,953	-	(50,106)	895,396	423,551	2,924,794

The entity's policies is to recognise transfers out of Level 3 as of the date of the event or change in circumstances that cause the transfer.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Capital risk management

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, or sell

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

4.1 Critical accounting estimates and assumptions

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

(a) Held-to-maturity investments

The Company follows the guidance of International Accounting Standard (IAS) 39 - "Recognition and Measurement" on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgement. In making this judgement, the Company evaluates its intention and ability to hold such investments to maturity.

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

4.1 Critical accounting estimates and assumptions (cont'd)

(a) Held-to-maturity investments (cont'd)

If the Company failes to keep these investments to maturity other than for specific circumstances explained in IAS 39, it will be required to reclassify the whole class as available-for-sale. The investments would therefore be measured at fair value not amortised cost.

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

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

(c) Pension benefits

The present value of the pension obligations depends 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 company determines the appropriate discount rate at the end of each year. This is the interest rate that should be 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 company 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 obligation.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 13.

(d) Revaluation of investment properties

The Company carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. In addition, it measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Company engaged independent valuation specialists to determine fair value as at 31 December 2014. For the investment property the valuer used a valuation technique based on a discounted cash flow model as there is a lack of comparable market data because of the nature of the property.

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

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

4.1 Critical accounting estimates and assumptions (cont'd)

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

The fair value of securities not quoted in an active market may be determined by the Company using valuation techniques including third party transaction values, earnings, net asset value of discounted cash flows, whichever is considered to be appropriate. The Company would exercise judgement and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(f) 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 that the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

(g) Asset lives and residual values

Property, plant and equipment are depreciated over its useful life 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.

(f) Depreciation policies

Property, plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Company would currently obtain from disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life.

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.

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

4.1 Critical accounting estimates and assumptions (cont'd)

(f) Deferred tax on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties the directors reviewed the Company's investment property portfolio and concluded that none of the Company's investment property portfolio are held under a business model embodied in the investment properties over time, rather than through sale. Therefore, in determining the Company's deferred taxation on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Company has not recovered any deferred taxes on changes in fair value of investment properties as the Company is not subject to any capital gain taxes on disposal of its investment properties.

(g) Investment entities

The company has been deemed to meet the definition of an investment entity as the following conditions exist:

(a) The company has obtained funds for the purpose of providing investors with investment management services.

(b) The company's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment.

(c) The performance of investments made are measured and evaluated on a fair value basis.

4. PLANT AND EQUIPMENT

	Land & buildings	Office furniture and fittings	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000
2014				
COST				
At January 1,	33,574	18,324	17,993	69,891
Additions	-	253	-	253
Transfer to investment property (note 5)	(8,452)	-	-	(8,452)
At December 31,	**25,122**	**18,577**	**17,993**	**61,692**
DEPRECIATION				
At January 1,	9,295	17,006	11,119	37,419
Charge for the year	502	548	2,864	3,914
At December 31,	**9,798**	**17,553**	**13,983**	**41,334**
NET BOOK VALUES				
At December 31, Rs.	**15,324**	**1,024**	**4,010**	**20,358**

	Land & buildings	Office furniture and fittings	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000
2013				
COST				
At January 1,	33,574	17,863	17,856	69,293
Additions	-	459	3,388	3,847
Disposal	-	-	(3,250)	(3,250)
At December 31,	**33,574**	**18,322**	**17,994**	**69,890**
DEPRECIATION				
At January 1,	8,792	16,686	9,250	34,728
Charge for the year	502	320	2,898	3,720
Disposal	-	-	(1,029)	(1,029)
At December 31,	**9,294**	**17,006**	**11,119**	**37,419**
NET BOOK VALUES				
At December 31, Rs.	**24,280**	**1,316**	**6,875**	**32,471**

5. INVESTMENT PROPERTY

	2014	2013
	Rs'000	Rs'000
At January 1,	**10,500**	11,000
Transfer from property, plant and equipment (note 4)	**8,452**	-
Increase/(Decrease) in fair value of investment properties (note (ii))	**548**	(500)
At December 31,	**19,500**	10,500

(i) Land suituated at Anse Courtois, Pailles is valued at fair value at 13 May 2015 by Ramsaran Nundalalee MRICS Chartered Valuation Surveyor, an independent professionally qualified valuer. The fair value was determined on an open-market basis by reference to market evidence of transaction prices for similar properties.

The investment properties have been valued at fair value by independent professionally qualified valuers, on an open market basis. The Directors have decided to book only 75% of the value to mitigate the company's exposure to any risks that may arise from unfavourable conditions in the investment property market.

(ii) Building situated at Quatre-Bornes is valued at fair value at 31 December 2013 by NP Jeetun, Chartered Valuation Surveyor, an independent professionally qualified valuer. The fair value was determined on an open-market basis by reference to market evidence of transaction prices for similar properties.

(iii) Gains and losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

(ii) Rental income from investment properties amounted to Rs 1.56m.(2013: Rs.1.56m).

During the year and as at the year-end, no restrictions on the releasability of investment properties or the remittance of income and proceeds of disposal were present. The Company does not have any contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance or enhancements.

