ANNUAL REPORT

2023 - 2024

M AURITIUS
C O-OPERATIVE
A GRICULTURAL
F EDERATION
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CORPORATE INFORMATION

REGISTERED OFFICE	**Kit Lock Avenue,** Bell Village, Port Louis
AUDITORS	**Moore (Mauritius)** 6th Floor, Newton Tower Sir William Newton Street Port Louis
BANKERS	**MauBank Ltd** 25, Bank Street, Cybercity Ebene **SBM BANK (MAURITIUS) LTD** Corporate Office, SBM Tower 1 Queen Elizabeth II Avenue Port Louis
FINANCIAL INSTITUTIONS	**Mauritius Civil Service Mutual Aid Association** Ltd 5, Guy Rozemont Square Port Louis **SICOM Ltd** SICOM Building, Sir CélicourtAntelme St, Port Louis



THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LTD

ABOUT US

The Mauritius Co-operative Agricultural Federation Ltd (MCAF Ltd) incorporated in August 1950 is a secondary Co-operative Society which acts as the main representative of Small Sugarcane Planters. The prerequisite for the existence of a Federation was felt from way back when sugarcane planters were having difficulties to voice out and solve issues neither individually nor at the level of primary societies i.e. the Co-operative Credit Societies (CCS).

On the verge of its **75 years of existence**, the MCAF Ltd is a well-trusted organisation, which has been in the forefront in the welfare of the sugarcane planters and a privilege partner in various initiatives aimed at developing and reshaping the agricultural landscape of Mauritius.

Presently, 112 Co-operative Credit Societies are affiliated with the Federation which represents around 5,117 sugarcane planters who are cultivating Sugarcane on approximately 5,000 hectares of land. For Crop 2023, the total sugar produced through CCS planter's amounts to 23,313 T, nearly 10% of the island wide production.

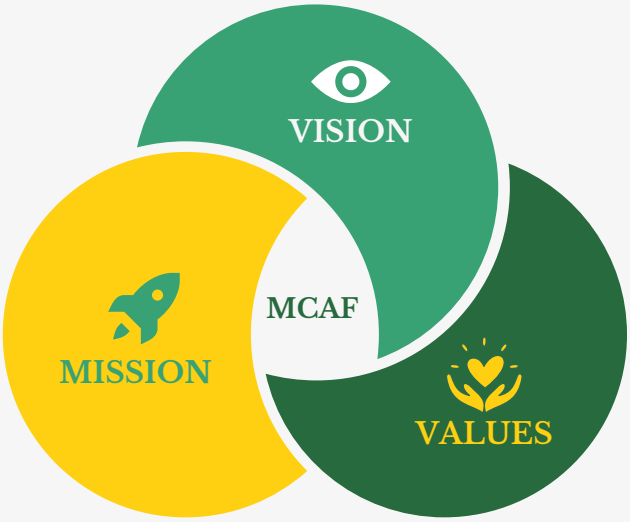


In a way to provide a better service to the planting community as a whole, the Federation has a distribution of an unrivalled range of products networked in its 14 Sales Outlets all over the island and it is considered as a major distributor of Agro-Input in Mauritius, occupying more than **30%** of the market share in offering a wide range of products at an competitive price. The Federation is backed by **53 dedicated employees** which enable the society to drive its business activities flawlessly.

The MCAF Ltd is committed to the service of its planters and aimed to achieve a more resilient supply chain while optimising ethical, social and environment dimensions. Our focus for the future will remain on managing products and customer oriented for the overall upliftment of the planting community. Emphasis on customer service, delivering quality products, and establishing efficient routes to market are integral to our pursuit of this objective.

MCAF Ltd has diversified its business activities from Retail to Mechanisation Unit, Cane Growing Unit and Seedling Unit. Each unit offers unique business know-how that sets it apart from its competitors and that provides a strong platform for value growth. Each unit through the guidance of the Chief Executive Officer work hard to achieve set targets and realise growth opportunities in line with proposals and plans as approved by the Board of Directors.

OUR VISION, MISSION AND VALUES



OUR VISION

The most valued organization in increasing agricultural productivity ethically

OUR MISSION

To promote the interests of Cooperative Credit Societies and member-planters by providing them with necessary support services, facilities and incentives to encourage their contributions in making the business of agriculture viable, in a socially responsible manner.

CO-OPERATIVE VALUES

SELF-HELP

SOLIDARITY

SELF-RESPONSIBILITY

EQUITY

EQUALITY

DEMOCRACY

THE CHAIRMAN STATEMENT



MR KAMLESS SEEAM

Dear Shareholders, Directors and Collaborators,

It is with great pleasure and honour that I present the **64th Annual Report** of The Mauritius Co-operative Agricultural Federation Ltd (MCAF Ltd) for the financial year ending 30 June 2024. This marks my first report as Chairman of the Board. I would like to express my gratitude to our CCS members for their unwavering support and extend our appreciation to our clients and suppliers for their trust and continued partnership.

OVERVIEW

The year 2024, marked an important milestone in the history of the Federation, through its construction of its new Head Office of **5500 square feet on 50 perches of land** situated at Bell Village. The total cost of the project turns around to Rs 35 M. The Building has been designed to allow maximum use of natural lights and recycling of rainwater for irrigation purposes, thereby lowering our impact on the environment in terms of energy and water consumption.



The **2023-2024** financial year was both challenging and transformative for the Federation. Our resilience was tested by global economic headwinds, and yet, our strategic foresight allowed us to navigate these challenges successfully while showing our capacity to adapt and innovate.

Despite these pressures, the Society demonstrated strong performance, leveraging our strategic positioning and diversified product portfolio. Our success is not an isolated occurrence but a result of our agility of our team members in the face of global economic trends and risk management. MCAF Ltd is also at the forefront of delivering healthy and eco-friendly products to planters, thus reinforcing our positioning as pioneers in sustainable agro-business.

The Board of Directors work closely with management team to ensure they have the necessary resources to achieve the Group's financial, social and environmental goals for the benefit of our stakeholders and at national level. Attracting, developing, deploying and retaining talent will remain critical as positioning MCAF as an employer of choice which will be a significant competitive advantage for the Federation far into the future.

As regard to our financial position, the turnover of the society has been dipped to **Rs 353,744,026** compared the previous year which was **Rs 413,883,878**. This **14.6%** drop is mainly attributed to the decrease in price of fertilizers during the year under review. On another hand, the segment Pesticides, Seeds, Livestock Feeds and the Mechanisation Unit have known a remarkable performance with an increase of turnover by **8.5%** on average.

Since the shortfall in turnover was significant, the negative impact on the total comprehensive income for the society was inevitable. The income for the year **2023-2024** went to **Rs 2,231,376** compared to that of year **2022-2023** which was **Rs 9,310,799**. This drastic reduction was attributed to considerable increase in operating and administrative expenses.

Cash flow and availability of foreign currencies remain critical to support strategy execution, and we continue to strengthen our capacity to generate cash from the business operations. While times remain challenging and unpredictable, we are confident that we have the right teams to execute our corporate strategy.

I can proudly say that the MCAF Ltd is reviewing its business operating strategies and increase in operating efficiencies through innovation, research and creativity in a socially responsible manner. Our strategy to streamline our investment portfolio continues to move in the right direction.

REVIEW OF ACTIVITIES

Construction of MCAF Ltd New Head Office.

It is with great pride and honour that I can announce that MCAF Ltd has built a bright future. Following the pulled down of the **MCAF Ltd Head Office** situated at Caudan-Port Louis due to the national project of the Metro Express in **2017, a 60 year** industrial lease agreement was signed between MCAF and the Ministry of Land and Housing for a portion of land of 2110 M2 in the year 2022 to enable the Federation to construct its new Head office at Signal Hill Mountain, Bell Village.

The contract of the construction of our new building was awarded to **Goldox Construction Ltd** through a tendering exercise and the total cost of the contract is Rs 28 Million exclusive of Vat. The financing of the construction was mainly through a loan from Mount and Beau Plan Planters Fund for a total amount of Rs 25 Million. A loan agreement was signed on September 2023 with a defined terms and conditions. The Brand-new Head office was successfully handed over to **MCAF Ltd in July 2024** by the contractor under the supervision of our Project Consultant.





The new head quarters of the Federation has been designed to support our **vision for the future** while reflecting our core values of creativity, sustainability, and employee well-being. The Building has featuring modern architectural elements, eco-friendly materials, and flexible workspaces. It also has open-plan workspaces for increased collaboration, dedicated meeting and training rooms and event spaces, together with advanced technology infrastructure for seamless communication and productivity .

The new office reflects our ambition to support growing team demands and expand capacity for future business growth, to create an environment that fosters collaboration, innovation, and employee engagement. The strategic objectives for the construction of the head office has been to strengthen our brand image with a modern and functional workplace that aligns with our mission and vision .

The inauguration of our new office marks a significant milestone in the growth and expansion of our society. Located at Signal Hill Bell Village, this state-of-the-art facility symbolizes our commitment to enhancing our operational capabilities, fostering innovation, and providing a dynamic and collaborative workspace for our employees.

The inauguration event was one of the prime event for MCAF that was held on **10 September 2024** and which was attended by the Ex Honorable Prime Minister Mr Pravind Kumar Jugnauth, The Hon. (Ms) Naveena Ramyad, Ex Minister of Industrial Development, SMEs and Cooperatives, Ministers, and also attended by key company leaders, employees, and stakeholders.







NEW HEAD OFFICE

Kit Lock Avenue, Bell Village, Port-Louis







MECHANICAL SUGARCANE HARVESTER UNIT

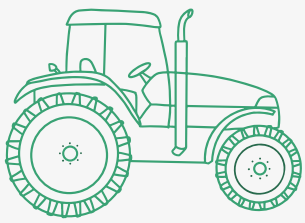
On 23 March 2022, a second Memorandum of Understanding (MoU) was signed between **MCIA and MCAF Ltd** for the purchase of a second sugar cane harvester. This time, a higher capacity harvester was acquired so as to be able to operate in dual rows plantation and high yielding fields. Having in mind, the acute labour shortage for the planting community, the Federation has invested massively in its Mechanisation Unit through the acquisition of several land preparation implements, herbicide and fertilizer applicator.

For Crop 2024, around **13,400 Tons of sugar cane** was harvested mechanically throughout the island belonging to small and large planters covering around 728 Arpents compared to Crop 2023, whereby 11, 756 Tons of sugar cane harvested over 545 Arpents.

The major problems encountered were mainly related to topography of the land, presence of surface rocks and narrow side roads which are inherent to the field layouts of some planters. However, planters are keen to redesign their fields and effecting derocking in order to benefit from the harvest services.

The **MCAF Ltd is proactive in advising new cane plantations** to meet the necessary requirements of field design in order to address the issue. In addition, the Federation is proposing a package of services including mechanical fertilizer and herbicide application to planters after their harvest.

The rate charged for mechanical harvest is very competitive as compared to other service providers.

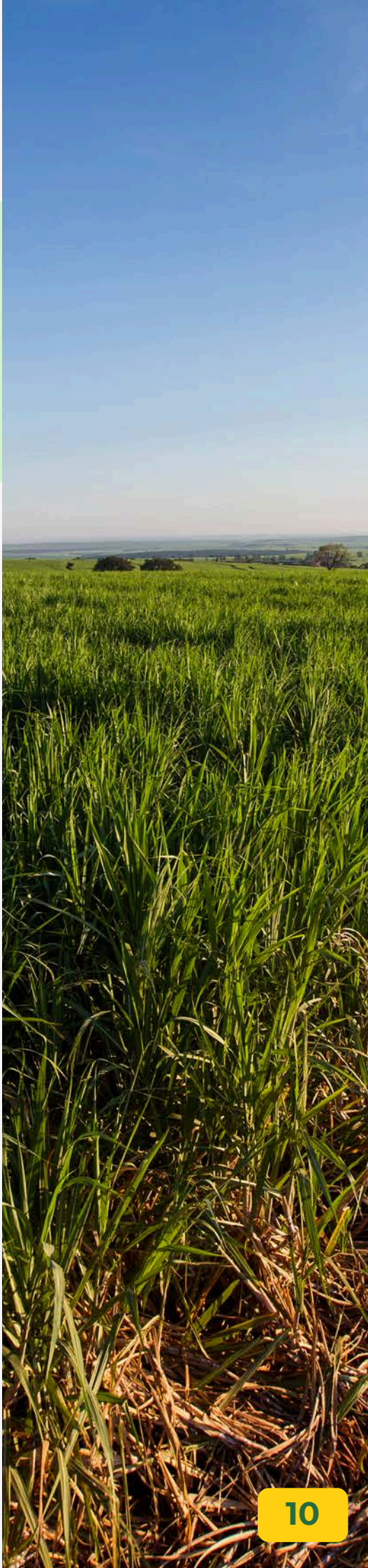


CANE GROWING UNIT

In the realm of Agro-business, MCAF has managed to take advantage of the facilities offered in the Cane Growing business. In connection with this, the Federation has contracted a lease of 90 Arpents of sugarcane land from Rose Belle Sugar Estate Board (RBSEB) over **7 years**. The Society has been growing and producing sugarcane for nearly two years and have successfully harvested around **993 Tonnes** of Sugarcane over **50 Arpents for crop 2024** and the remaining **40 Arpents** are in the process of replantation in which 25 Arpents have already been planted. We achieved these results despite a low cane yield in 2024 and an ongoing drought, which impacted sugar production and replantation volumes.

We are confident that there will be an increase the yield and production of cane for the next Crop season through considerable investment in field design and land preparation which will in turn ensure viable economic return from our investment.

Yet, in our commitment to not just prosper but also to pave the way for a sustainable future, we looked beyond the cyclical fortunes of a commodity market.



Our initiatives to redefine sugar production through differentiation and innovation thus yielded substantial progress. By further integrating mechanisation and optimising product mix, we have not only amplified our operational efficiency but also embraced our environmental responsibilities.

We believe with significant investment in operations in the growing unit will impact positively to yield and lowering our cost of production. These efforts, coupled with improved global sugar prices and the fact that Government is now remunerating bagasse at a better price, resulted in the Cane unit posting a gain.

This result is a positive turnaround. We are confident that operating conditions for sugar production are improving and that the industry is becoming more sustainable, supported by the Government's commitment to take bold steps to revive this sector.

Scarcity of manual labour remains the main structural challenge for the industry at present. While some **80% of land** under cane is mechanized, the remaining plots, mostly owned by the smaller planters, still require manual harvesting.

In this respect, Government has already endorsed the import of labour for the sugar sector and announced in the 2024 national budget, amendments to the Workers' Rights Act to provide more flexibility for recruitment, which should help accelerate this inevitable transition. This measure should hopefully curtail further cane land abandonment while reinforcing producers' confidence in the long-term viability of the sugarcane industry.



GRANT RECEIVED

The Ministry of Industrial Development, SME and Cooperatives (Cooperatives Division) had devised several grant schemes for co-operative societies for the year 2023/2024. Amongst which, the Federation has benefitted the Boost to Local production Scheme at the amount of Rs 300,000. The scheme has enabled the federation to invest in the purchase a brand-new tray filler machine from Urbinati, Italy, a reputed company in the manufacture of seedling production machineries and equipment.



The cost of the tray filler machine amounted to **EUR 17,530.00 (Rs 876,500)**. This machine will enable the seedling unit to increase its production and at the same time ensuring a uniformity growth of the plant during transplantation process.

