Cargo Handling Corporation Ltd

AUDITED ACCOUNTS

Financial Year
From
July 2023 to June 2024

December 2024

Cargo Handling Corporation Limited

Contents **Pages**

Corporate information	2 - 3
Annual report	4 - 8
Corporate governance report	9 - 30
Statement of compliance	31 - 33
Certificate from the secretary	34
Independent auditors' report	35 - 38
Statement of financial position	39 - 40
Statement of profit or loss and other comprehensive income	41
Statement of changes in equity	42 - 43
Statement of cash flows	44
Notes to the financial statements	45 - 99

Cargo Handling Corporation Limited

Corporate information

Directors	Date appointed	Date resigned
Mr. Medavy Pillay MUNIEN *(Chairman)*	01 August 2022	12 November 2024
Mr Condavelloo DORSAMY	12 December 2024	-
Mr. Asish Kumar JHOERREEA	21 July 2021	-
Mr. Kechan BALGOBIN	30 January 2013	12 January 2024
Mr. Nuvin RAMBURUTH	12 January 2024	12 December 2024
Mrs K.O FONG WENG-POORUN	12 December 2024	-
Mrs. Vailamah PAREATUMBEE	19 March 2015	-
Mr Veersingh BOODHNA	04 April 2023	13 December 2023
Mr. Navindsing JUGMOHUNSING	10 January 2024	5 May 2024
Mr. Sarwansingh PURMESSUR	21 May 2024	-
Mr. Shakeel GOBURDHONE	06 October 2015	-
Mrs Aruna Devi BUNWAREE RAMSAHA	11 February 2022	-
Mr Kavidev NEWOOR	01 April 2022	-
Mrs Nomita Devi SEEBALUCK	29 March 2022	-
Mr Chandrek DUSSOYE	15 May 2023	-
Mr Anant Ashish Ramdeen GOORAH(Alternate)	20 July 2023	-
Mr. Alain EDOUARD	27 April 2018	-
Mr Thierry Laval JOSEPH	14 December 2022	-
Mr Mohunlall BUNDHOO	14 December 2022	-

Senior Management Team	Position
Mr Condavelloo DORSAMY	Managing Director *(as from 12 December 2024)*
Mr Jean Hubert NOEL	Deputy Managing Director *(as from 12 December 2024)*
Mr. Sanjaye PADDIA	Finance Manager Officer In Charge *(as from 16 June 2023 up to December 2024)*
Mr. Hemraj DAHARI	Human Resource Manager
Mr. Hemlall Chowbay MULTRA	Terminal Operations Manager
Mrs. Janice MUNDIL	Internal Audit Manager *(retired on 15 May 2024)*
Mrs. Lata SEEGOOLAM	Information Technology Manager
Mr. Harikesh SINGH	Head of Maintenance & Engineering Dept.
Mr. Ananda JUGGIAH	Technical Manager
Mrs Firdosh MULLUG	Ag Finance Manager
Mr Laxmikant RAMLALL	Ag Internal Audit Manager

Cargo Handling Corporation Limited

Corporate information (Contd)

Company Secretary	:	Mr Sanjaye PADDIA C/o Cargo Handling Corporation Limited CHCL Building, Mer Rouge, Port Louis Republic of Mauritius
Registered office	:	CHCL Building, Mer Rouge Port Louis Republic of Mauritius
Legal advisors	:	Solicitor - General Renganaden Seeneevassen Building Port Louis, Republic of Mauritius Madun Gujadhur Chambers LLP 504, Chancery House Lislet Geoffroy Street, Port Louis Republic of Mauritius Me Maxime Sauzier C/o ENSafrica 19, Church Street, Port Louis Republic of Mauritius
Auditors	:	Moore (Mauritius) LLP Newton Tower Sir William Newton, Port Louis Republic of Mauritius
Bankers	:	SBM Bank (Mauritius) Ltd MauBank Ltd Mauritius Commercial Bank Ltd Absa Bank (Mauritius) Limited

Cargo Handling Corporation Limited

Annual Report

The Directors have pleasure in presenting their Annual Report together with the audited financial statements of Cargo Handling Corporation Limited, the "Company" or "CHCL", for the year ended 30 June 2024.