6. INTANGIBLE ASSETS

		Leasehold rights	Computer software	Total
		Rs'000	Rs'000	Rs'000
COST				
At January 1, 2014		15,000	9,074	24,074
Additions		-	1,363	1,363
At December 31, 2014		**15,000**	**10,437**	**25,437**
AMORTISATION				
At January 1, 2014		765	9,005	9,770
Charge for the year		250	510	760
At December 31, 2014		**1,015**	**9,515**	**10,530**
NET BOOK VALUES				
At December 31, 2014	Rs.	**13,985**	**921**	**14,907**

6. INTANGIBLE ASSETS (CONT'D)

	Leasehold rights	Computer software	Total
	Rs'000	Rs'000	Rs'000
COST			
At January 1, 2013	15,000	8,999	23,999
Additions	-	75	75
At December 31, 2013	**15,000**	**9,074**	**24,074**
AMORTISATION			
At January 1, 2013	515	8,999	9,514
Charge for the year	250	6	256
At December 31, 2013	765	9,005	9,770
NET BOOK VALUES			
At December 31, 2013	**14,235**	**69**	**14,304**

Intangible assets include leasehold rights with a remaining useful life of fifty six and half years.

The leasehold rights relates to land situated at:

- 1A Victoria Avenue, Quatre Borne of an extent of 4221m2 at a cost of Rs 10,000,790.
- 50P Victoria Avenue, Quatre Borne of an extent of 4221m2 at a cost of Rs 4,999,210.

7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2014	2013
	Rs'000	Rs'000
Investment in subsidiaries at fair value through profit or loss (see note (a))	**1,329,311**	1,358,979
Investment in associates at fair value through profit or loss (see note (b))	**1,114,108**	1,814,017
Other investments at fair value through profit or loss (see note (c))	**4,109,478**	3,843,700
	6,552,897	7,016,696

(a) **Investment in subsidiaries at fair value through profit or loss**

	2014	2013
	Rs'000	Rs'000
At January 1	**1,358,979**	1,342,766
Advances converted into equited	**-**	447,000
Decrease in fair value	**(29,668)**	(430,787)
At December 31,	**1,329,311**	1,358,979

The Company meets the definition of investments entity. Therefore, it does not consolidate its subsidiaries but rather, it recognises them as investment at fair value through profit or loss. The invesment in subsidiaries fair value is estimated by reference to the maintainable earnings, dividend yield, net assets value of the underlying assets, observable market data and indices of similar entities as appropriate.

7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

(a) *Investment in subsidiaries at fair value through profit or loss (cont'd)*

(i) Details of the subsidiary companies are as follows:

	Class of Shares held	Year end	Proportion of ownership Direct		Indirect		Activity
			2014	2013	**2014**	2013	
			%	%	%	%	
Beach Casinos Limited	Ordinary	31-Dec-14	**100.00**	100.00	-	-	Gaming
Capital Asset Management Limited	Ordinary	31-Dec-14	**100.00**	100.00	-	-	Fund Management
Casino de Maurice Limited	Ordinary	31-Dec-14	**100.00**	100.00	-	-	Gaming
Casino Equipment Limited	Ordinary	31-Dec-14	**4.76**	4.76	**59.00**	59.00	Equipment Assembly
Compagnie Mauricienne D'Hippodromes Ltée	Ordinary	31-Dec-14	-	-	**81.00**	81.00	Property Development
Domaine Les Pailles Limitée	Ordinary	31-Dec-14	**8.63**	8.63	**66.64**	66.64	Food & Consumer goods
Domaine Les Pailles Training Centre Ltd	Ordinary	31-Dec-14	-	-	**75.00**	75.00	Training
EREIT Management Ltd	Ordinary	31-Dec-14	**100.00**	100.00	-	50.00	Management services
Guibies Holding Ltd	Ordinary	31-Dec-14	**10.00**	10.00	**72.00**	72.00	Property Development
Guibies Properties Ltd	Ordinary	31-Dec-14	-	-	**81.00**	81.00	Property Development
Lakepoint Limited	Ordinary	31-Dec-14	**100.00**	100.00	-	75.00	Leisure & Entertainment
Le Caudan Waterfront Casino Limited	Ordinary	31-Dec-14	**51.00**	51.00	-	25.00	Gaming
Le Grand Casino Du Domaine Limited	Ordinary	31-Dec-14	**62.36**	62.36	-	20.00	Gaming

7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

(a) ***Investment in subsidiaries at fair value through profit or loss (cont'd)***

(i) Summary of unconsoliated subsidiaries (cont'd)

	Class of Shares held	Year end	Proportion of ownership Direct 2014	Direct 2013	Indirect 2014	Indirect 2013	Activity
			%	%	**%**	%	
Le Val Development Limited	Ordinary	31-Dec-14	**70.00**	70.00	**-**	-	Property Development
Les Pailles Management Limited	Ordinary	31-Dec-14	**100.00**	100.00	**-**	-	Management Services
MJTI Propeties Limited	Ordinary	31-Dec-14	**91.37**	91.37	**-**	-	Property Development
Prime Partners Limited	Ordinary	31-Dec-14	**100.00**	100.00	**-**	-	Corporate Services
Prime Securities Ltd	Ordinary	31-Dec-14	**80.00**	80.00	**-**	-	Stock Broking Services
Prime Real Estate Limited	Ordinary	31-Dec-14	**80.00**	80.00	**-**	-	Property Development
SIC Fund Management Ltd	Ordinary	31-Dec-14	**100.00**	80.00	**-**	-	Fund Management
SIC Management Services Company Limited	Ordinary	31-Dec-14	**100.00**	100.00	**-**	-	Management Services
State Investment Finance Corporation Limited	Ordinary	31-Dec-14	**80.00**	80.00	**-**	-	Investment
Sun Casinos Limited	Ordinary	31-Dec-14	**100.00**	100.00	**-**	-	Gaming
Grand Baie Casino Limited	Ordinary	31-Dec-14	**-**	-	**4.72**	4.72	Gaming

All the subsidiaries are incorporated in and their place of business are the Republic of Mauritius.