At the time of writing this report, the machine was received in **December 2024**, and are currently being installed.

On another note, the financials of the seedling unit is performing well with a significant increase in new customers as well as corporate planters.



APPRECIATION



As a Board, we are comforted by the depth of talent within the **Group and the level of expertise** being garnered in our clusters. This comfort is thanks to the leadership of our **CEO, Mr Sachin Sookna**, who is supported by a reliable management team that puts our employees at the centre of everything we do. Thank you also to our dedicated employees for your grit, determination and dedication during such a challenging year.

Last but not the least, I remain truly grateful to my fellow Board members for their guidance, collaboration and valuable input. Thank you also to MCAF Ltd business partners, financial institutions and stakeholders for their proactive partnership throughout the year.

We will continue to refine our operations, boost our financial health, and maintain our trajectory of growth and innovation. We believe the Federation is well-positioned to provide enhanced and sustainable long-term value creation.

Mr. Kamless Seeam
Chairman of the MCAF Ltd

THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LTD

BOARD OF DIRECTORS FOR THE YEAR 2023-2024

Chairman

Mr. Kamless SEEAM

Treasurer

Mr. Satyvanoo GOPAL

Directors

Mr. Ramanand Kankeea ELLAPAH
Mr. Chabilall KHELAWON
Mr. Satyanand GOVINDA
Mr. Soobas MUNIAH
Mr. Guness BHURUTH
Mrs. Indranee Ramrichia LOCHEE
Mr. Sewduth SOOBRON

SUB - COMMITTEES OF THE BOARD
AUDIT COMMITTEE

Chairman

Mr. Chabilall KHELAWON

Directors

Mr. Ramanand Kankeea ELLAPAH
Mr. Satyvanoo GOPAL
Mr. Sewduth SOOBRON
Mrs. Indranee Ramrichia LOCHEE

Internal Controller

Mr. Mooneeshwar POONITH

STAFF APPOINTMENT AND DISCIPLINAY SUB - COMMITTEE

Chairman

Mr. Soobas MUNIAH

Directors

Mr. Satyanand GOVINDA
Mr. Satyvanoo GOPAL
Mr. Gunness BHURUTH
Mr. Chabilall KHELAWON

PESTICIDES IMPORTATION & SALES SUB - COMMITTEE

Chairman

Mr Gunness BHURUTH

Directors

Mr. Chabilall KHELAWON
Mr. Sewduth SOOBRON
Mr. Soobas MUNIAH
Mrs. Indranee Ramrichia LOCHEE



MARKETING COMMITTEE

Chairman

Mr. Satyanand GOVINDA

Directors

Mr. Sewduth SOOBRON
Mr. Satyvanoo GOPAL

MEMBERS

Chief Executive Officer
Accountant
Sales Executive
Operations Lead
Operations Officers
IT Support Officer / Supply Officer
Sales/Marketing Officer
Nursery Officer

BIO FERT CO. LTD

Chairman

Mr. Kamless SEEAM

Directors

Mr. Satyanand GOVINDA
Mr. Sachin SOOKNA



BUILDING COMMITTEE

CHAIRMAN

Mr. Kamless SEEAM

DIRECTORS

Mr. Gunness BHURUTH
Mr. Satyanand GOVINDA
Mr. Chabilal KHELAWON
Mr. Ramanand Kankea ELLAPAH

MECHANISATION COMMITTEE

CHAIRMAN

Mr. Satyvanoo GOPAL

DIRECTORS

Mrs. Indranee Ramrichia LOCHEE
Mr. Ramanand Kankeea ELLAPAH
Mr. Gunness BHURUTH
Mr. Soobas MUNIAH

MEMBERS

Mr. S.SOOKNA
Mr. S.A GUNESH
Mr. V.MUNGUR
Mr. E.JACQUIN (Consultant)



EXTERNAL BOARD AND COMMITTEES

Mauritius Cane Industry Authority (MCIA)	Mr. N.BASANT ROI, PDSM
Mauritius Sugar Syndicate	Mr. S. SOOKNA
FANRPAN	Mr Gunness BHURUTH
Mauritius Cane Industry Authority (MSIRI)	Mr. N.BASANT ROI, PDSM
Mauritius Cane Industry Authority (CAD)	Mr. S.MUNIAH
Mauritius Co- operative Alliance Ltd	Mr. S.SOOKNA
Mount Planters Fund	Mr. K.SEEAM Mr. C.KISSOON
Beau Plan Planters Fund	Mr. R.K.ELLAPAH Mr. G.MUTTY
St. Antoine Planters Co -operative Trust	Mr. S.SOOKNA

FSC LIAISON COMMITTEE

Solitude	Mr. R.K.ELLAPAH
L'Unite	Mr. K.SEEAM
St Pierre	Mr. S.SOOBRON
Rose Belle	Mr. S.GOPAL

SENIOR MANAGEMENT STAFF

NAME	DESIGNATION
Mr. Sachin SOOKNA	Chief Executive Officer
Mrs. Kaysinah RAJCOOMAR	Accountant
Mrs. Natacha JOWATA	HR Officer/ Board Secretary

HEAD OFFICE STAFF

NAME	DESIGNATION
Vedanand Mungur	Operations Lead
Hurrykrishianand Sobnauth	IT Officer
Naailah Wardah Binte Nahim Permessur *(As from 04.09.2023)*	Sales/Marketing Officer
Keshav Khadoo	Accounts Officer
Mrs. Subita Golam	Accounts Clerk
Mrs. Rajnee Jagmohansingh	Confidential Secretary
Mrs. Parowtee- Beesony K.D *(As from 06 May 24)*	Administrative Officer / Receptionist
Sanu Lothay	Attendant/Driver
Avisham Bundhoo	Attendant/Driver

SALESPOINT STAFF - OPERATIONS OFFICERS

NAME	SALESPOINTS
Prakash Ruggoo	SALES EXECUTIVE
Vedanand Mungur (Operations Lead)	SOLITUDE GOODLANDS RIVIERE DU REMPART D'EPINAY
Soobanand Sookdeal	BON ACCUEIL L'UNITE ST PIERRE BEAU CHAMP
Gunnoo Ramjee	UNION PARK ST FELIX LA MARIE L'ESCALIER CANE GROWING UNIT
Shiv Atma Gunesh	ST MARTIN MECHANISATION UNIT

SALESPOINT STAFF - OPERATIONS OFFICERS

SALESPOINT	NAME	DESIGNATION
Solitude	Kaundun Keerun Kumar Mungur Doorvanand	Sales Officer Sales Officer
Goodlands	Baldee Teerathrajsing Soondur Manesh	Sales Officer Assistant Sales Officer
R.du Rempart	Nursing Ravindranath	Sales Officer
Bon Accueil	Ghuroo Yash Akshay	Assistant Sales Officer
L'Unité	Goorjhun Dhanyrao	Assistant Sales Officer
Beau Champ	Chowdhoory Rutee Sharvanee *(As from 14 August 2023)* NARRYANEN Jaysen	Assistant Sales Officer Assistant Sales Office
St Pierre	Bansee Teeran Ramchurn Vishal	Assistant Sales Office Assistant Sales Office
Union Park	Gopala Ashvind Goburdhun Mohammad Safwaan Udin	Sales Officer Assistant Sales Officer
St Felix	Bhuruth Darasingh Shrawan Kumar Bacha *(As from 04 August 2023)*	Sales Officer Assistant Sales Officer
D'Epinay	Gangaram Veekash Gooriah Vishesh Chandra	Sales Officer Assistant Sales Officer
L'Escalier	Boodoo Gowtam Gowardun Ritish Kumar	Sales Officer Assistant Sales Officer
St Martin	Kaviraj Lodah Thevish Lokye *(Till 28 Sept ember 2023)*	Sales Officer Assistant Sales Officer

SALESPOINT STAFF - OPERATIONS OFFICERS

SALESPOINT	NAME	DESIGNATION
La Marie	Dhakoo Yegesh	Sales Officer
	Bajeerao Hurree	Assistant Sales Officer
Biofert Co.Ltd	Bhugobaun Rahul	Trainee Lab Technician -- BSc Agri
Seedling Production Unit	REMODKHAN Luxmee *(Till 19 September 2023)*	Assistant Sales Officer
	Kovishan Devjee *(Till 30 June 2024)*	General Worker
	Serwan Jevin *(Till 15 May 2024)*	General Worker
	Coossa Hansraj	General Worker
Mechanisation Unit	Gunesh Shiv Atma	Operations Officer
	Appadoo Krishnarao *(As from 06 May 2024)*	Assistant Sales Officer
	Gontran Jean Kenny	Agricultural Machine Operator
	Antoinette Jean Denny Kersley	Agricultural Machine Operator
	Antoinette Louis Olivier Brian	Agricultural Machine Operator
	Cesar Jean Kevin	Agricultural Machine Operator
	Rene Francois Kursley	Agricultural Machine Operator
Warehouse	Darshaniye Ramdhun *(Till 20 February 2024)*	Assistant Sales Officer
	Lothay Arvin	General Worker
	Nishal Pultoo *(As from 25 August 2023)*	Driver - Goods Vehicle
	Luxumon Dayash *(As from 0 1 October 2 023)*	General Worker

REPORT OF THE BOARD OF DIRECTORS

By

Mr. S.Sookna – Chief Executive Officer



As I reflect on MCAF's journey throughout the past financial year, I am filled with a mixed sense of pride and gratitude. Year 2024 was pivotal, not just as a chapter in our history, but as a stepping stone towards an era of transformation. It is with immense pride that I am submitting the **64th Annual Report of MCAF Ltd as at 30th June 2024** on behalf of the Board of Directors .

MEETINGS

The Directors have attended a total of 45 meetings during the year 2023-2024 to discuss matters relating to the affairs of the company across the Board and various sub-committees in place. The Board believes that there is sufficient balance of power and authority given the composition, structure and processes of its current Board. The day-to-day operational decisions are made by the Chief Executive Officer, with the support of the Management team of the Federation. They are responsible for the operational performance and implementation of the strategy defined by the Board.

Directors' attendance at Board meetings and Sub committees for the period from 01 July 2023 to 30 June 2024.

COMMITTEE	NUMBER OF MEETINGS
Board Meetings	14
Staff Appointment & Disciplinary Committee	7
Pesticides Importation & Sales sub committee	2
Audit Committee	3
Marketing Committee	10
Mechanisation Committee	3
Bio Fert Committee	1
Building Committee	5



ATTENDANCE AT BOARD MEETING

DIRECTOR	TOTAL № OF MEETINGS CONVENED	TOTAL № OF MEETINGS ATTENDED
Mr. N Basant Roi, PDSM *(Up to 27 Feb 2024)*	9	8
Mr. I.Inderjeet *(Up to 27 Feb 2024)*	9	8
Mr. R.Roopah *(Up to 27 Feb 2024)*	9	6
Mr. K.Seeam	14	12
Mr. S.Gopal	14	13
Mrs. I.Lochee	14	13
Mr. G.Bhuruth	14	9
Mr. C.Khelawon	14	14
Mr. S.Soobron	14	11
Mr. S.Muniah *(As from 27 February 2024)*	5	5
Mr. R.K.Ellapah *(As from 27 February 2024)*	5	4
Mr. S.Govinda *(As from 27 February 2024)*	5	5

MEMBERSHIP

MCAF Ltd has a total of 112 active Co-operative Credit Societies (CCS's) were affiliated to the Federation and 42 CCS's were categorised as dormant at the close of the financial year under review.



THE MOUNT AND BEAU PLAN PLANTERS' FUNDS

The Management of the Mount and Beau Plan Planters Funds have been under the responsibility of the MCAF Ltd since the year 2013 . Mr. K.Seeam and Mr R. K. Ellapah have been appointed as Chairman of the Mount and Beau Plan Planters Fund respectively. A disbursement committee comprising of the following members have been set up to monitor the activities of the two funds:

MOUNT PLANTERS FUND

Mr. K.Seeam	Chairman of Mount Planters Fund
Mrs. G .Beegoo	Acting Registrar, Ministry of Industrial Development, SMEs and Co-operatives
Mr. C. Kissoon	Representing Mount Planters Fund, Member
Mr. A. Awotorawa	Representing the Mauritius Cane Industry Authority
Mr. N de Rosnay	Representing Terra Milling Company Limited

BEAU PLAN PLANTERS FUND

Mr. R. K. Ellapah	Chairman of Beau Plan Planters Fund
Mr G. Mutty	Representing Beau Plan Planters Fund, Member
Mrs G .Beegoo	Acting Registrar, Ministry of Industrial Development, SMEs and Co-operatives
Mr A. Awotorawa	Representing the Mauritius Cane Industry Authority
Mr N de Rosnay	Representing Terra Milling Company Limited

ACTIVITIES OF THE FUNDS

The day-to-day activities of the funds are carried out by a pool of **5 staffs of the MCAF Ltd including the Chief Executive Officer** who extend their supports to the sub-committee. Both funds cater for the welfare of Sugar Cane planters in these factory areas and offer services such as:

- **Road Mending**
- **35 % purchases on sprayers;**
- **35 % on land preparation; and**
- **35 % purchase of fertilizers for new plantations**

For the financial year 2023-2024, Rs 8,575 of subsidies have been allocated from both funds for the purchase of sprayers.



FINANCIAL HIGHLIGHTS



TURNOVER – Rs 353 M

DECREASE IN TURNOVER BY 1 4.6 %

PROFIT FOR THE YEAR – Rs 5.9 M

TOTAL COMPREHENSIVE INCOME FOR THE YEAR – RS 2.2 M

CSR - Rs 361,268.42

IMPORTATIONS – Rs 46 M



The financial year 2023/24, set against a backdrop of macroeconomic pressures, compounding by the increase in freight charges and appreciation of USD and Euros against the Mauritian Rupees has continued to pose significant challenges for the Group . Followed by the Red Sea Crisis, the procurement of goods become significantly more expensive driven by rising energy prices and interest rates . These factors, coupled with rising labour costs, supply chain disruptions have led to higher costs for imports , longer transportation time and increased production costs for our agricultural products.



With the above economic outlook, I have to report that the financial year ended 2023/24, the society's turnover was Rs 353,744,026 compared to last year which was Rs 413,883,878, representing a 14.6 % downturn for the Federation. This significant drop is mainly attributed to the decrease in price of fertilizer by around 39%.

Furthermore, the segment of fertilizer sales occupies around 46% of the Federation's turnover and eventually impacted considerably on the turnover's performance for the year under review.

In the same line, the Profit for the year, declined from Rs 15,103,727 to Rs 5,951,621 for the Society, primarily due to substantial increase operating and administrative expenses.

These include mainly bank charges, harvester machine maintenance expenses, payment of rents and major investments in the Growing Unit.



Added up to this, the statutory wage increases mandated by the government in **January 2024 have increased our annual salary expenses**. Additionally, the salary realignment exercise in July 2024 is expected to raise our costs further annually. With most of our business segments being unable to fully transfer these increased costs to consumers, Group profitability has declined compared to the prior year.

The main source of revenue of the Federation is through its business activities including sales of Agro-input through its **14 sales networks** across the island as well as from the mechanisation unit, cane growing and through its subsidiary, Biofert Co.Ltd.

FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 30 JUNE 2024

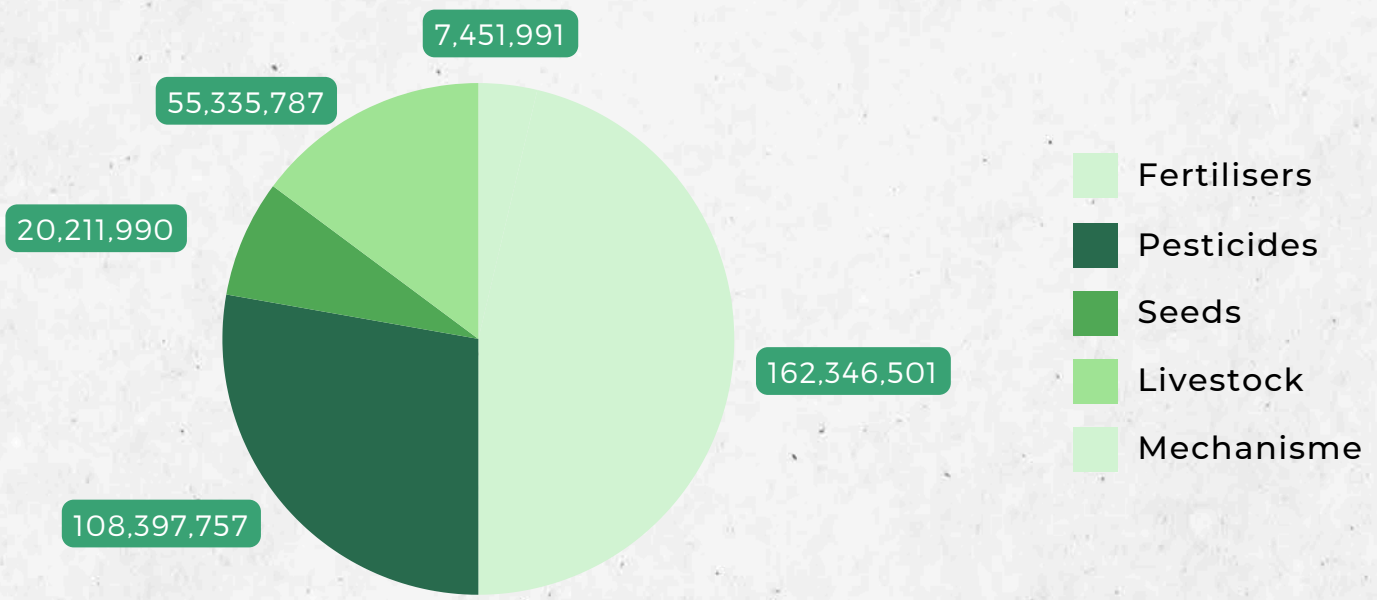
Our Marketing and Sales teams collaborated to ensure a steady supply of both fertilizers and imported products. At the same time, we made significant strides in key strategic initiatives within our **Mechanisation and Cane Growing teams**, further solidifying our foundation for future growth, along with developments in the Seedling Unit at Henrietta.

Nevertheless, it is increasingly imperative for the Federation to have the flexibility to change its sales mix and client clusters in terms of market demand of agricultural products. However, to maintain the **long-term strategies set**, it is even more important to have access to as many market segments as possible be it from the quality aspect and sustainability standards.

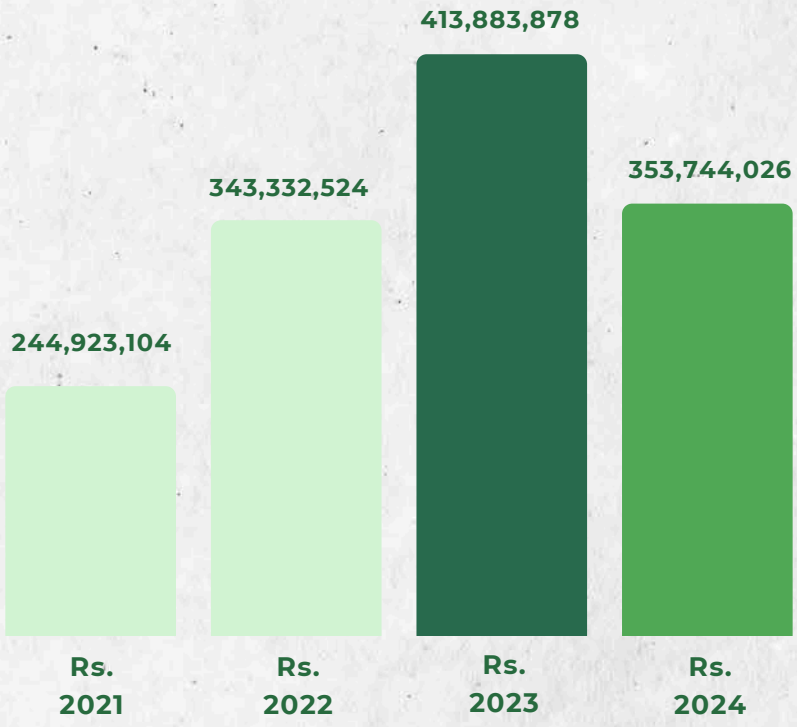
Looking forward, we are aware that the global economic landscape remains fraught with uncertainties. The road ahead will likely be marked by volatile markets and economic recalibrations. In anticipation, **MCAF will continue to exercise prudence** while seeking growth opportunities that align with our strategic vision.



TURNOVER BY CATEGORY FOR THE YEAR 2023- 2024



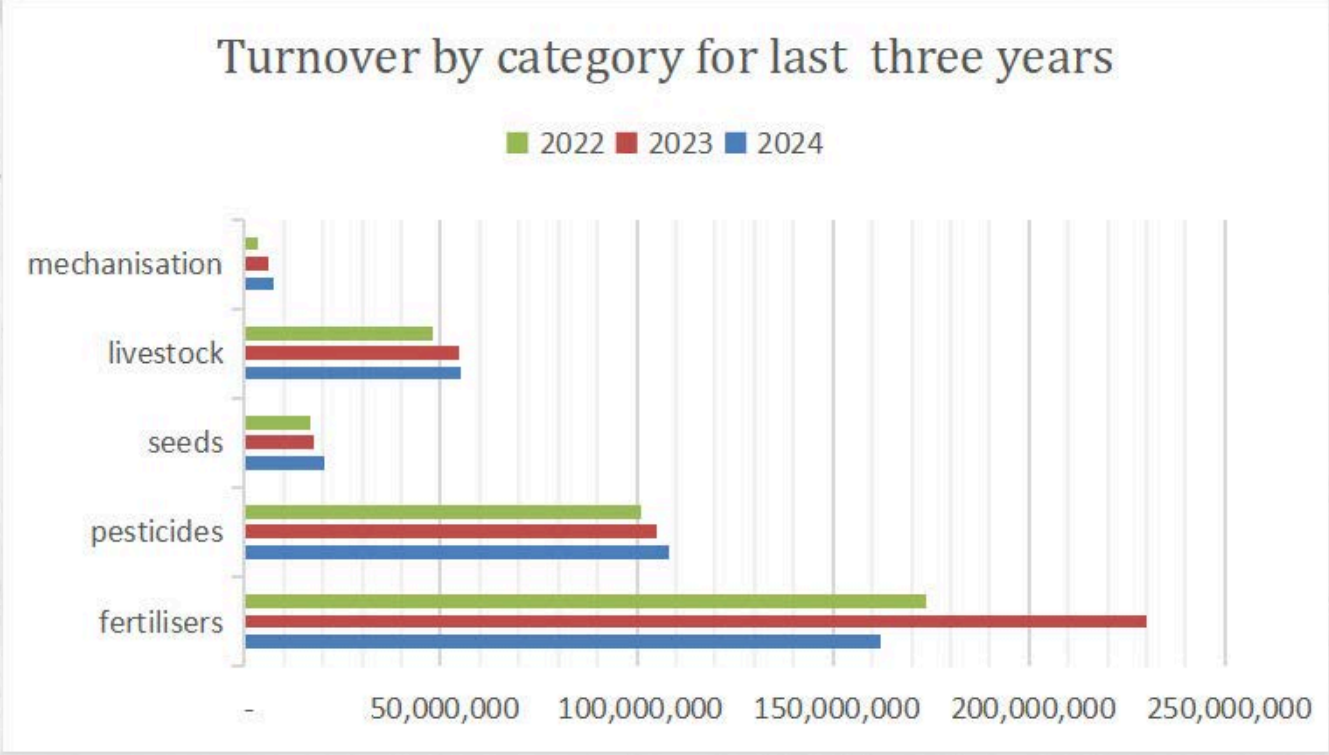
TURNOVER FOR THE LAST YEARS



Analysis from the above bar chart for the turnover by category shows that there has been a substantial decrease in sales of Fertilisers due to the decrease in the price of the fertilisers in the year under review as mentioned earlier in my report. Overall sales in the other categories of products like Pesticides, Seeds and Livestock feeds have witnessed an average increase in sales by 8.4%. Nevertheless, we observed that mechanisation department have shown an improved turnover as MCAF has successfully attracted and retained more clients by focusing on customer satisfaction and delivering exceptional service to the planters in their fields.

We would be proud to highlight that the substantial increase in sales of pesticides would be mainly attributed to an increase in our imported products consisting of innovative products on the Agricultural market and collaboration with new foreign suppliers due to the remarkable effort of our marketing department.

The Federation has also made an effort to optimise inventory levels by effectively controlling stockholding and finance costs, while also by reducing the distribution expenses. Additionally, our revamped sales points across the island now offers more customer-focused services, enhancing our overall service quality. What is particularly noteworthy is the extraordinary effort made by the management team and the entire workforce to minimize the impact of the challenging and unpredictable operating environment.



BIOFERT CO.LTD

Biofert Co. Ltd, a subsidiary of MCAF Ltd, operates as a joint venture between MCAF Ltd and Ingenia, with the majority of shares held by MCAF Ltd. The company is currently under the management of Ingenia, responsible for operations, sales, marketing, and the Research and Development functions. For the financial year under review, Biofert Co. Ltd recorded a turnover of Rs 351,300, a decrease from Rs 771,050 in the previous year.

The company incurred a comprehensive loss of **Rs 1,000,234**, primarily attributed to higher depreciation on newly acquired machinery and equipment, as well as a decline in sales volume.

The Board of Biofert Co. Ltd is actively exploring new strategies aimed at revitalizing the business.



MECHANISATION UNIT

This year, the mechanisation unit has demonstrated a strong performance across key operational areas, contributing significantly to overall productivity and efficiency. Key highlights of the unit's performance include an increase in turnover compared to last year, where the total turnover of the unit went up from **Rs 6.1M to Rs 7.4M**. It is comforting to note that this increase is mainly credited to the dedicated team and a expansion of services provided by the unit for instance, fertilizer and herbicide applications.

Overall, the mechanisation sector has demonstrated strong performance in **2024**, driven by increased demand, supportive government policies, and the availability of new fleet of Machineries provided to the unit. This trend indicates continued growth and potential for further performance improvement in the coming years.

I would like to take this opportunity to highlight several significant challenges that have affected the performance and efficiency of our mechanical harvest team. The following factors have critically impacted our operations like Frequent Breakdowns, Fire Incidents, Limited Transportation Resources, Unfavourable Weather Conditions, the average yield from our harvested fields has been disappointingly low, falling **below 20 tons per hectare**. This decline in productivity presents a significant challenge to meet our production targets.

Furthermore, lack of manpower is severely impacting our harvesting efficiency and overall output and also the rising operational costs such as fuel, lubricants, spare parts, and wages— are placing additional strain on our budget. These rising costs directly affect our profit margins and operational sustainability.

Overall, the **Mechanization Unit** has played a pivotal role in driving the operational success of the Federation this year, with significant improvements in efficiency, cost management, and equipment reliability. I would seize this opportunity to thank the mechanisation staff for their dedication and hard work for the smooth operations of the unit which always endeavours for the upliftment of the planting community.

PERFORMANCE OF CANE GROWING DEPARTMENT

In line with its business diversification strategy, MCAF Ltd has undertaken the cultivation of sugarcane, incorporating Good Agricultural Practices (GAP) as a model for small-scale growers. In this regard, the Federation has formalized an agreement with the Rose Belle Sugar Estate Board (RBSE) to lease 90 Arpents of land for sugarcane cultivation. This year, we successfully implemented the application of Bio Fertilisers and harvested approximately 993 tonnes of sugarcane across 50 Arpents. Furthermore, an additional 40 Arpents of land are currently undergoing replanting. The new plantations have been prepared to adapt to a full mechanisation operations for harvest, fertilizer and herbicide applications.





SEEDLING UNIT

The Federation Seedling Production Unit at La Marie-Henrietta has remarkably showed an improved performance this year. There has been an increase in demand for seedling this year due to an increase in awareness for people to grow their own vegetables as well as a significant increase in orders from the corporate due to our service and quality of seedlings. The unit has also diversified its product range in a short lapse of time by producing a **Premium Soil Mix treated with only bio/organic agro-input** for home gardeners who have limited space for vegetable production at home. The Society has also made an acquisition of a mulcher/chipper machine which will be use in compost production, where the Federation has benefitted a grant from the Ministry of Cooperatives under the waste Recycling Scheme at the tune of **Rs 500,000** for the purchase of the above mentioned machine and a tipper to carry waste. Over 800,000 seedlings were produced by **MCAF Ltd in 2023 and the sales of the seedlings amounted to Rs 1,350,000**.

NEW SALES POINT AT HENRIETTA

Following the handover by **Medine Ltd of a 150-metre square** building over a 30 perches of land at Henrietta through the conditions laid in the blue print upon the closure of Medine Ltd factory through the MCIA, an existing building has been identified to be our 15th sales outlet and which will also be used as a buffer warehouse for the central and southern region. The building infrastructure is fully completed and the full operations are expected by mid of this year once the contract has been signed between MCIA and Medine Ltd.

ENTERPRISE RESOURCE PLANNING

MCAF Ltd has this year invested in a robust and Comprehensive Enterprise Resource Planning (ERP) System name SAP Business One represented by Seidor in Mauritius. It is known internationally to be a cutting-edge accounting software, to enhance its operational efficiency. Moving away from our previous tailor-made software solutions and with the new Accounting Software, the Federation will have a better control, reliable financial reporting that will support the organization's long-term growth, success and Business Intelligence functionality. This implementation has been approved by the Board to adopt best practices business processes and invest in a system that could support those processes. Additionally, Sap Business One advanced reporting and analytics features will provide real-time insights, for our different business units: the Mechanisation Unit, Seedling Unit, Bio-Fert Production, and Cane Growing, empowering MCAF to manage finances more effectively and make well-informed decisions. The cost of the project including training amounts around Rs 4 M. which be going live by in the coming month.

EXCELLENCE AND SYNERGY

Although labour shortages are posing a growing challenge for the Federation, especially within our sales point, it is encouraging to see that the vast majority of our employees remain deeply committed to their roles and invested in the Groups success. Throughout the year, we also prioritised employee well-being. Talent management is a key component in building our organisation’s success, and our people remain at the centre of MCAF ongoing commitment to develop, improve and nurture existing and young talents while providing the work environments that elevate employee experience and position the company as an employer of choice. By nurturing a positive work environment and investing in the development and well-being of its employees, the Federation aims to maintain a highly skilled and engaged young talent pool, ensuring continuity and sustained success.