(ii) *Restrictions*

The Company receives income in the form of dividends, interest and director fees from its investments in unconsolidated subsidiaries, and there are no significant restrictions on the transfer of funds from these entities to the Company.

(ii) *Support*

As per policy decision of the main shareholder, SIC intends to continue to provide support to some of its unconsolidated subsidiaries, however the Company has no contractual commitment to provide any other financial or other support to its unconsolidated subsidiaries.

The Company has no contractual commitment to provide any other financial or other support to its unconsolidated subsidiaries.

7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

(a) *Investment in subsidiaries at fair value through profit or loss (cont'd)*

(iii) Subsidiaries are denominated in the following currencies:	**2014**	2013
	Rs'000	Rs'000
Rupee	**1,329,311**	1,358,979

(iv) The fair value mesurement of the shares held by the company in the subsidiaries is categorised into the following fair value hierarchy:

At December 31, 2014	**Level 1**	**Level 2**	**Level 3**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Investment in subsidiaries	**-**	**768,392**	**560,919**	**1,329,311**

At December 31, 2013	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Investment in subsidiaries	-	815,047	543,932	1,358,979

(v) The table below shows the changes in level 3 instruments

	Investment in subsidiaries at fair value through profit or loss	
	2014	2013
	Rs'000	Rs'000
Opening balance	**543,932**	504,286
Gains/(losses) recognised in profit or loss	**16,987**	(407,354)
Transfer to level 3	**-**	447,000
Closing balance	**560,919**	543,932

(b) **Investment in associates at fair value through profit or loss**	**2014**	2013
	Rs'000	Rs'000
At January 1,	**1,814,017**	1,383,874
Additions during the year	**7,810**	7,788
Disposal during the year	**(150,465)**	-
Transfer to available-for-sale (Note (c))	**(446,250)**	-
Fair value (decrease)/increase (note 17)	**(111,005)**	422,355
At December 31,	**1,114,108**	1,814,017

For investment in associates, fair value is estimated by reference to the maintainable earnings, net assets value of the underlying assets, observable market data and indices of similar entities as appropriate.

7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

(b) Investment in associates at fair value through profit or loss (cont'd)

(i) Details of the investment in the associates are as follows:

		Class of Shares held	Year end	Proportion of ownership Direct 2014	Direct 2013	Indirect 2014	Indirect 2013	Activity
				%	%	%	%	
Cargo Handling Corporation Ltd	**Note (a)**	Ordinary	31-Dec-14	-	54.00	-	-	Logistics and Distribution
Editions de l'Ocean Indien Limitée		Ordinary	31-Dec-14	49.98	49.98	-	-	Editing and printing
Lottotech Ltd	**Note (b)**	Ordinary	31-Dec-14	-	25.00	-	-	Gaming
Mauritius Duty Free Paradise Co Ltd		Ordinary	31-Dec-14	20.00	20.00	-	-	Distribution
Mauritius Shoppping Paradise Co Ltd		Ordinary	31-Dec-14	43.35	43.35	-	-	Distribution
Mauritius Land Based Oceanic Park Ltd		Ordinary	31-Dec-14	63.00	63.00	-	-	Utilities
National Equity Fund		Preference	31-Dec-14	25.00	25.00	-	-	Financial Services
Pointe Coton Resorts Hotels Co Limited		Ordinary	31-Dec-14	28.54	28.54	-	-	Leisure and Entertainment
Port Louis Fund Ltd		Ordinary	31-Dec-14	37.84	37.97	-	-	Investment fund
Rodrigues Venture Capital and Leasing Fund Ltd		Ordinary	31-Dec-14	50.00	50.00	-	-	Financial Services
Spendid Property Co Ltd		Ordinary	31-Dec-14	25.00	25.00	-	-	Real Estate
State Informatics Limited		Ordinary	31-Dec-14	20.00	20.00	-	-	ICT
The Bagged Sugar Storage and Distribution Co Ltd	**Note (c)**	Ordinary	31-Dec-14	-	38.00	-	-	Logistics and Distribution

Note (a)
Further to a new share issue by Cargo Handling Corporation (CHC) not subscribed by SIC, the company's shareholding in CHC has been diluted to less than 20% and is no longer considered as an associate.

Note (b)
Shares in Lottotech were transferred to Available-for-sale investment since it was introduced on the stock exchange during the year.

Note (c)
Shares in The Bagged Sugar Storage and Distribution Co Ltd were disposed of during the year.

7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

(b) Investment in associates at fair value through profit or loss (cont'd)

(ii) *Restrictions*

The Company receives income in the form of dividends and interest from its investments in associates, and there are no significant restrictions on the transfer of funds from these entities to the Company.

(iii) *Support*

During the current year, the company provided financial support in the form of advances for working capital management purposes. The Company intends to support one of its associates which has embarked on a restructuring plan regarding its business and marketing strategy.

(iv) Associates are denominated in the following currencies:

	2014	2013
	Rs'000	Rs'000
Rupee	**1,114,108**	1,814,017

(v) The fair value mesurement of the shares held by the company in the associates is categorised into the following fair value hierarchy:

At December 31, 2014	**Level 1**	**Level 2**	**Level 3**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Investment in associates	**-**	**-**	**1,114,108**	**1,114,108**

At December 31, 2013	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Investment in associates	-	595,000	1,219,017	1,814,017

(vi) The table below shows the changes in level 3 instruments

	Investment in associates at at fair value through profit or loss	
	2014	2013
	Rs'000	Rs'000
Opening balance	**1,219,018**	1,383,874
Gains/(losses) recognised in profit or loss	**(111,005)**	255,703
Purchases	**7,810**	7,788
Disposal	**(1,715)**	-
Transferd from level 3	**-**	(428,348)
Closing balance	**1,114,108**	1,219,017

7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

(c) Other investments at fair value through profit or loss

	Held-to-maturity	**Available-for-sale**			
	Unquoted	**Listed**	**the DEM**	**Unquoted**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At January 1, 2014	**57,380**	**1,385,852**	**170,797**	**2,229,671**	**3,843,700**
Additions	**32,000**	**31**	**-**	**43,592**	**75,623**
Disposals	**(10,051)**	**-**	**-**	**-**	**(10,051)**
Transfer from associates	**-**	**446,250**	**-**	**-**	**446,250**
Fair value gains/(losses)	**-**	**(309,346)**	**(19,360)**	**82,661**	**(246,044)**
At December 31, 2014	**79,329**	**1,522,787**	**151,437**	**2,355,924**	**4,109,478**

	Held-to-maturity	Available-for-sale			
	Unquoted	Listed	the DEM	Unquoted	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At January 1, 2013	31,700	1,069,870	144,780	2,059,306	3,305,656
Additions	28,000	-	-	8,050	36,050
Disposals	(2,320)	-	-	(50,105)	(52,425)
Fair value gains	-	315,982	26,017	212,420	554,419
At December 31, 2013	57,380	1,385,852	170,797	2,229,671	3,843,700

(d)

At December 31, 2014	**Level 1**	**Level 2**	**Level 3**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Available-for-sale financial assets	**1,674,224**	**1,427,971**	**927,953**	**4,030,149**
Held-to-maturity investments	**-**	**-**	**79,329**	**79,329**
Total	**1,674,224**	**1,427,971**	**1,007,282**	**4,109,478**

At December 31, 2013	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Available-for-sale financial assets	1,556,649	1,514,748	714,923	3,786,320
Held-to-maturity investments	-	-	57,380	57,380
Total	1,556,649	1,514,748	772,303	3,843,700

Shares in Lottotech were transferred from Level 2 to Level 1 of the fair value hierarchy since it was introduced on the stock exchange during the year.

7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

(e) Available-for-sale are denominated in the following currencies:

	2014	2013
Currency	**Rs'000**	Rs'000
Rupee	3,728,795	3,626,027
US Dollar	301,354	160,293
	4,030,149	3,786,320

(f) Held-to-maturity investments are denominated in the following currencies:

		2014	2013
		Rs.	Rs.
Rupee	Rs.	79,329	57,380

(g) The maturity dates and the rate of dividend for each held-to-maturity securities are as follows:

	Rs'000	Maturity dates	Returns
Seven Waterfalls Horizons (Mtius) Ltd	19,329	31 March 201	9.25%
Solid Waste Recycling Ltd	60,000	31 Dec 2020	9.00%

(h) The table below shows the changes in level 3 instruments for the year ended December 31, 2014

	Available for sale	Held-to-maturity	Total
	Rs'000	**Rs'000**	**Rs'000**
Opening balance	**714,922**	**57,380**	**772,302**
Gains/(losses) recognised in profit or loss	**66,749**	-	**66,749**
Purchases	**146,281**	**32,000**	**178,281**
Disposal	-	**(10,051)**	**(10,051)**
Closing balance	**927,953**	**79,329**	**1,007,282**

The table below shows the changes in level 3 instruments for the year ended December 31, 2013

	Available for sale	Held-to-maturity	Total
	Rs'000	Rs'000	Rs'000
At January 1	1,241,834	31,700	1,273,534
Gains/(losses) recognised in profit or loss	377,090	-	377,090
Purchases	10,047	28,000	38,047
Disposal	-	(2,320)	(2,320)
Advances converted into equited	(447,000)	-	(447,000)
Transfer from level 3	(467,048)	-	(467,048)
At December 31,	714,923	57,380	772,303

8. NON-CURRENT RECEIVABLES

	2014	2013
	Rs'000	Rs'000
Loans to employees (note (a))	**8,382**	7,790

(a) The loans to employees bear fixed rate of interest and the monthly repayments are deductible from the employee's salaries. The short term portion is included in other receivables.