SUSTAINABILITY AND INCLUSIVENESS

The Federation continues to put emphasis on its Corporate Social Responsibility (CSR). As such the sustainability was reinforced and was highly active during the year to contribute to the awareness of its employees and neighbouring communities. This year the Federation donated a total amount of Rs 90,317 as its CSR to Anges Du Soleil ONG – at Tamarin and to the Mauritius Wildlife Foundation.



HIGHLIGHTS FOR CROP 2023

Based on the statistics received, the total number of planters having consigned for the whole island is 8,722 for Crop 2023 in which 5,117 planters are enrolled in Cooperative Credit Societies (CCS). The Percentage of planters operating through CCS's is **59 %**. The total area harvested for Crop **2023 by CCS's planters is 4,990 ha** producing **23,213 Tonnes of Sugar**.

Island wide, for Crop 2023, 2,452,653 Tons of cane have been harvested on a total area of 35,863 Hectares. We have observed a downfall on the cane area harvested from 39,199 hectares in the previous year to 35,863 hectares in 2023. However higher than usual, rainfall during the peak season led to an average sucrose extraction rate of 9.74%. For Crop 2023, as recorded island wide 238,854 Tonnes of sugar has been produced compared to 232,707 last year.

The table below shows a comparative performance figures the last three Crop years for the whole Island and CCS planters.

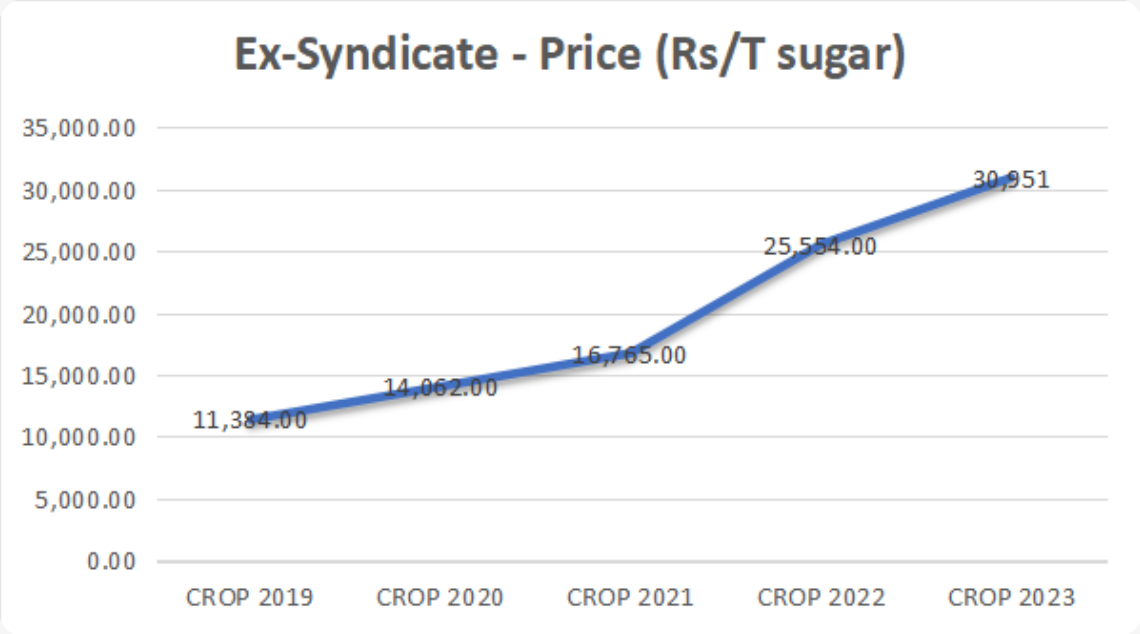
CROP		AREA HARVESTED (ha)	CANE HARVESTED (Tons)	SUGAR PRODUCED (Tons)
Crop 2021	ISLAND WIDE	41,897	2,669,667	255,818
Crop 2022		39,199	2,256,806	232,707
Crop 2023		35,863	2,452,653	238,854
Crop 2021	CCS PLANTERS	5,818	377,022	27,111
Crop 2022		5,428	316,361	24,544
Crop 2023		4,990	313,624	23,213

The sugarcane sector is a vital element for the Mauritian' economy but hindered by fluctuating market prices and the end of the Sugar Protocol in 2009, is set to be revitalised through robust Government support measures, including increased financial aid, higher bagasse remuneration, elevated guaranteed sugar prices and cane replantation schemes.

PRICE OF SUGAR

During the year under review, t he ex - Syndicate price for Crop 2023 was consequently finalised at Rs 30,951 per ton sugar, an increase of 21 % over the previous crop. This notable increase were driven by global production deficits, reduced European output, and increased co - production costs due to the Ukraine - Russia conflict, which helped boost the industry and fund plantations.

CROPS	EX-SYNDICATE - PRICE (RS/T SUGAR)
CROP 2020	14,062.00
CROP 2021	16,765.00
CROP 2022	25,554.00
CROP 2023	30,951.00



BAGASSE

Payment of Bagasse proceeds for Crop 2023 by the syndicate amounted to Rs 2,971.92 per Ton of Sugar.

Crop Year	Price of Bagasse (Rs / Ton Sugar)
2020	136,00
2021	3,300
2022	3,300
2023	2,971.92

After bagasse remuneration was meaningfully **increased in 2021**, providing a much-needed boost to overall producers' revenue and bringing a renewed interest in cane farming, the objective now is to increase the industry's contribution through the enhanced utilization of dry cane trash for the production of **green energy**.



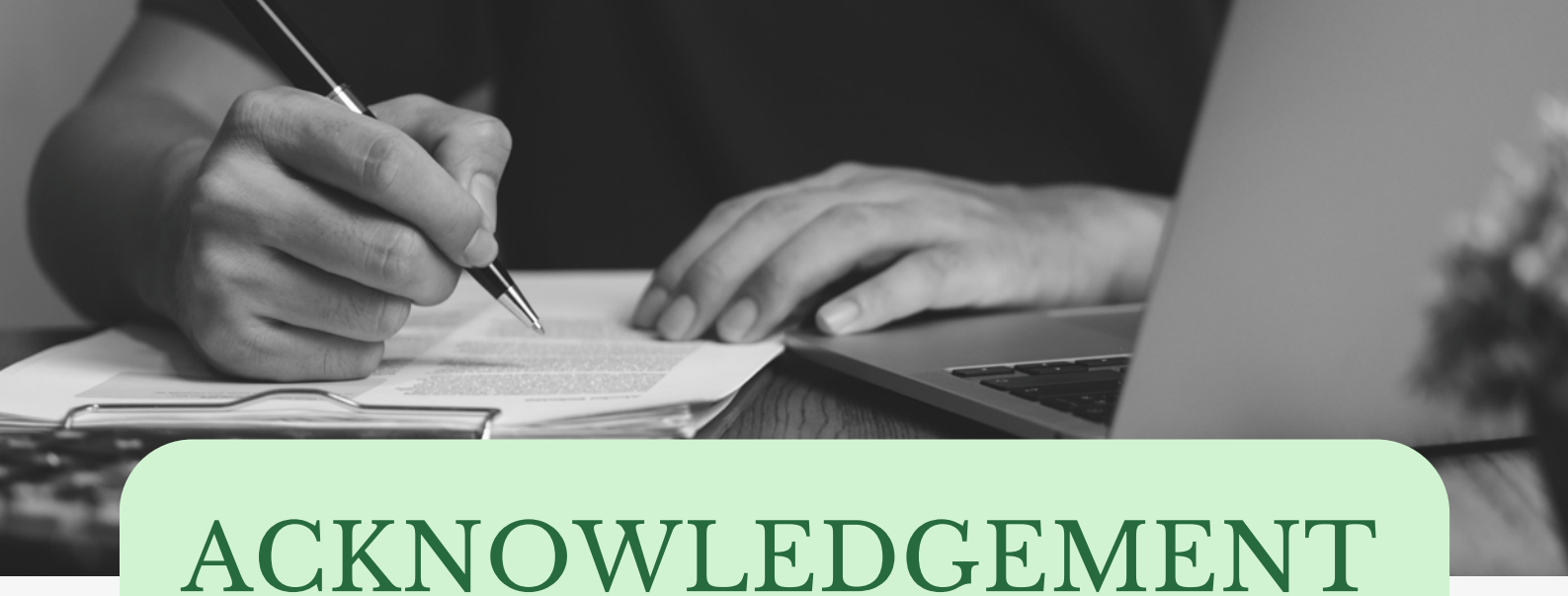
PRICE OF MOLASSES AND CONTRIBUTION OF DISTILLERS/BOTTLERS

The determination of the final price payable for molasses rests with the Control and Arbitration Department (CAD) of the MCIA. This price includes the contribution made by distillers/ bottlers of absolute alcohol on their domestic sales. For the 2023 Crop, the disbursement in this respect was finalised by the CAD at Rs 4,687.15 per ton molasses equivalent to Rs.2,202.85 per equivalent ton sugar.

The contribution from distillers/bottlers, amounting to Rs 141.6 M for the year under review, was collected by the Mauritius Revenue Authority and remitted to the Syndicate on a monthly basis.

No	Details	Amount (Rs.)
1	Sugar Proceeds	30,951.09
2	Bagasse	2,971.92
3	Molasses	2,202.85
4	SIFB premium	-
	Total	**36,125.86**

SOURCE: MAURITIUS SUGAR SYNDICATE (MSS)



ACKNOWLEDGEMENT

Our journey during the past year has once again highlighted the power of resilience and the strength of our collective spirit. In the face of uncertainty, we have remained grounded in the values that define us – resilience, teamwork, and an unwavering belief in turning challenges into opportunities. Moreover, the Board and Management are united to recognise that, if we are to progress further, the journey ahead has to begin with a shift in mind-set.

Our market positioning, reinforced by solid assets and dynamic operations, illustrates the vast potential of MCAF strategic direction. It is not just the profitability of the present we are securing, but the prosperity of the future. Our commitment is to remain adaptive and proactive in the face of global economic shifts. We will continue to leverage our strengths, diversify our risks, and harness opportunities that arise from the macroeconomic environment.

Finally, I express our deepest thanks to our Board of Directors and management team. Their collaborative leadership and vision have been instrumental in navigating this dynamic environment, enabling us to consistently rise to new challenges and deliver Excellence. On a final note, I would like to reiterate my gratitude to the Chairman for his steadfast support and advice during the year.

I would be remiss not to recognise the entire MCAF team, whose dedication and tireless efforts have been the cornerstone of our success. It is their commitment that brings our strategic vision to life.

We are building a bright future for MCAF Ltd, and I believe we remain firmly on the right track to capitalize on new growth opportunities for the benefit of all our stakeholders and the planting community.

By Order of the Board of Directors
Mr. Sachin Sookna
CHIEF EXECUTIVE OFFICER

APPROPRIATION OF SURPLUS FOR THE YEAR 2023/2024:

Allocation of Funds	Amount (Rs)
Statutory Reserve (5%)	111,569
Dividend on shares (20%)	33,600
Staff Bonus (25%)	344,844
Bonus to Planters (10%)	223,138
Bonus to Secretaries (5%)	111,569
IT Fund	245,388
New Projects	800,000
Corporate Social Responsibility	361,268
Total	**2,231,376**





THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LTD

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

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THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED

REPORT OF THE CHAIRMAN

The Chairman of **THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED** ("the Society") is pleased to present his report and the audited consolidated financial statements of the Society and its subsidiary (together referred to as "the Group") for the year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Society consists of sale and distribution of agro-inputs, namely fertilisers, pesticides, seeds and other planters materials to the planters community and providing mechanical harvest services for sugarcane planting.

The principal activity of the Society's subsidiary, BioFert Co. Ltd, is the manufacturing of fertilisers and nitrogen compounds.

RESULTS

The results for the year under review are presented in the consolidated statement of profit or loss and other comprehensive income on page 7.

MEMBERS

The Board was made up of the following members who held office during the year to the date of signing of the consolidated financial statements:

Mr. Kamless SEEAM	Chairman
Mr. Satyvanoo GOPAL	Treasurer
Mr. Chabilall KHELAWON	Director
Mr. Gunness BHURUTH	Director
Mrs. Indranee RAMRICHIA LOCHEE	Director
Mr. Satyanand GOVINDA	Director
Mr. Soobas MUNIAH	Director
Mr. Sewduth SOOBRON	Director
Mr. Ramanand KANKEEA	Director

BOARD MEMBERS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Board members are required to prepare financial statements for each financial year which present fairly the financial position, financial performance, changes in shareholders' fund and cash flows of the Group and the Society. In preparing those financial statements, the Board members are required to:

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

The Board members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Society and to enable them to ensure that the financial statements comply with the Co-operatives Act 2016. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and the Society and to prevent and detect fraud and other irregularities.

The Board members confirm that they have complied with the above requirements in preparing the financial statements.

REPORT OF THE CHAIRMAN (CONTINUED)

DISCLOSURE OF INFORMATION TO THE AUDITORS

The Board members of the Society who held office at the date of approval of this annual report confirm that:

- so far as each member is aware, there is no relevant audit information, information needed by the Group's and the Society's auditors in connection with preparing their report, of which the Group's and the Society's auditors are unaware; and
- each member has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group's and the Society's auditors are aware of that information.

GOING CONCERN

Having made appropriate enquiries, the Board members have reasonable expectation that the Group and the Society have adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Group's and the Society's financial statements.

AUDITORS

The auditors **MOORE (Mauritius) LLP** have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the next Annual Meeting.

Approved by the Board Members on 27 Dec 2024 **and signed on its behalf by:**

Mr. Kamless SEEAM
Chairman

Mr. Sachin Sookna
Chief Executive Officer

MOORE

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED** (the "Society"), and the consolidated financial statements of the Society and its subsidiaries (the "Group") which comprise the statement of financial position as at 30 June 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 36.

In our opinion, these financial statements give a true and fair view of the financial position of the Society and the Group as at 30 June 2024 and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Co-operatives Act 2016.

Basis for opinion

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

Other Information

The directors are responsible for the other information. The other information comprises the report of the Chaiman, or any other information. The other information does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

An independent member firm of
Moore Global Network Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED (continued)

Report on the Audit of the Financial Statements (continued)

Directors' responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in compliance with the requirements of the Co-operatives Act 2016, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Society's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Society to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED (continued)

Report on the Audit of the Financial Statements (continued)

Auditors' responsibilities for the audit of the financial statements (continued)
Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Other matter
This report is made solely to the Society's member, in accordance with the Co-operatives Act 2016. Our audit work has been undertaken so that we might state to the Society's members those matters that we are required to state 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 Society and the Society's members, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Co-operatives Act 2016

We have no relationship with or interests in the Society other than in our capacity as auditors.