9. TRADE AND OTHER RECEIVABLES

		2014	2013
		Rs'000	Rs'000
Trade receivables		**31,483**	122,807
Prepayments		**679**	533
Receivables from related parties		**375,723**	297,877
Other receivables		**10,362**	11,537
	Rs.	**418,248**	432,754

(a) The carrying amount of trade and other receivables approximate their fair values.

(b) As of December 31, 2014 trade receivable of Rs. 409,158 (2013: Rs. 424,283) were past due but not impaired.
This relates to a group debtor for whom there is no recent history default. The ageing analysis of this trade receivable is as follows:

	2014	2013
	Rs'000	Rs'000
Over 6 months	**409**	424

(c) None of the other classes within trade and other receivables contain impaired assets.

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

(e) All of the company's receivables is denominated in Mauritian rupee.

10. SHARE CAPITAL

(a)

	2014 & 2013	2014 & 2013
	Number	**Rs'000**
<u>Authorised, Issue & Fully Paid</u>		
Ordinary shares of Rs.10 each	10,000,010	**100,000**

(b) **Share back back reserve**

	2014	2013
	Rs'000	Rs'000
Share back back reserve	**15,000**	15000

Further to the request of National Investment Trust (NIT) and the approval of the main shareholder, the buy back of the shares held by NIT in SIC to the amount of Rs.423m was approved in June 2013. Based on the Memorandum of Understanding (MOU) reached between NIT and SIC on 13th November 2013, it has been agreed that the consideration would be settled in four equal annual instaments with interests based on repo rate accrued as from date of signature of finalised as at 31 December 2013. Accordingly the share buy back transaction has been accounted for in the share buy back reserve.

11. BORROWINGS

		2014	2013
		Rs'000	Rs'000
Current			
Bank overdraft		43,044	105,859
Bank overdraft on behalf of GOM for RWG scheme		2	1
Bank overdraft	Rs.	43,046	105,860

(a) The bank overdraft, which is denominated in Mauritian rupee, is secured by floating charges on the assets of the Company and carries interest at the rate of PLR + 3.75% p.a.

(b) The exposure of the company's borrowings to interest rate changes and the contractual repricing dates is within six months.

(c) The carrying amount of borrowings approximate their fair value.

12. RETIREMENT BENEFIT OBLIGATION

The pension plan of the Company is a final salary defined benefit plan for senior employees and is wholly funded. It provides for a pension at retirement and a benefit on death or disablement in service before retirement.

	2014	2013
	Rs'000	Rs'000
Amount recognised in the statement of financial position:		
Defined pension plan	6,738	6,827
Amount charged to profit or loss:		
Defined pension plan	2,001	1,684
Amount charged to other comprehensive income:		
Defined pension plan	(449)	3,083

(i) The company contributes to a defined benefit pension. 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

The assets of the plan are independently administered by SICOM Ltd.

The most recent acturial valuation of the plan assets and present value of the defined benefit obligations were carried out at December 31, 2014 by Neermul Suneechur (Acturial valuer). The present value of the defined benefit obligations, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) The amounts recognised in the statements of financial position are as follows:

	2014	2013
	Rs'000	Rs'000
Present value of funded obligations	67,134	62,981
Fair value of plan assets	(60,395)	(56,154)
Liability in the statement of financial position	6,738	6,827

12. RETIRMENT BENEFIT OBLIGATION (CONT'D)

The reconciliation of the opening balances to the closing balances for the net defined benefit liability is as

	2014	2013
	Rs'000	Rs'000
At January 1,	**6,827**	3,744
Charged to profit or loss	**2,001**	1,684
Charged to other comprehensive income	**(449)**	3,083
Contributions paid	**(1,640)**	(1,684)
Balance at December 31,	**6,738**	6,827

(iii) The movement in the defined benefit obligations over the year is as follows:

	2014	2013
	Rs'000	Rs'000
At January 1,	**62,981**	54,172
Current service cost	**2,251**	2,145
Interest expense	**5,038**	4,334
Acturial (gain)/loss	**(1,813)**	4,112
Benefits paid	**(1,324)**	(1,782)
At December 31,	**67,134**	62,981

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

	2014	2013
	Rs'000	Rs'000
At January 1,	**56,155**	50,428
Return on plan assets	**4,535**	4,060
Contributions by plan participants	**801**	823
Contributions by the employer	**1,602**	1,647
Benefits paid	**(1,334)**	(1,832)
Asset gain/(loss)	**(1,364)**	1,028
At December 31,	**60,395**	56,154

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

	2014	2013
	Rs'000	Rs'000
Current service cost	**2,251**	2,145
Employee contributions	**(801)**	(823)
Fund expenses	**48**	88
Interest expense	**503**	274
Total included in employee benefit expense	**2,001**	1,684

(vi) The amounts recognised in other comprehensive income are as follows:

	2014	2013
	Rs'000	Rs'000
Remeasurement on the net defined benefit liability:		
Liability experience losses	**(1,813)**	4,112
Acturial gain/(loss)	**1,364**	(1,029)
	(449)	3,083

12. RETIRMENT BENEFIT OBLIGATION (CONT'D)

(vii) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

	2014	2013
	%	%
Government securities and cash	**57.10**	59.10
Loans	**4.10**	4.90
Local equities	**21.10**	21.90
Overseas bonds and equities	**17.00**	13.40
Property	**0.70**	0.70
	100.00	100.00

(viii) The principal actuarial assumptions used for the purposes of the actuarial valautions were:

	2014	2013
	%	%
Discount rate	**8.00**	8.00
Future salary growth rate	**6.50**	6.50
Future pension growth rate	**5.50**	5.50

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

	Increase	Decrease
December 31, 2014		
Discount rate (1% movement)	Rs 11.7 M	Rs 9.4 M
December 31, 2013		
Discount rate (0.5% movement)	Rs 1.3 M	Rs 1.2 M

(ix) 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 have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of reporting period.