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

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

Moore

MOORE (Mauritius) LLP
Chartered Accountants

Lekhraj Rampertaub, FCCA
Signing Partner

Licensed by FRC

Port Louis

Republic of Mauritius

Date: 27 December 2024

THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

		The Group		The Society	
ASSETS	**Notes**	**2024**	2023	**2024**	2023
		Rs.	Rs.	**Rs.**	Rs.
Non-current assets					
Property, plant and equipment	5	**60,960,316**	44,721,450	**60,790,183**	43,857,193
Right-of-use assets	6(a)	**7,241,823**	8,043,822	**7,241,823**	8,043,822
Intangible assets	7	**1,048,254**	1,499,244	**1,048,254**	1,499,244
Investments in financial assets	8	**2,619,898**	2,043,635	**2,619,898**	2,043,635
Investment in subsidiary	9	**-**	-	**592,133**	592,133
Deposits	10	**26,000,000**	26,000,000	**26,000,000**	26,000,000
Deferred tax assets	15	**1,841,322**	1,111,254	**1,854,805**	1,200,442
		99,711,613	83,419,405	**100,147,096**	83,236,469
Current assets					
Inventories	11	**66,048,071**	65,007,106	**65,951,258**	64,946,172
Trade and other receivables	12	**35,537,485**	51,079,324	**55,331,567**	51,998,223
Deposits	10	**24,750,000**	24,750,000	**24,750,000**	24,750,000
Cash and cash equivalents	13	**43,653,718**	45,606,182	**43,653,718**	45,606,182
		169,989,274	186,442,612	**189,686,543**	187,300,577
TOTAL ASSETS		**269,700,887**	269,862,017	**289,833,639**	270,537,046
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	14	**222,500**	223,700	**222,500**	223,700
Reserves		**136,282,579**	134,692,827	**136,919,864**	134,688,488
Equity attributable to owners of the Society		**136,505,079**	134,916,527	**137,142,364**	134,912,188
Non - controlling interest		**(67,328)**	291,283	**-**	-
Total equity		**136,437,751**	135,207,810	**137,142,364**	134,912,188
Non-current liabilities					
Retirement benefit obligations	20	**23,958,754**	19,664,263	**23,952,151**	19,657,660
Deferred grant	16	**6,795,409**	6,795,409	**6,795,409**	6,795,409
Other grants	16	**36,823,965**	40,176,042	**36,823,965**	40,176,042
Lease liabilities	6(b)	**6,650,982**	6,932,431	**6,650,982**	6,932,431
Loan payable	19	**1,493,132**	565,201	**1,493,132**	565,201
		75,722,242	74,133,346	**75,715,639**	74,126,743
Current liabilities					
Trade and other payables	17	**43,617,679**	47,343,918	**44,059,779**	48,321,172
Bonus payable	18	**1,132,863**	3,295,356	**1,132,863**	3,295,356
Lease liabilities	6(b)	**729,643**	1,145,842	**729,643**	1,145,842
Loan payable	19	**-**	184,799	**18,992,642**	184,799
Bank overdraft	13	**11,352,955**	6,677,241	**11,352,955**	6,677,241
Taxation	15	**707,755**	1,873,705	**707,755**	1,873,705
		57,540,894	60,520,861	**76,975,636**	61,498,115
TOTAL EQUITY AND LIABILITIES		**269,700,887**	269,862,017	**289,833,639**	270,537,046

Approved by the Board of Directors on 27 Dec 2024 ..and signed on its behalf by:

.....	.....	.....
K. Seeam	**S. Sookna**	**S. Gopal**
Chairman	CEO	Treasurer

The notes on pages 11 to 37 form an integral part of these consolidated financial statements.
Independent Auditors' Report on pages 3 to 5.

THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	The Group		The Society	
		2024	2023	**2024**	2023
		Rs.	Rs.	**Rs.**	Rs.
Turnover	21	**353,795,026**	413,906,628	**353,744,026**	413,883,878
Cost of sales	22	**(288,018,763)**	(340,584,522)	**(288,187,337)**	(341,218,098)
Gross profit		**65,776,263**	73,322,106	**65,556,689**	72,665,780
Other income	23	**9,449,994**	11,665,587	**9,449,994**	11,665,587
Other operating and administrative expenses	24	**(62,834,432)**	(57,745,990)	**(62,233,043)**	(56,906,930)
Finance costs	25	**(504,417)**	(537,222)	**(504,417)**	(537,222)
Profit before depreciation and amortisation		**11,887,408**	26,704,481	**12,269,223**	26,887,215
Depreciation and amortisation	26	**(6,978,209)**	(9,350,942)	**(6,284,085)**	(8,656,822)
Profit from operations		**4,909,199**	17,353,539	**5,985,138**	18,230,393
Impairment of investment in subsidiary	9	**-**	-	**-**	(524,626)
Profit before taxation		**4,909,199**	17,353,539	**5,985,138**	17,705,767
Taxation	15	**42,187**	(2,517,837)	**(33,518)**	(2,602,040)
Profit for the year		**4,951,386**	14,835,702	**5,951,621**	15,103,727
Other comprehensive (loss) / income					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit obligations	20	**(4,294,491)**	(5,855,033)	**(4,294,491)**	(5,884,959)
Increase in fair value of investments in financial assets at FVTOCI	8	**574,246**	387,000	**574,246**	387,000
Decrease in fair value of investments in financial assets at FVTOCI	8	**-**	(294,969)	**-**	(294,969)
Other comprehensive loss, net of income tax		**(3,720,245)**	(5,763,002)	**(3,720,245)**	(5,792,928)
Total comprehensive income for the year		**1,231,141**	9,072,700	**2,231,376**	9,310,799
Profit for the year attributable to:					
Owners of the Society		**5,309,997**	15,099,894		
Non-controlling interest		**(358,611)**	(264,192)		
		4,951,386	14,835,702		
Total comprehensive income for the year attributable to:					
Owners of the Society		**1,589,752**	9,326,917		
Non-controlling interest		**(358,611)**	(254,217)		
		1,231,141	9,072,700		

The notes on pages 11 to 37 form an integral part of these consolidated financial statements.
Independent Auditors' Report on pages 3 to 5.

THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' FUND
FOR THE YEAR ENDED 30 JUNE 2024

	Equity attributable to owners of the Society														
The Group	**Stated capital**	**Statutory reserves**	**Special reserve**	**Building reserve**	**Revaluation reserve**	**IT fund reserve**	**Equipment reserve**	**Fair value reserve**	**Other reserves**	**Remeasurement of RBO reserve**	**Investment fair value reserve**	**Retained earnings**	**Attributable to owners of the Society**	**Non-Controlling interests**	**Total**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
As at 01 July 2022	188,600	28,188,279	6,736,588	14,420,065	3,000,000	3,871,312	700,000	1,584,319	162,000	(2,676,414)	290,764	69,124,097	125,589,610	545,500	126,135,110
Issue of shares	35,100	-	-	-	-	-	-	-	-	-	-	(35,100)	-	-	-
Profit for the the year	-	-	-	-	-	-	-	-	-	-	-	15,099,894	15,099,894	(264,192)	14,835,702
Other comprehensive (loss) / income for the year	-	-	-	-	-	-	-	-	-	(5,865,008)	92,031	-	(5,772,977)	9,975	(5,763,002)
As at 30 June 2023	223,700	28,188,279	6,736,588	14,420,065	3,000,000	3,871,312	700,000	1,584,319	162,000	(8,541,422)	382,795	84,188,891	134,916,527	291,283	135,207,810
As at 01 July 2023	223,700	28,188,279	6,736,588	14,420,065	3,000,000	3,871,312	700,000	1,584,319	162,000	(8,541,422)	382,795	84,188,891	134,916,527	291,283	135,207,810
Redemption of shares	(1,200)	-	-	-	-	-	-	-	-	-	-	-	(1,200)	-	(1,200)
Profit for the the year	-	-	-	-	-	-	-	-	-	-	-	5,309,997	5,309,997	(358,611)	4,951,386
Other comprehensive (loss) / income for the year	-	-	-	-	-	-	-	-	-	(4,294,491)	574,246	-	(3,720,245)	-	(3,720,245)
As at 30 June 2024	222,500	28,188,279	6,736,588	14,420,065	3,000,000	3,871,312	700,000	1,584,319	162,000	(12,835,913)	957,041	89,498,888	136,505,079	(67,328)	136,437,751

The notes on pages 11 to 37 form an integral part of these consolidated financial statements.
Independent Auditors' Report on pages 3 to 5.

THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' FUND
FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

The Society	Stated capital	Statutory reserves	Special reserve	Building reserve	Revaluation reserve	IT fund reserve	Equipment reserve	Fair value reserve	Other reserves	Remeasurement of RBO reserve	Investment fair value reserve	Retained earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 01 July 2022	188,600	28,188,279	6,736,588	14,420,065	3,000,000	3,871,312	700,000	1,610,567	162,000	(2,677,300)	290,764	69,110,514	125,601,389
Issue of shares	35,100	-	-	-	-	-	-	-	-	-	-	(35,100)	-
Profit for the the year	-	-	-	-	-	-	-	-	-	-	-	15,103,727	15,103,727
Other comprehensive (loss) / income for the year	-	-	-	-	-	-	-	-	-	(5,884,959)	92,031	-	(5,792,928)
As at 30 June 2023	**223,700**	**28,188,279**	**6,736,588**	**14,420,065**	**3,000,000**	**3,871,312**	**700,000**	**1,610,567**	**162,000**	**(8,562,259)**	**382,795**	**84,179,141**	**134,912,188**
As at 01 July 2023	223,700	28,188,279	6,736,588	14,420,065	3,000,000	3,871,312	700,000	1,610,567	162,000	(8,562,259)	382,795	84,179,141	134,912,188
Issue of shares	(1,200)	-	-	-	-	-	-	-	-	-	-		(1,200) -
Profit for the the year	-	-	-	-	-	-	-	-	-	-	-	5,951,621	5,951,621 -
Other comprehensive (loss) / income for the year	-	-	-	-	-	-	-	-	-	(4,294,491)	574,246	-	(3,720,245)
As at 30 June 2024	**222,500**	**28,188,279**	**6,736,588**	**14,420,065**	**3,000,000**	**3,871,312**	**700,000**	**1,610,567**	**162,000**	**(12,856,750)**	**957,041**	**90,130,762**	**137,142,364**

The notes on pages 11 to 37 form an integral part of these consolidated financial statements.
Independent Auditors' Report on pages 3 to 5.

THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	The Group		The Society	
		2024	2023	2024	2023
		Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities					
Profit before taxation		**4,909,199**	17,353,539	**5,985,138**	17,705,767
Adjustments for:-					
Interest received	23	**(1,796,887)**	(999,780)	**(1,796,887)**	(999,780)
Interest on leases	25	**504,417**	537,222	**504,417**	537,222
Retirement benefit obligations		**563,695**	369,821	**557,092**	360,901
Bad debts		**310,685**	-	**310,685**	
Impairment of investment in subsidiary	9	-	-	-	524,626
Depreciation and amortisation	26	**6,978,209**	9,350,942	**6,284,085**	8,656,822
Operating profit before working capital changes		**11,469,318**	26,611,744	**11,844,530**	26,785,558
Increase in inventories		**(1,040,965)**	(10,387,514)	**(1,005,086)**	(10,425,198)
Decrease / (increase) in trade and other receivables		**15,541,839**	30,316,578	**(3,130,280)**	30,388,725
(Decrease) / (increase) in trade and other payables		**(3,529,782)**	(25,705,650)	**(4,261,396)**	(25,919,427)
Movement in bonus provisions		**(2,162,493)**	(1,051,942)	**(2,162,493)**	(1,051,942)
Cash flows generated from operations		**20,277,917**	19,783,216	**1,285,275**	19,777,716
Interest received		**1,796,887**	999,780	**1,796,887**	999,780
Taxation, APS and CSR paid	15	**(2,350,423)**	(2,544,647)	**(2,350,423)**	(2,544,647)
Net cash flows generated from / (used in) operating activities		**19,724,381**	18,238,349	**731,739**	18,232,849
Cash flows from investing activities					
Acquisition of plant and equipment	5	**(21,964,086)**	(5,849,329)	**(21,964,086)**	(5,843,829)
Acquisition of intangible assets	7	-	(475,000)	-	(475,000)
Addition to investment	8	-	(1,008)	-	(1,008)
Investments in financial assets		**(576,263)**		**(576,263)**	
Movement in deposits		-	(3,500,000)	-	(3,500,000)
Net cash flows used in investing activities		**(22,540,349)**	(9,825,337)	**(22,540,349)**	(9,819,837)
Cash flows from financing activities					
Movement in grant received		**(3,352,077)**	(4,854,929)	**(3,352,077)**	(4,854,929)
Movement in loan payable		**743,132**	750,000	**19,735,774**	750,000
Redemption of shares		**(1,200)**	-	**(1,200)**	-
Lease payments	6	**(1,202,065)**	(1,145,842)	**(1,202,065)**	(1,145,842)
Net cash flows (used in) / generated from financing activities		**(3,812,210)**	(5,250,771)	**15,180,432**	(5,250,771)
Net increase / (decrease) in cash and cash equivalents		**(6,628,178)**	3,162,241	**(6,628,178)**	3,162,241
Movements in cash and cash equivalents					
Cash and cash equivalents at the start of the year		**38,928,941**	35,766,700	**38,928,941**	35,766,700
Net increase / (decrease) in cash and cash equivalents		**(6,628,178)**	3,162,241	**(6,628,178)**	3,162,241
Cash and cash equivalents at the end of the year	13	**32,300,763**	38,928,941	**32,300,763**	38,928,941

The notes on pages 11 to 37 form an integral part of these consolidated financial statements.
Independent Auditors' Report on pages 3 to 5.

1. REPORTING ENTITY

The Mauritius Co-operative Agricultural Federation Limited (the "Society") was founded on 16 August 1950 with the main objective of promoting the economic interests of its affiliated societies. The main activities of the Society consist of sale and distribution of agro-inputs, namely fertilizers, pesticides, seeds and other planters materials. It operates a network of 13 retail outlets located in regions with a high concentration of planters. Its registered office is situated at Caudan, Port Louis.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

Standards and interpretations effective and adopted in the current year but with no material effect on the financial statements

In the current year, the Group and the Society have adopted the following standards and interpretations that are effective for the current financial year. The expected impact of these amendments on the Group and the Society's financial statements is not material.

	Effective date: Years beginning on or after
Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	1 January 2023
Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	1 January 2023
Definition of accounting estimates: Amendments to IAS 8	1 January 2023
IFRS 17 *Insurance Contracts*	1 January 2023
International Tax Reform – Pillar Two Model Rules -Amendments to IAS 12	Issued on 23 May 2023 with immediate effectiveness

Standards and interpretations issued but not yet effective

The the Group and the Society have chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group and the Society's accounting periods beginning on or after 1 January 2024 or later

	Effective date: Years beginning on or after
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1 January 2024
Lack of exchangeability – Amendments to IAS 21	1 January 2025
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Postponed indefinitely
IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*	1 January 2024
IFRS S2 *Climate-related disclosures*	1 January 2024
IFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027

The directors do not expect that the adoption of standards listed above will have a material impact of the consolidated financial statements of the Group and the Society in future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) including International Accounting Standards (IAS) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC) issued by the International Accounting Standards Board (IASB).

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(b) Basis of preparation

The consolidated financial statements have been prepared under the historical convention except that:

(i) relevant financial assets and financial liabilities are stated at their fair values; and
(ii) relevant financial assets and financial liabilities are carried at amortised cost.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Society and its subsidiary as at 30 June 2024. The subsidiary is fully consolidated from the date of acquisition, being the date on which the Society obtains control, and continues to be consolidated until the date when such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the parent Society, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full. Where ownership of a subsidiary is less than 100%, and therefore a non-controlling interest/s exists, any losses of that subsidiary are attributed to the non-controlling interest/s even if that results in a deficit balance. A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

(d) Investment in subsidiary

Investment in subsidiary is initially recognised at cost (which includes transaction costs) in the financial statements of the Society. When indication of impairment exists, the recoverable amount of the investment is assessed. Where the recoverable amount of an investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in the profit or loss.

(e) Revenue recognition

(i) Revenue from contracts with customers

Performance obligations and timing of revenue recognition

The Group's and the Society's revenue is derived from the sale and distribution of agro-inputs, namely fertilisers, pesticides, seeds and other planters materials. The revenue is recognised when significant risks and rewards of ownership of the products are transferred to the buyer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occured, the Group and the Society no longer have physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

Determining the transaction price

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. Exceptions are as follows:

Some contracts provide customers with a limited right of return. Historical experience enables the Group and the Society to estimate reliably the value of goods that will be returned and restrict the amount of revenue that is recognised such that it is highly probable that there will not be a reversal of previously recognised revenue when goods are returned.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Revenue recognition (continued)

(i) Revenue from contracts with customers (continued)

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the Group and the Society are able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Revenue comprises the fair value for sale of goods, net of value added tax, discounts, allowances and returns.

(ii) Other revenues

Other revenues earned by the Group and the Society are recognised on the following bases:

- Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).
- Dividend income - when the shareholder's right to receive payment is established.

(f) Expense recognition

Expenses are accounted for in the consolidated statement of profit or loss on an accrual basis.

(g) Property, plant and equipment

All property, plant and equipment are initially stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the carrying amount of the assets 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 Group and the Society and the cost of the item can be measured reliably.

Depreciation is calculated on the straight line method to write off the cost or revalued amounts of each asset to their residual values over their estimated useful life as follows:

Freehold building	2%
Office equipment	20%
Furniture, fixtures and fittings	10%
Motor vehicles	20%
Machinery	20%
Seedling project	10%

Increases in the carrying amount arising on revaluation are credited to revaluation reserve in owners' equity. Decreases that offset previous increases of the same asset are charged against revaluation reserve directly in equity; all other decreases are charged to profit or loss.

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

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

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial instruments (continued)

Categories of financial assets

The Group and the Society classifies its financial assets in the following categories: loans and receivables and investments in financial assets at FVTOCI. The classification depends on the purpose for which the investments were acquired. Management determines the classification of the investments at initial recognition.

- *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 arise when the Group and the Society provides money or services directly to a debtor with no intention of trading the receivable. They are included in the current assets when maturity is within twelve months of the reporting period or non-current assets for maturities greater than twelve months. They are stated at fair value and subsequently measured at amortised cost using the effective interest method.

- *Investments in financial assets designated as at FVTOCI*

On initial recognition, the Group and the Society may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

(a) it has been acquired principally for the purpose of selling it in the near term: or

(b) on initial recognition it is part of a portfolio of identified financial instruments that is managed together and has evidence of a recent actual pattern of short-term profit-taking: or

(c) it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the '**finance** income – **other' line item in profit or loss.**

The Group and the Society designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

- *Trade and other receivables*

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

Expected Credit Losses (ECL)

Impairment provisions for loans and receivables are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

- *Cash and cash equivalents*

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less. Bank overdraft are shown under current liabilities in the consolidated statement of financial position.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Related parties

For the purpose of the consolidated financial statements, parties are considered as related to the Group and the Society if they have the ability, directly or indirectly, to control the Group and the Society or exercise significant influence in making financial and operating decisions or vice versa or where the Group and the Society is subject to common control. Related parties may be individuals or other entities.

(i) Functional and presentation currency

The financial statements are presented in Mauritian Rupee (Rs), which is the Group's and the Society's functional and presentation currency and represents the currency of the primary economic environment in which the entity operates.

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities in foreign currencies at year end exchange rates are recognised in the profit or loss.

(j) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deducible in other years but it further excludes items that are never taxable nor deducible. The Group's and the Society's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax
Deferred taxation is provided using the liability method on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Provisions are required to be made by the Group and the Society for deferred income taxes on the revaluation of certain non-current assets and in relation to acquisitions on assets acquired and their tax base.

Temporary differences arise mainly from depreciation on property, plant and equipment, revaluation of certain non-current assets, tax losses carried forward and on retirement benefit obligations. Recognition of deferred tax assets relating to the carry forward of unused tax losses are to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

(k) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except for those costs which are directly attributable to the acquisition, construction or production of qualifying assets which are capitalised as part of the cost of that asset until such time as the assets are substantially ready for their intended use or sale.

The Group and the Society, however, have opted to recognise borrowing costs as an expense in the period in which they are incurred regardless of how the borrowings are applied.

(l) Financial instruments

Financial assets and liabilities are recognised in the consolidated statement of financial position when the Group and the Society has become party to the contractual provisions of the financial instruments.

Except where stated separately, the carrying amounts of the Group's and the Society's financial instruments approximates their fair values. These instruments are measured as set out below:

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial instruments (continued)

- *Deposits*

  Deposits with banks are classified under non-current and current assets respectively, depending on the maturity of the deposits.

  Categories of financial liabilities

  The Group and the Society classifies its financial liabilities depending on the purpose for which the liability was acquired. The Group's and the Society's accounting policy for other financial liabilities is as follows:

  Short-term monetary liabilities are stated at fair value and subsequently measured at amortised cost using the effective interest method.

  The Group's and the Society's financial liabilities include the following:

- *Trade and other payables*

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

- *Bonus payable*

  Bonus payable represents a provision for bonuses payable to employees and is accounted for in accordance with the accounting policy for "provisions" (note 3 (m)).

- *Lease liabilities*

  Lease liabilities are accounted for in accordance with accordance with the accounting policy set out in note 3(w).

(m) Provisions

Provisions are recognised when the Group and the Society has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group and the Society expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

(n) Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is determined on the FIFO basis. Cost of finished goods comprise all costs of purchase, cost of conversion and other costs incurred in bringing such stocks to their present condition. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

(o) Ordinary share capital

Ordinary shares are classified as equity.

(p) Intangible assets

Computer software
Computer software that is not considered to form an integral part of any hardware equipment is recorded as intangible assets. The software is capitalised at cost and is amortised over its useful life of 3 to 7 years on a straight line basis. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Retirement benefit obligations

Defined benefit obligations
The Group and the Society contribute to a pension scheme, which is a "Defined Benefit" plan. The assets of the fund are held independently and administered by the State Insurance Company of Mauritius Ltd (SICOM). 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 consolidated statement of financial position in respect of defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

State plan
Contributions to the Contribution Sociale Généralisée (CSG) and National Saving Fund (NSF) are expensed to the statement of profit or loss in the period in which they fall due.

(r) Impairment of non-financial assets

Fixed and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the profit or loss for items of fixed and intangible assets carried at cost. The recoverable amount is the higher of an asset's net selling price and the value in use.

The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it not possible, for the cash-generating unit to which the asset belongs. Reversal of an impairment loss recognised in prior years is recorded when there is an indication that the impairment loss recognised for an asset no longer exists or has decreased. The reversal is recorded as income.

(s) Grants

Grant revenue relating to fixed assets is treated as a deferred liability which is recognised in the consolidated statement of financial position. The liability is then released annually in the profit or loss under other income in order to match the income with depreciation charges on the related assets.

Other grants received are recognised under non-current liabilities in the consolidated statement of financial position.

(t) Derecognition of financial assets

The Group and the Society derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group and the Society neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Society recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Society retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Society continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(u) Derecognition of financial liabilities

The Group and the Society derecognises financial liabilities when, and only when, the Group's and the Society's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in the profit and loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. Income and expenses will not be offset in the profit or loss unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Group and the Society.

(w) Leases

The Group and the Society assesses whether a contract is or contains a lease, at inception of the contract. The Group and the Society recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group and the Society recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Society uses its incremental borrowing rate.

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

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position and are depreciated over the shorter period of lease term and useful life of the right-of-use asset.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and the Society expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group and the Society applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of non-financial assets' policy.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's and the Society's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the period of the revision and future periods if the revision affects both current and future periods.

Where applicable, the notes to the consolidated financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the consolidated financial statements, or estimations 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.

4.1 Key sources of estimation uncertainty

With regards to the nature of the Group's and the Society's business, there were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Impairment of financial assets

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

(b) Defined Benefit Obligation

The estimate of the Defined Benefit Obligation is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the Defined Benefit Obligation amount and the annual defined benefit expenses.

(c) Asset lives, residual values and depreciation policies

Tangible and intangible assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

The residual value of an asset is the estimated net amount that the Group and the Society 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 experiences 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.

(d) 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 Group and the Society using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flows, whichever is considered to be appropriate.

The Group and the Society would exercise judgement and estimates on the quantity and quality of value sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

5. PROPERTY, PLANT AND EQUIPMENT

The Group - 2024

	Freehold land	Freehold building	Asset under construction*	Office equipment	Furniture, fixtures and fittings	Motor vehicles	Machinery	Seedling project	Total
COST/ VALUATION	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
At 01 July 2023	4,213,192	14,911,902	-	12,517,446	3,747,511	4,787,008	28,952,185	6,286,724	75,415,968
Additions	-	-	19,452,000	378,523	272,134	50,000	1,350,247	461,182	21,964,086
At 30 June 2024	**4,213,192**	**14,911,902**	**19,452,000**	**12,895,969**	**4,019,645**	**4,837,008**	**30,302,432**	**6,747,906**	**97,380,054**
DEPRECIATION									
At 01 July 2023	-	2,776,360	-	10,349,783	2,689,712	2,955,752	10,284,269	1,638,642	30,694,518
Charge for the year	-	298,237	-	1,073,432	221,400	483,749	3,004,271	644,132	5,725,220
At 30 June 2024	**-**	**3,074,597**	**-**	**11,423,215**	**2,911,112**	**3,439,501**	**13,288,540**	**2,282,774**	**36,419,738**
NET BOOK VALUE									
At 30 June 2024	**4,213,192**	**11,837,305**	**19,452,000**	**1,472,753**	**1,108,534**	**1,397,507**	**17,013,893**	**4,465,133**	**60,960,316**

**Asset under construction relates to building which will be completed in the upcoming financial year.*

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group - 2023

	Freehold land	Freehold building	Office equipment	Furniture, fixtures and fittings	Motor vehicles	Machinery	Seedling project	Total
COST/ VALUATION	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
At 01 July 2022	4,213,192	14,891,643	12,036,408	3,310,518	4,007,705	25,520,108	5,587,065	69,566,639
Additions	-	20,259	481,038	436,993	779,303	3,432,077	699,659	5,849,329
At 30 June 2023	**4,213,192**	**14,911,902**	**12,517,446**	**3,747,511**	**4,787,008**	**28,952,185**	**6,286,724**	**75,415,968**
DEPRECIATION								
At 01 July 2022	-	2,478,291	9,286,881	2,494,510	2,472,003	4,807,052	1,073,661	22,612,398
Charge for the year	-	298,069	1,062,902	195,202	483,749	5,477,217	564,981	8,082,120
At 30 June 2023	**-**	**2,776,360**	**10,349,783**	**2,689,712**	**2,955,752**	**10,284,269**	**1,638,642**	**30,694,518**
NET BOOK VALUE								
At 30 June 2023	**4,213,192**	**12,135,542**	**2,167,663**	**1,057,799**	**1,831,256**	**18,667,916**	**4,648,082**	**44,721,450**

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Society - 2024

	Freehold land	Freehold building	Asset under construction*	Office equipment	Furniture, fixtures and fittings	Motor vehicles	Machinery	Seedling project	Total
COST/ VALUATION	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
At 01 July 2023	4,213,192	14,911,902	-	6,465,834	2,827,611	4,787,008	28,952,185	6,286,724	68,444,456
Additions	-	-	19,452,000	378,523	272,134	50,000	1,350,247	461,182	21,964,086
At 30 June 2024	**4,213,192**	**14,911,902**	**19,452,000**	**6,844,357**	**3,099,745**	**4,837,008**	**30,302,432**	**6,747,906**	**90,408,542**
DEPRECIATION									
At 01 July 2023	-	2,776,360	-	5,012,179	1,920,061	2,955,752	10,284,269	1,638,642	24,587,263
Charge for the year		298,237	-	470,747	129,961	483,749	3,004,271	644,132	5,031,096
At 30 June 2024	**-**	**3,074,597**	**-**	**5,482,926**	**2,050,022**	**3,439,501**	**13,288,540**	**2,282,774**	**29,618,359**
NET BOOK VALUE									
At 30 June 2024	**4,213,192**	**11,837,305**	**19,452,000**	**1,361,431**	**1,049,724**	**1,397,507**	**17,013,893**	**4,465,133**	**60,790,183**

**Asset under construction relates to building which will be completed in the upcoming financial year.*

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Society - 2023

	Freehold land	Freehold building	Office equipment	Furniture, fixtures and fittings	Motor vehicles	Machinery	Seedling project	Total
COST/ VALUATION	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
At 01 July 2022	4,213,192	14,891,643	5,984,796	2,396,118	4,007,705	25,520,108	5,587,065	62,600,627
Additions	-	20,259	481,038	431,493	779,303	3,432,077	699,659	5,843,829
At 30 June 2023	**4,213,192**	**14,911,902**	**6,465,834**	**2,827,611**	**4,787,008**	**28,952,185**	**6,286,724**	**68,444,456**
DEPRECIATION								
At 01 July 2022	-	2,478,291	4,551,956	1,816,300	2,472,003	4,807,052	1,073,661	17,199,263
Charge for the year	-	298,069	460,223	103,761	483,749	5,477,217	564,981	7,388,000
At 30 June 2023	**-**	**2,776,360**	**5,012,179**	**1,920,061**	**2,955,752**	**10,284,269**	**1,638,642**	**24,587,263**
NET BOOK VALUE								
At 30 June 2023	**4,213,192**	**12,135,542**	**1,453,655**	**907,550**	**1,831,256**	**18,667,916**	**4,648,082**	**43,857,193**

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The statement of financial position shows the following amounts relating to right-of-use assets and lease liabilities:

(a) RIGHT-OF-USE ASSETS

	2024	2023
	Rs.	Rs.
The Group and the Society		
COST		
At 1 July	**9,226,764**	9,226,764
Additions	**-**	-
At 30 June	**9,226,764**	9,226,764
AMORTISATION		
At 1 July	**1,182,942**	380,943
Charge for the year	**801,999**	801,999
At 30 June	**1,984,941**	1,182,942
NET BOOK VALUE		
At 30 June	**7,241,823**	8,043,822

(b) LEASE LIABILITIES

The Group and the Society

At 30 June the breakdown of lease liabilities is as follows:	2024	2023
	Rs.	Rs.
Non-current	**6,650,982**	6,932,431
Current	**729,643**	1,145,842
	7,380,625	8,078,273
Movement in lease liabilities		
At 1 July	**8,078,273**	8,686,893
Additional lease liability recognised during the year	**-**	-
Lease payments	**(1,202,065)**	(1,145,842)
Interests	**504,417**	537,222
At 30 June	**7,380,625**	8,078,273
Amounts recognised in statement of cash flows		
Principal payments on lease liabilities	**1,202,065**	1,145,842

The Society has contractual operating leases with the State of Mauritius regarding a land for construction of new office at Bell Village and with Rose Belle Sugar Estate Board regarding a land for sugar cane plantation. The lease periods are 60 years and 7 years respectively.