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 other than the change in discount rate.

(x) The defined benefit pension plan exposes the company to actuarial risks, such as logevity risk, currency risk, interest rate risk and market (investment) risk.

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

(xii) The company expects to pay Rs 1,728,728 in contributions to its post-employment benefit plans for the year ending December 31, 2015.

(xiii) The weighted average duration of the defined benefit obligation is 17 years at the end of the reporting period. (2013: 18 years)

13. OTHER LIABILITIES

	2014	2013
	Rs'000	Rs'000
At January 1,	423,000	-
Additions	-	423,000
Repayment during the year	(105,750)	-
At December 31,	317,250	423,000

The other payable represents the amount due to NIT with respect to the share buy back by the company (see note 10(b)). The amount due to NIT bears interest at repo rate and is repayable in four equal annual instaments as analysed below.

	2014	2013
	Rs'000	Rs'000
Within one year	226,252	228,424
After one year and before three years	120,502	224,160
	346,754	452,584
Less future finance charges	(29,504)	(29,584)
At December 31,	317,250	423,000
Representing liabilities in respect of share buy back transaction:		
Within one year	211,500	213,672
After one year and before three years	105,750	209,328
	317,250	423,000

14. DEFERRED TAX ASSET

Deferred income tax is calculated on all temporary differences under the liability method at 15% (2013: 15%).

There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority on the same entity. The following amounts are shown in the statement of financial position:

	2014	2013
	Rs'000	Rs'000
Deferred tax assets	715	1,094

The movement on deferred income tax account is as follows:		2014	2013
		Rs'000	Rs'000
At January 1,		1,094	243
Movement in profit or loss		(312)	388
Credit to the other comprehensive income		(67)	463
At December 31,	Rs.	715	1,094

14. DEFERRED TAX ASSET (CONT'D)

Deferred tax assets, deferred tax charge/(credit) in the profit or loss are attributable to the following item

		At January 1, 2014	Charge to Profit or loss	Charge to OCI	At December 31 2014
		Rs'000	Rs'000	Rs'000	**Rs'000**
Deferred income tax					
Accelerated tax depreciation		70	(366)	-	**(296)**
Retirement benefit obligations		1,024	54	(67)	**1,011**
Net deferred income tax assets	Rs.	1,094	(312)	(67)	**715**

		At January 1, 2013	Charge to Profit or loss	Charge to OCI	At December 31 2013
		Rs'000	Rs'000	Rs'000	**Rs'000**
Deferred income tax					
Accelerated tax depreciation		(318)	388	-	**70**
Retirement benefit obligations		561	-	463	**1,024**
Net deferred income tax assets	Rs.	243	388	463	**1,094**

15. OTHER PAYABLES

	2014	2013
	Rs'000	Rs'000
Amount payable to fellow subsidiaries	-	121,085
Payable to Government of Mauritius - RWG (note 25)	**845,920**	595,752
Other payables	**32,904**	7,437
	878,823	724,274

The carrying amounts of trade and other payables approximate their fair value.

- The payable to Government of Mauritius with respect to Restructuring Working Group (RWG) represents the cash held by the Company in the fiduciary capacity and are non-interest bearing.
- The other payable to Government of Mauritius are non-interest bearing and repayable on demand.

16. INCOME TAX

		2014	2013
		Rs'000	Rs'000
(a) Statement of financial position			
At July 1,		**690**	108
Charge for the year		**1,567**	1,198
(Over)/under provision of income tax of previous year		**(202)**	97
PAYE Credit		**(817)**	-
CSR liability		**121**	-
Paid during the year		**(1,167)**	(713)
At June 30,	Rs.	**191**	690

		2014	2013
(b) Statement of profit or loss			
Current tax on the adjusted profit for the year at 15% (2013: 15%)		**1,567**	1,198
(Over)/under provision of income tax of previous year		**(202)**	97
Deferred tax movement (note 12)		**312**	(388)
Charge for the year	Rs.	**1,677**	907

16. INCOME TAX (CONT'D)

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

		2014	2013
		Rs'000	Rs'000
(Loss)/profit before taxation		(310,563)	675,245
Tax calculated at a rate of 15% (2013: 15%)		(46,584)	101,287
Tax effect of :			
Expenses not deductible for tax purposes		82,694	9,875
Income not subject to tax		(34,616)	(110,352)
Adjustment		490	-
(Over)/under provision of income tax of previous year		(202)	97
Charge for the year	Rs.	1,782	907