7. INTANGIBLE ASSETS

	Computer Software	
	2024	2023
The Group and the Society	**Rs.**	Rs.
COST		
At 1 July	**4,731,658**	4,256,658
Additions	**-**	475,000
At 30 June	**4,731,658**	4,731,658
AMORTISATION		
At 1 July	**3,232,414**	2,765,591
Charge for the year	**450,990**	466,823
At 30 June	**3,683,404**	3,232,414
NET BOOK VALUE		
At 30 June	**1,048,254**	1,499,244

8. INVESTMENTS IN FINANCIAL ASSETS

	The Group		The Society	
	2024	2023	**2024**	2023
Equity instruments at FVTOCI	**Rs.**	Rs.	**Rs.**	Rs.
Quoted				
Mauritius Chemical and Fertiliser Industry Ltd*	**29,031**	23,285	**29,031**	23,285
Unquoted				
Sugar Investment Trust*	**937,000**	451,000	**937,000**	451,000
SIT Land Holdings Ltd*	**624,000**	541,500	**624,000**	541,500
MauBank	**1,017,307**	1,015,290	**1,017,307**	1,015,290
Ebene Tower Multipurpose Co-operative Limited	**1,000**	1,000	**1,000**	1,000
Moryza Agro Estates Ltd*	**6,560**	6,560	**6,560**	6,560
Mauritius Cooperative Alliance Ltd	**5,000**	5,000	**5,000**	5,000
Total unquoted investments	**2,590,867**	2,020,350	**2,590,867**	2,020,350
Total	**2,619,898**	2,043,635	**2,619,898**	2,043,635

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
* ***Fair value gain / (loss) for the year:***				
Mauritius Chemical and Fertiliser Industry Ltd	**5,746**	(6,955)	**5,746**	(6,955)
Sugar Investment Trust	**486,000**	(19,000)	**486,000**	(19,000)
SIT Land Holdings Ltd	**82,500**	387,000	**82,500**	387,000
Maubank	**2,017**	(269,014)	**2,017**	(269,014)
	576,263	92,031	**576,263**	92,031

The Group and the Society have opted to measure the investment in financial assets at fair value through other comprehensive income (FVTOCI) in accordance with the requirements of IFRS 9.

9. INVESTMENT IN SUBSIDIARY

	The Group		The Society	
	2024	2023	**2024**	2023
At cost (less impairment)	**Rs.**	Rs.	**Rs.**	Rs.
Carrying amount				
Balance at 01 July	**-**	-	**592,133**	1,116,759
Impairment	**-**	-	**-**	(524,626)
Balance at 30 June	**-**	-	**592,133**	592,133

9. INVESTMENT IN SUBSIDIARY (CONTINUED)

The details of the investment in subsidiary are as follows:

Name of subsidiary	Country of incorporation	Type of shares	% holding 2024 & 2023	No. of Shares	Cost
					Rs.
BioFert Co. Ltd	Mauritius	Ordinary	66.7%	**60,030**	**6,000,000**

BioFert Co. Ltd was incorporated in Mauritius on 18th February 2015 as a Private Limited Company and is engaged in the manufacturing of fertilisers and nitrogen compounds.

10. DEPOSITS

	The Group		The Society	
	2024	2023	**2024**	2023
Maturity:	**Rs.**	Rs.	**Rs.**	Rs.
Current Assets				
up to 3 months	**10,250,000**	10,250,000	**10,250,000**	10,250,000
3 to 6 months	**10,000,000**	10,000,000	**10,000,000**	10,000,000
6 to 12 months	**4,500,000**	4,500,000	**4,500,000**	4,500,000
	24,750,000	24,750,000	**24,750,000**	24,750,000
Non-current Assets				
> 12 months	**26,000,000**	26,000,000	**26,000,000**	26,000,000
	50,750,000	50,750,000	**50,750,000**	50,750,000

11. INVENTORIES

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Fertilizers	**5,475,578**	12,433,886	**5,378,765**	12,372,952
Pesticides	**56,071,614**	46,218,281	**56,071,614**	46,218,281
Seeds	**3,383,611**	4,922,229	**3,383,611**	4,922,229
Livestock	**1,117,268**	935,811	**1,117,268**	935,811
Raw materials	**-**	496,899	**-**	496,899
	66,048,071	65,007,106	**65,951,258**	64,946,172

Note: - All stocks are stated at the lower of cost or net realisable value.

12. TRADE AND OTHER RECEIVABLES

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Trade receivables	**25,649,319**	25,116,998	**24,815,969**	24,334,648
Other receivables	**8,413,619**	16,757,789	**27,043,741**	16,461,728
Advance on imports	**-**	8,092,577	**-**	8,092,577
Advance salaries and staff loan	**624,888**	271,701	**624,888**	271,701
Other deposits	**517,465**	517,465	**517,465**	517,465
Prepayments	**332,194**	322,794	**264,139**	254,739
Loan receivable from related party (note 30)	**-**	-	**2,065,365**	2,065,365
	35,537,485	51,079,324	**55,331,567**	51,998,223

13. CASH AND CASH EQUIVALENTS

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Current and savings accounts	**43,653,718**	45,606,182	**43,653,718**	45,606,182
Bank overdraft	**(11,352,955)**	(6,677,241)	**(11,352,955)**	(6,677,241)
	32,300,763	38,928,941	**32,300,763**	38,928,941

The bank overdraft and other banking facilities are secured by a lien on credit balances and fixed charge on immovable property of the Society.

14. STATED CAPITAL

	The Group		The Society	
	2024	2023	2024	2023
	Rs.	Rs.	Rs.	Rs.
At 01 July,	223,700	188,600	223,700	188,600
(redemption) / Issued during the year	(1,200)	35,100	(1,200)	35,100
At 30 June,	222,500	223,700	222,500	223,700

The Society has one class of ordinary shares, which carry no right to fixed income.

15. TAXATION

	The Group		The Society	
	2024	2023	2024	2023
	Rs.	Rs.	Rs.	Rs.
Charge to statement of profit or loss				
Current tax liabilities	620,141	2,709,513	620,141	2,709,513
Deferred tax (release) / charge for the year	(730,068)	(467,434)	(654,363)	(383,231)
CSR liabilities	67,740	275,758	67,740	275,758
Tax expense for the year	(42,187)	2,517,837	33,518	2,602,040
Statement of financial position				
As at 1 July	1,873,705	1,433,081	1,873,705	1,433,081
Current tax liabilities	823,205	2,709,513	823,205	2,709,513
CSR liabilities	361,268	275,758	361,268	275,758
Paid during the year	(2,056,895)	(2,320,593)	(2,056,895)	(2,320,593)
CSR paid during the year	(293,528)	(224,054)	(293,528)	(224,054)
Balance payable as at 30 June	707,755	1,873,705	707,755	1,873,705

Reconciliation of tax to current tax expense

The Group and the Society are taxed at the rate of 15 % on their adjusted taxable profits.

	The Group		The Society	
	2024	2023	2024	2023
	Rs.	Rs.	Rs.	Rs.
Profit before tax	4,909,199	17,353,539	5,985,138	17,705,767
Tax at the applicable rate of 15%	736,380	2,603,031	897,771	2,655,865
Disallowed expenses in the determination of taxable profits	1,208,967	350,999	1,063,785	346,376
profits	(176,541)	(556,576)	(176,541)	(556,576)
Unutilised losses	16,209	(39,143)	-	-
Timing differences	(961,810)	351,202	(961,810)	263,848
Tax charge for the year	823,205	2,709,513	823,205	2,709,513
Deferred tax assets				
At 1 July	1,111,254	643,820	1,200,442	817,211
Release / (charge) for the year	730,068	467,434	654,363	383,231
At 30 June	1,841,322	1,111,254	1,854,805	1,200,442

16. GRANTS

	The Group		The Society	
	2024	2023	2024	2023
	Rs.	Rs.	Rs.	Rs.
Deferred grant				
Balance at 01 July	6,795,409	9,359,751	6,795,409	9,359,751
Released to profit or loss during the year	-	(2,564,342)	-	(2,564,342)
Balance at 30 June	6,795,409	6,795,409	6,795,409	6,795,409
Other grants				
Grant *(on closure of Beau Plan Sugar Factory)*	13,746,088	13,746,088	13,746,088	13,746,088
Grant *(on closure of Mount Sugar Factory)*	15,000,000	15,000,000	15,000,000	15,000,000
Mauritius Cane Industry Authority	8,077,877	11,429,954	8,077,877	11,429,954
	36,823,965	40,176,042	36,823,965	40,176,042

16. GRANTS (CONTINUED)

Grants were received from Compagnie Usinière de Belle Vue Limitée following the closure of Beau Plan Sugar Factory and Mount Sugar Factory. The purpose is to enhance the productivity of planters of the Beau Plan Sugar factory and Mount Sugar Facory areas by providing services such as the construction of access roads, culverts and construction of bridges.

The Society had grants in previous years from the Mauritius Cane Industry Authority for the purchase of a harvester machine. The refundable amount has been classified as other grants and the remaining amount is classified as deferred grant and is released annually in the profit or loss.

17. TRADE AND OTHER PAYABLES

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Trade payables	**38,198,630**	38,023,324	**36,087,764**	36,286,210
Trade payables to related party (note 30)	**-**	-	**6,762,149**	5,506,976
Other payables and accruals	**5,419,049**	9,320,594	**1,209,866**	6,527,986
	43,617,679	47,343,918	**44,059,779**	48,321,172

18. BONUS PAYABLE

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
At 1 July	**3,295,356**	4,347,298	**3,295,356**	4,347,298
Provision for the year	**1,132,863**	1,239,342	**1,132,863**	1,239,342
Paid to:				
Staff	**(3,295,356)**	(2,291,284)	**(3,295,356)**	(2,291,284)
At 30 June	**1,132,863**	3,295,356	**1,132,863**	3,295,356

19. LOAN PAYABLE

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Non-current	**1,493,132**	565,201	**1,493,132**	565,201
Current	**-**	184,799	**18,992,642**	184,799
	1,493,132	750,000	**20,485,774**	750,000

The loan payable bears interest at the rate of 2.5% per annum, repayable in 4 years with 4 equal yearly installments and is secured by a pledge of 38% of crop (sugar cane) proceeds.

20. RETIREMENT BENEFIT OBLIGATIONS

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Statement of financial position disclosures:				
Present value of funded obligation	**54,342,146**	46,881,007	**54,335,543**	46,873,599
Value of PRGF assets	**-**	-	**-**	-
Fair value of plan assets	**(30,383,392)**	(27,215,939)	**(30,383,392)**	(27,215,939)
Net liability in the statement of financial position	**23,958,754**	19,664,263	**23,952,151**	19,657,660
The amounts recognised in the profit or loss are as follows:				
Current service cost	**2,502,472**	2,502,472	**2,834,645**	2,494,265
Less employee contributions	**(500,080)**	(500,080)	**(600,865)**	(499,275)
Fund expenses	**114,641**	114,641	**176,841**	114,641
Interest on obligation	**633,059**	633,059	**1,086,109**	631,541
Charged in the statement of profit or loss	**2,750,092**	2,750,092	**3,496,730**	2,741,172

20. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
The amounts recognised in the other comprehensive income are as follows:				
Remeasurement				
Liability loss / (gain)	**5,812,208**	5,812,208	**4,303,584**	5,841,335
Changes in assumptions underlying the present value of the liabilities	**(799)**	(799)	**-**	-
Asset (loss) / gain	**43,624**	43,624	**(818,170)**	43,624
Total other comprehensive income ("OCI") recognised	**5,855,033**	5,855,033	**3,485,414**	5,884,959
Total	**8,605,125**	8,605,125	**6,982,144**	8,626,131
Movement in liability recognised in the statement of financial position :				
At 01 July	**19,664,263**	13,439,409	**19,657,660**	13,411,800
Add staff cost as above	**2,750,092**	2,750,092	**3,496,730**	2,741,172
Past service funding	**(870,000)**	(870,000)	**(870,000)**	(870,000)
Less contributions paid	**(1,510,271)**	(1,510,271)	**(1,817,653)**	(1,510,271)
Amount recognised in OCI	**5,855,033**	5,855,033	**3,485,414**	5,884,959
At 30 June	**25,889,117**	19,664,263	**23,952,151**	19,657,660

Actual return on plan assets:

The principal actuarial assumptions used were as follows :

	%	%	%	%
Discount rate	**6.00 - 7.20**	6.00 - 7.20	**5.70**	6.00
Future pension increases	**4.50**	4.50	**4.50**	4.50
Future salary increases	**2.00 - 3.50**	2.00 - 3.50	**3.50**	3.50
Mortality before retirement		A 6770 Ultimate Tables		
Mortality in retirement		PA (90) Tables		
Retirement age		As per the Scheme Rules		

Reconciliation of present value of defined obligation	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Present value of obligation at start of year	**46,881,007**	37,865,060	**46,873,599**	37,837,451
Current service cost	**2,502,472**	2,502,472	**2,834,645**	2,494,265
Interest cost	**1,955,092**	1,955,092	**2,739,930**	1,953,574
Benefits paid	**(1,253,026)**	(1,253,026)	**(2,416,214)**	(1,253,026)
Liability loss / (gain)	**5,812,208**	5,812,208	**4,303,584**	5,841,335
Changes in assumptions underlying the present value of the liabilities	**(799)**	(799)	**-**	-
Present value of obligation at end of year	**55,896,954**	46,881,007	**46,873,599**	46,873,599
Reconciliation of present value of defined obligation				
Fair value of plan assets at start of period	**27,215,939**	24,425,651	**27,215,939**	24,425,651
Expected return on plan assets	**1,322,033**	1,322,033	**1,653,820**	1,322,033
Employer contributions	**1,510,271**	1,510,271	**1,817,653**	1,510,271
Employee contributions	**499,275**	499,275	**600,865**	499,275
Past service funding	**870,000**	870,000	**870,000**	870,000
Benefits paid and other outgo	**(1,367,667)**	(1,367,667)	**(2,593,055)**	(1,367,667)
Asset (loss)/gain	**(43,624)**	(43,624)	**818,170**	(43,624)
Fair value of plan assets at end of period	**30,006,227**	27,215,939	**30,383,392**	27,215,939

20. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Distribution of plan assets at end of year	%	%	%	%
Percentage of assets at end of year				
Government securities and cash	**54.1**	55.5	**54.1**	55.5
Loans	**0.3**	0.4	**0.3**	0.4
Local equities	**14.4**	14.4	**14.4**	14.4
Overseas bonds and equities	**30.2**	29.2	**30.2**	29.2
Property	**0.5**	0.5	**0.5**	0.5
	100	100	**100**	100

Additional disclosure on assets issued or used by the reporting entity:	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Components of the amount recognised in OCI				
Assets experience (loss)/gain during the year	**(43,624)**	(43,624)	**(43,624)**	(43,624)
Changes in assumptions underlying the present value of the liabilities	799	799	-	-
Liability experience gain/(loss) during the year	**(5,812,208)**	(5,812,208)	**(5,841,335)**	(5,841,335)
	(5,855,033)	(5,855,033)	**(5,884,959)**	(5,884,959)

	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Expected employer contributions for next year	**1,731,223**	1,731,223	**1,692,223**	1,692,223
Weighted average duration of the defined benefit obligation	**18/37 Years**	18/37 Years	**18 Years**	18 Years

21. TURNOVER

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Revenue from sale of:				
Fertilisers	**162,346,501**	230,197,503	**162,346,501**	230,174,753
Pesticides	**108,397,757**	105,226,843	**108,397,757**	105,226,843
Seeds	**20,211,990**	17,750,546	**20,211,990**	17,750,546
Livestock feeds	**55,386,787**	54,565,359	**55,335,787**	54,565,359
Mechanisation	**7,451,991**	6,166,377	**7,451,991**	6,166,377
	353,795,026	413,906,628	**353,744,026**	413,883,878

22. COST OF SALES

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Opening inventories	**65,007,106**	65,007,106	**64,946,172**	64,946,172
Purchases	**289,059,730**	340,584,522	**289,192,423**	341,218,098
Less closing inventories	**(66,048,071)**	(65,007,106)	**(65,951,258)**	(64,946,172)
	288,018,765	340,584,522	**288,187,337**	341,218,098

23. OTHER INCOME

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Cane growing	**1,061,011**	2,136,175	**1,061,011**	2,136,175
Commission received	-	850,100	-	850,100
Deferred grant release (note 16)	-	2,564,342	-	2,564,342

23. OTHER INCOME (CONTINUED)

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Discount received	**3,716,912**	1,851,938	**3,716,912**	1,851,938
Dividend received	**15,477**	323	**15,477**	323
Gain on foreign exchange	**1,552,656**	877,247	**1,552,656**	877,247
Interest income	**1,796,887**	999,780	**1,796,887**	999,780
Management income	**306,250**	250,000	**306,250**	250,000
Miscellaneous (Other income)	**532,800**	1,667,682	**532,800**	1,667,682
Rent	**468,000**	468,000	**468,000**	468,000
	9,449,994	11,665,587	**9,449,994**	11,665,587

24. OTHER OPERATING AND ADMINISTRATIVE EXPENSES

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Advertising and marketing expenses	**324,352**	46,853	**324,352**	46,853
Bad Debts	**313,325**		**313,325**	
Bank charges	**2,285,855**	1,393,742	**2,285,855**	1,393,743
Cleaning expenses	**170,344**	115,509	**170,344**	115,509
Commision paid	**116,650**	767,219	**116,650**	767,219
Committee allowances	**614,688**	638,926	**614,688**	638,926
Discount allowed	-	1,951,663	-	1,951,663
Dividend paid	-	194,562	-	194,562
Donations	**35,000**	50,000	**35,000**	50,000
Electricity and water	**475,713**	398,981	**475,713**	398,981
End of year party and anniversary expenses	**199,538**	169,502	**199,538**	167,618
Foreign exchange difference	-	-	-	-
General expenses	**259,141**	255,081	**259,141**	255,081
Harvester machine maintenance expenses	**6,503,977**	3,777,067	**6,503,977**	3,777,067
Import charges	**3,675,983**	5,232,020	**3,675,983**	5,232,020
Insurance premium	**398,081**	262,211	**398,081**	262,211
Licence and subscription fees	**798,586**	146,665	**798,586**	146,665
Management fees	**767,500**	767,500	**467,500**	467,500
Miscellaneous	**418,598**	78,778	**368,078**	70,568
Mission and conferences	**275,049**	130,074	**275,049**	130,074
Motor vehicle running and maintenance expenses	**1,797,672**	808,452	**1,797,672**	808,452
Other staff costs	**3,145,396**	1,273,887	**3,145,396**	1,273,887
Passage benefits	**451,000**	688,700	**451,000**	688,700
Penalty fees	**327,252**	21,275	**327,252**	21,275
Pensions	**3,889,384**	3,378,821	**3,889,384**	3,378,821
Printing and stationery	**1,004,365**	978,204	**1,004,365**	978,204
Professional and legal fees	**1,118,822**	1,225,065	**1,076,322**	1,054,734
Refreshment and hospitality	**163,693**	299,969	**163,693**	299,969
Rent and rates	**6,150,765**	1,750,069	**6,150,765**	1,750,069
Repair of access roads	-	153,000	-	153,000
Repairs and maintenance	**799,333**	2,526,388	**799,333**	2,472,288
Retirement benefits paid and provision	-	369,821	-	360,901
Security expenses	**515,871**	168,807	**515,871**	168,807
Seedling project expenses	**160,430**	115,665	**160,430**	115,665
Subsidies to planters	**8,575**	6,913	**8,575**	6,913
Sugarcane plantation expenses	**4,840,658**	4,003,473	**4,840,658**	4,003,473
Telephone and postage	**672,905**	901,060	**646,105**	870,898
Training	**3,000**	1,040,164	**3,000**	951,004
Travelling	**2,494,623**	2,089,199	**2,494,624**	2,089,199
Wages and salaries	**17,658,309**	19,570,705	**17,476,739**	19,394,411
	62,834,432	57,745,990	**62,233,043**	56,906,930

25. FINANCE COSTS

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Interest on leases	**504,417**	537,222	**504,417**	537,222

26. DEPRECIATION AND AMORTISATION

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Freehold building	**298,237**	298,069	**298,237**	298,069
Office equipment	**1,073,432**	1,062,902	**470,747**	460,223
Furniture, fixtures and fittings	**221,398**	195,202	**129,961**	103,761
Motor vehicles	**483,749**	483,749	**483,749**	483,749
Machinery	**3,004,271**	5,477,217	**3,004,271**	5,477,217
Seedling project	**644,132**	564,981	**644,132**	564,981
Computer software	**450,990**	466,823	**450,990**	466,823
Right-of-use assets	**801,999**	801,999	**801,999**	801,999
	6,978,207	9,350,942	**6,284,085**	8,656,822

27. CONTINGENT LIABILITIES

At the end of the reporting period, the Group and the Society had contingent liabilities in respect of bank guarantees arising in the ordinary course of business from which it is anticipated that no material losses will arise. At 30 June 2024, the Group and the Society had no other contingent liabilities (2023: Nil).

28. CAPITAL COMMITMENTS

As at 30 June 2024, the Group and the Society had no capital commitments (2023: Nil).

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Capital risk management

The Group and the Society manage their capital to ensure that the Group and the Society will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group and the Society consist of share capital, retained earnings and other reserves.

Financial risk management

The Group's and the Society's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk and other price risk), credit risk and liquidity risk.

(a) Market risk

(i) Foreign exchange risk

The Group and the Society do not have any assets and liabilities denominated in foreign currencies. Consequently, the Group and the Society are not exposed to any currency risk.

(ii) Interest rate risk management

The Group and the Society are exposed to interest rate fluctuations on the domestic market with respect to interest income and expense. The Group and the Society earn interest income on their surplus cash. Management closely monitors interest rate trends and their impact on interest income and expense.

The Group and the Society are also exposed to interest rate risk as they borrow funds at both fixed and floating interest rates.

The interest rate profiles of the Group and the Society at 30 June 2024 and 30 June 2023 were:

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Interest rate risk management (continued)

	The Group		The Society	
	2024	2023	**2024**	2023
	%	%	**%**	%
Financial assets:				
Deposits	**2.10 - 4.75**	2.10 - 4.75	**2.10 - 4.75**	2.10 - 4.75
Financial liabilities:				
Bank overdraft	**8.8**	8.8	**8.8**	8.8
Loan payable	**2.5**	2.5	**2.5**	2.5

Interest rate risk sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For fixed and floating rate assets and liabilities, the analysis is prepared assuming the amount of assets/liabilities outstanding at the end of the reporting period was for the whole year. A 50 basis points increase or decrease used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonable possible change in interest rates.

If interest rates had been 50 basis points higher or lower, the effect on profit would have been as follows:

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Profit (+ or -)	**415,254**	448,395	**415,254**	448,395

(iii) Price risk

Price risk is the risk of unfavourable changes in fair values of equities as the result of changes in the value of individual shares. The Group and Society has exposure to price risk at year end on its quoted and unquoted investments at FVTOCI.

The table below summarises the sensitivity of the Group's and the Society's equity to price movements as at year ended 30 June 2024 and 30 June 2023. The analysis is based on the assumptions that the market price be increased or decreased by 10% (2023: 10%) with all other variables held constant and that the fair value of the Group's and the Society's equity moved accordingly to their historical index. The impact below arises from the reasonable possible change in the fair value of the Group's and the Society's equity to a change in price.

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Effect on equity of a 10% increase in price	**26,199**	20,436	**26,199**	20,436
Effect on equity of a 10% decrease in price	**(26,199)**	(20,436)	**(26,199)**	(20,436)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and Society. The Group and Society have adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group and Society only transact with entities of good credit rating. It uses publicly available financial information and its own trading records to rate its major customers. The Group's and Society's exposure and the credit ratings of its counterparties are continuously monitored.

The table below summarises the exposure to credit risk:

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

	The Group		The Society	
	2024	2023	2024	2023
	Rs.	Rs.	Rs.	Rs.
Trade and other receivables	**35,205,291**	50,756,530	**55,067,428**	51,743,484
Cash at bank	**43,653,718**	45,606,182	**43,653,718**	45,606,182
Deposits	**50,750,000**	50,750,000	**50,750,000**	50,750,000
	129,609,010	147,112,712	**149,471,146**	148,099,666

The cash and cash equivalents and fixed deposits are maintained with reputable financial institutions. Trade and other receivables excludes prepayments.

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Society is unable to meet its payment obligations, associated with its financial liabilities, when they fall due.

Ultimate responsibility for liquidity risk rests with the board of directors, which monitors the Group's and the Society's short, medium and long term funding and liquidity management requirements. The Group and the Society manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

Liquidity risk as at 30 June 2024

The Group	No maturity date	Due for less than 1 year	Due for more than 1 year	Total
	Rs.	Rs.	Rs.	Rs.
Financial assets				
Investments in financial assets	**2,619,898**	-	-	**2,619,898**
Deposits	-	**24,750,000**	**26,000,000**	**50,750,000**
Trade and other receivables	-	**35,205,291**	-	**35,205,291**
Cash and cash equivalents	-	**43,653,718**	-	**43,653,718**
Total	**2,619,898**	**103,609,010**	**26,000,000**	**132,228,908**
Financial liabilities				
Trade and other payables	-	**43,617,679**	-	**43,617,679**
Bonus payable	-	**1,132,863**	-	**1,132,863**
Bank overdraft	-	**11,352,955**	-	**11,352,955**
Lease liabilities	-	**729,643**	**6,650,982**	**7,380,625**
Loan payable	-	-	**1,493,132**	**1,493,132**
Total	-	**56,833,139**	**8,144,114**	**64,977,253**

The Society	No maturity date	Due for less than 1 year	Due for more than 1 year	Total
	Rs.	Rs.	Rs.	Rs.
Financial assets				
Investments in financial assets	**2,619,898**	-	-	**2,619,898**
Deposits	-	**24,750,000**	**26,000,000**	**50,750,000**
Trade and other receivables	-	**55,067,428**	-	**55,067,428**
Cash and cash equivalents	-	**43,653,718**	-	**43,653,718**
Total	**2,619,898**	**123,471,146**	**26,000,000**	**152,091,044**
Financial liabilities				
Trade and other payables	-	**44,059,779**	-	**44,059,779**
Bonus payable	-	**1,132,863**	-	**1,132,863**
Bank overdraft	-	**11,352,955**	-	**11,352,955**
Lease liabilities	-	**729,643**	**6,650,982**	**7,380,625**
Loan payable	-	**18,992,642**	**20,485,774**	**39,478,416**
Total	-	**76,267,881**	**27,136,756**	**103,404,637**

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

Liquidity risk as at 30 June 2023

The Group	No maturity date	Due for less than 1 year	Due for more than 1 year	Total
	Rs.	Rs.	Rs.	Rs.
Financial assets				
Investments in financial assets	2,043,635	-	-	2,043,635
Deposits	-	24,750,000	26,000,000	50,750,000
Trade and other receivables	-	50,756,530	-	50,756,530
Cash and cash equivalents	-	45,606,182	-	45,606,182
Total	2,043,635	121,112,712	26,000,000	149,156,347
Financial liabilities				
Trade and other payables	-	47,343,918	-	47,343,918
Bonus payable	-	3,295,356	-	3,295,356
Bank overdraft	-	6,677,241	-	6,677,241
Lease liabilities	-	1,145,842	6,932,431	8,078,273
Loan payables	-	184,799	565,201	750,000
Total	-	58,647,156	7,497,632	66,144,788

The Society	No maturity date	Due for less than 1 year	Due for more than 1 year	Total
	Rs.	Rs.	Rs.	Rs.
Financial assets				
Investments in financial assets	2,043,635	-	-	2,043,635
Deposits	-	24,750,000	26,000,000	50,750,000
Trade and other receivables	-	51,743,484	-	51,743,484
Cash and cash equivalents	-	45,606,182	-	45,606,182
Total	2,043,635	122,099,666	26,000,000	150,143,301
Financial liabilities				
Trade and other payables	-	48,321,172	-	48,321,172
Bonus payable	-	3,295,356	-	3,295,356
Bank overdraft	-	6,677,241	-	6,677,241
Lease liabilities	-	1,145,842	6,932,431	8,078,273
Loan payables	-	184,799	750,000	934,799
Total	-	59,624,410	7,682,431	67,306,841

(d) Fair value of financial instruments

The carrying amounts of the Group's and the Society's financial instruments approximate their fair values due to the short-term nature of the balances involved.

Fair value measurements recognised in the statement of financial position

The Group and the Society use the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation techniques:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value are not based on observable market data.

The following table analyses within the fair value hierarchy of the Group's and the Society's financial assets (by class) measured at fair value at 30 June.

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

(d) Fair value of financial instruments

Investments at FVTOCI

	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Level 1 - Quoted	**29,031**	23,285	**29,031**	23,285
Level 3 - Unquoted	**2,590,867**	2,020,350	**2,590,867**	2,020,350
	2,619,898	2,043,635	**2,619,898**	2,043,635

Investments held at FVTOCI comprise quoted and unquoted equity instruments (refer to note 8).

30. RELATED PARTY TRANSACTIONS

During the year ended 30 June 2024 and 30 June 2023, the Society transacted with its subsidiary. Details of the nature, volume of transactions and balances are shown below.

Name of related party	Nature of relationship	Nature of transactions	Volume of transactions		Balances as at 30 June	
			2024	2023	**2024**	2023
			Rs.	Rs.	**Rs.**	Rs.
BioFert Co. Ltd	Subsidiary	Loan receivable	**-**	-	**2,065,365**	2,065,365
BioFert Co. Ltd	Subsidiary	Net purchases payable	**(301,385)**	(748,300)	**(5,808,361)**	(5,506,976)

The balances receivable and payable to related party is interest free, unsecured and have no fixed terms of repayment.

Key management personnel compensation	The Group		The Society	
	2024	2023	**2024**	2023
	Rs.	Rs.	**Rs.**	Rs.
Salaries and other benefits	**1,877,502**	1,877,502	**1,877,502**	1,877,502

31. GOING CONCERN

The Board members have made an assessment of the Group's and the Society's ability to continue as a going concern and are satisfied that the Group and the Society have the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's and the Society's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on the going concern basis.

32. WAR IN UKRAINE

With the ongoing war in Ukraine, the world economy is likely to be negatively impacted due to an increase in the volatility of commodity prices. The directors of the Group and the Society are of the opinion that, at the time of publishing these consolidated financial statements, the extent of the impact of the above events cannot be measured and hence may have an impact on the future performance of the Group and the Society and, as at date, there has been no major impact on the Group and the Society.

33. EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period which may have a material effect on the consolidated financial statements for the year ended 30 June 2024.

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