17. NET CHANGE IN INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

		2014	2013
		Rs'000	Rs'000
(a)	Unrealised gain/(loss) on investments at fair value through profit or loss		
	Fair value movement		
	Investment in subsidiaries (note 7(a))	(29,668)	(430,787)
	Investment in associates (note 7(b))	(111,005)	422,355
	Other investments (note 7(c))	(246,044)	554,419
		(386,717)	545,987
(b)	Realised gain/(loss) on disposal of investments at fair value through profit or loss		
	Investment in subsidiaries	-	-
	Investment in associates	-	-
	Other investments	-	17,459
		-	17,459
(c)	Net change on investments at fair value through profit or loss	(386,717)	563,446

18. INVESTMENT INCOME

	2014	2013
	Rs'000	Rs'000
Dividend income	172,832	164,609
Interest on debentures	7,924	3,265
Income from winding up	-	328
Profit on disposal of associate	58,393	-
	239,149	168,202

19. INTEREST INCOME

	2014	2013
	Rs'000	Rs'000
Staff loan	433	446
Loan to related companies	43	443
Bank deposits	699	45
	1,175	934

20. OTHER INCOME

	2014	2013
	Rs'000	Rs'000
Management fees	1,200	1,200
Rental income	1,560	1,560
Directorship Fees	5,450	4,775
Other miscellaneous income	96	-
	8,305	7,535

22. EMPLOYEE BENEFIT EXPENSE

	2014	2013
	Rs'000	Rs'000
Wages and salaries, including termination benefits	38,933	35184
Social security costs	209	210
Pension costs - defined benefit plans	361	3,083
	39,504	38,477

22. INTEREST EXPENSE

	2014	2013
	Rs'000	Rs'000
Bank overdraft	4,780	6,341

23. NOTES TO THE STATEMENT OF CASH FLOWS

		Notes	2014	2013
(a)	**Cash generated from operations**		Rs.	Rs.
	(Loss)/profit for the year		(310,563)	675,245
	Adjustments for:			
	Depreciation on property, plant and equipment	4	3,914	3,720
	Written off of property, plant and equipment		-	2,221
	Amortisation of intangible assets	6	760	256
	(Increase)/decrease in fair value of investment property	5	(548)	500
	Exchange difference movement		(2,259)	110
	Realised gain/Loss on disposal of investments	17(b)	-	(17,459)
	Profit on disposal of investment		(58,393)	-
	Fair value (gains)/losses on financial assets at fair value thr	17(a)	386,717	(545,987)
	CSR liability included in tax liability		121	-
	PAYE credit offset in tax liability		(817)	-
	Interest costs	22	4,780	6,341
	Interest revenue	18&19	(9,099)	(4,534)
	Decrease in provision of Retirement benefit obligation		361	-
	Changes in working capital:			
	- trade and other receivables		13,914	(171,767)
	- trade and other payables		154,549	(262,787)
	Cash generated from/(absorbed in) operations		183,438	(314,141)

		2014	2013
(b)	**Cash and cash equivalents**	Rs'000	Rs'000
	Cash in hand and at bank	44,141	-
	Short term deposits	-	140,169
	Cash held on behalf of GOM for RWG scheme	845,921	595,752
	Cash at bank and in hand	890,063	735,921
	Bank overdrafts (note 11)	(43,046)	(105,860)
		847,017	630,061

24. RELATED PARTY TRANSACTIONS

2014	Utilities and licences paid to	Secretarial fees	Investment at fair value through profit or loss	Fair Gain/ (loss) in investments	Dividend income	Remuneration	Amount owed by related parties	Amount owed to related parties
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Subsidiaries	-	276	1,329,311	(29,668)	3,910	-	360,661	-
Associates	-	-	1,114,108	(111,005)	80,819	-	-	-
Directors and key management personnel	-	-	-	-	-	15,884	-	-
Enterprises with common directors	-	-	-	-	-	-	-	-
Government of Mauritius	-	-	-	-	-	-	15,050	845,920
Other Government of Mauritius related bodies	1,567	-	-	-	-	-	-	317,250
2013								
Subsidiaries	-	276	1,358,979	(430,787)	17,348	-	267,796	121,085
Associates	-	-	1,814,017	422,355	43,795	-	15,031	-
Directors and key management personnel	-	-	-	-	-	16,293	-	-
Enterprises with common directors	-	-	-	-	-	-	-	-
Government of Mauritius	-	-	-	-	-	-	15,050	595,752
Other Government of Mauritius related bodies	1,494	-	1,896,218	249,584	-	-	-	423,000

Terms and conditions of transactions with related parties.

Outstanding balances at end of year are unsecured, interest-free, repayable on demand and settlement occurs in cash.

24. RELATED PARTY TRANSACTIONS (CONT'D)

The Company has provided the following bank facilities guarantee to :

- Edition de L'Océan Indien in favour of Bramer Banking Corporation amounting to Rs.17m for the period October 8, 2014 to March 31, 2015.
- Casino de Maurice in favour of State Bank of Mauritius amounting to Rs.25m (2013 : Rs.25m).
- Sun Casino Ltd in favour of State Bank of Mauritius amounting to Rs.5m (2013 : Rs.5m).
- Domaine Les Pailles Limitée in favour of The Mauritius Commercial Bank Ltd amounting to Rs.34m (2013 : Rs.34m).

The Company has also provided financial support to the following subsidiaries as long as the liabilities (including contingent liabilities) of the subsidiaries exceed their assets, fair value, and will lapse forthwith upon the date that their assets exceed their liabilities (including contingent liabilities):

- Domaine Les Pailles Limitée
- Edition de L'Océan Indien
- Beach Casino
- Casino de Maurice
- Sun Casino Ltd
- Le Grand Casino du Domaine
- Le Caudan Waterfront Casino
- Lakepoint Ltd

For the year December 31, 2014, the Company has recorded an impairment of Rs.110m relating to amounts owed by related parties (2013: Rs.0.65m). This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Transactions with Government of Mauritius.

There are various transactions and outstanding balances with the Government of Mauritius. The amounts involve and the terms and conditions are set out in the following relevant notes 11, 15 and 25.

25. RESTRUCTURING WORKING GROUP (RWG)

In 2009 Government introduced the Mechanism for Transitional Support for the Private Sector (MTSP) under the Additional Stimulus Package (ASP) to assist firms facing difficulties in the context of the world's economic crisis by way of: equity support, liquidity/working capital including guarantee for bank support, asset purchase, swap or lease back for asset rich but cash poor enterprises.

In August 2010, the MTSP was renamed Economic Restructuring and Competitiveness Program (ERCP) which took over the role of MTSP.

Following the 2012 Budget Speech, the Vice Prime Minister and Minister of Finance and Economic Development announced the setting up of the National Resilience Fund (NRF), which in turn took over the role and responsibilities of ERCP.

25. RESTRUCTURING WORKING GROUP (RWG) (CONT'D)

GOM as such is not in a position to enter into agreement with individual benefiaries. Therefore, the State Investment Corporation Ltd is assisting the enterprises affected by the financial slowdown, on behalf of MOFED, in terms of equity, debentures, loans and working capital. It has the responsibility for disbursing to the beneficiaries and receiving the repayment from the later. SIC also acts as Guarantor on behalf of the Government of Mauritius. Agreements are signed between the beneficiary clients and SIC

As at date several schemes under the RWG programme have been introduced by the Government and SIC has been entrusted with the management and implementation of the different schemes set up by Government. The different schemes under the RWG programme are as follows:

- Stimulus Package
- Leasing Modernisation Scheme.
- Export Credit Insurance Scheme
- ERCP Credit Financing Scheme
- Planters Harvest Scheme
- Import facility
- Direct support under stimulus package
- Technopreneurship scheme
- Women enterprise scheme
- ICT Centre of excellence

The State Investment Corporation Ltd does not bear any of the credit risks of the funds' beneficiaries given its fiduciary role amounts in all the schemes under RWG. Further SIC doesn't bear any risk in relation to the guarantees they provide to the beneficiaries as the Government of Mauritius guarantees all the schemes and indemnifies SIC against any losses incurred in relation to the RWG schemes as stated in the memorandum of understanding (MOU) section 6, paragraph 2, where MOFED) has agreed to "guarantee", make good and cover all losses/defaults incurred by SIC"

In prior years cash received under each scheme were not refunded to Ministry of Finance (MOFED). There were no obligations to remit the funds. In the absence of the pass through arrangements an asset and a corresponding liability were recognised in the books representing amount receivable from beneficiaries and amount payable to MOFED respectively.

However, an agreement has been reached between the parties in 2013, SIC now has the obligation to refund the cash flows on a regular basis. This is effective as from January 1, 2013.

During the year ended December 31, 2014 SIC had made refunds and provided in regular returns to the MOFED as required per the agreement.

The formalisation of the contractual terms regarding the remittance of cash has resulted in the derecognition all of the assets and liabilities relating to the various schemes.

26. CONTINGENT LIABILITY

At December 31, 2014, the company had contingent liabilities in respect of the following:

(a) Corporate guarantees arising out of the ordinary course of business given on behalf of Edition de L' Ocean Indien, Casino De Maurice, Sun Casino Ltd and Domaine Les Pailles Limitée stood at Rs.17M, Rs.25M, Rs.5M and Rs.34M respectively as the reporting date.

(b) Corporate Guarantees for an amount of Rs.40.5M and import loans amounting to Rs.178.98M have been given on behalf of the Government relating to the Economic Restructuring and Competitiveness Programme, from which it is anticipated that no material loss will arise. In any case should any loss materialise, the loss will be borne by the Government of Mauritius.

27. COMMITMENTS

	2014	2013
	Rs'000	Rs'000
Capital commitments	-	96,300

(b) **Operating lease commitments**

The future minimum lease rentals payable under non cancellable operating leases are as follows:

	2014	2013
	Rs'000	Rs'000
Within one year	512	512
After one year but no more than five years	2,047	2,047
More than five years	103,984	104,496
	106,543	107,055

28. POST BALANCE SHEET

Divestment in Domaine Les Pailles Limitée.

Domaine Les Pailles Limitée

A Memorandum of Understanding has been finalised regarding the sale of the assets of Domaine Les Pailles Limitée. The administrative procedures for the sale transaction is in progress.

29. ULTIMATE SHAREHOLDER

The ultimate shareholder of the Company is the Government of Mauritius.