Incorporation

The Company was incorporated in the Republic of Mauritius on 02 September 1983 as a private company with liability limited by shares. The Company's registered office is CHCL Building, Mer Rouge, Port Louis, Republic of Mauritius.

Principal activity

The principal activities of the Company are those of:

- providing handling services for containers and general cargo by providing labour and equipment.
- providing for the storage of all general cargo including containers passing through Port Louis Harbour; and
- providing ancillary services namely monitoring of reefer containers, transfer of containers and leasing of equipment.

Business review

Results

The results for the year are shown on page 41.

State of affairs

The state of the Company's affairs at the reporting date is set out on pages 39-40.

Material clauses of the Company's Constitution

The Company is governed by its Memorandum and Articles of Association. The Memorandum and Articles of Association are in agreement with the Mauritius Companies Act 2001.

Memorandum of Association

Clause 2: Objects of the Company

Sub-Clause 1: Main Objects

1.1. To provide manual, supervisory and managerial staff to handle all cargo (excluding bulk sugar and any other commodity under the responsibility of the Mauritius Sugar Terminal Corporation and cargo passing through pipelines) passing through Port Louis Harbour from ships' holds, by the most efficient means consistent with costs.
1.2. To supply, maintain, renew, purchase or lease cargo handling equipment including tugs and lighters for the efficient movement of cargo from ships' hook until delivery to consignees, or in case of outward cargo for the movement from shore to ships' hook.
1.3. To provide all staff and equipment for the transhipment of cargo in Port Louis Harbour.
1.4. To provide for the storage of all general cargo including containers passing through Port Louis Harbour.
1.5. To provide, maintain and operate a container freight station in Port Louis Harbour.
1.6. To provide facilities or services for the welfare of all employees of the Company.

Cargo Handling Corporation Limited

Annual Report (Contd)

Memorandum of Association (Contd)

Clause 3: Limitation of Liability

The liability of the shareholders is limited to the amount, if any, unpaid on the shares respectively held by them.

Article 4: The Company is to be a Private Company

Consequential Restrictions

4.2. The Membership of the Company shall be restricted to:-

(a) the Government of Mauritius.
(b) the Mauritius Ports Authority; and
(c) a public sector organisation.

Article 12: Increase or Alteration of Capital

12.1. The Company may, when thought expedient, increase its authorised share capital by the creation of new shares of such nominal amount and of such class as may be deemed appropriate.

12.1.3. Subject to any direction to the contrary in its resolution deciding on the creation of new shares or by these presents, all new shares of a particular class thus created shall when issued be offered in the first instance and either at par or at premium for subscription to all the existing shareholders of such class of the Company in proportion of such shares of such class held by them respectively.

Article 16: Management

16.1. The Company is represented and managed by a Board of Directors consisting of thirteen Directors. The Directors are elected either by ballot or by show of hands by the shareholders in general meeting.

Article 18: Proceedings of the Directors

18.1. The Directors may meet for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings, as they think fit, provided they shall meet at least once every month.

18.6. The Directors may delegate any of their powers to committees, consisting of two or more members of their body, as they think fit, and may from time to time revoke such delegation.

Directors

The present composition of the Board is set out on page 2.

Directors' responsibilities in respect of the financial statements

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

i. ensure that adequate accounting records and an effective system of internal controls and risk management have been maintained.

Cargo Handling Corporation Limited

Annual Report (Contd)

Directors' responsibilities in respect of the financial statements (Contd)

ii. select suitable accounting policies and then apply them consistently.

iii. make judgements and estimates that are reasonable and prudent.

iv. state whether International Financial Reporting Standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and

v. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements are prepared in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Directors hereby report that: -

i. adequate accounting records and an effective system of internal controls and risk management have been maintained.
ii. appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently.
iii. applicable accounting standards have been adhered to. Any departure in the interest in fair presentation has been disclosed, explained, and quantified; and
iv. the Code of Corporate Governance will be substantially complied with in the next reporting year and the Company will provide reasons for non-compliance.

Internal Control

The Directors are responsible for the Company's systems of internal control. The systems have been designed to provide the Directors with reasonable assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that there are no material errors and irregularities. An internal audit function is in place to assist Management in the effective discharge of its responsibilities, and it is independent of Management and reports to the Audit Committee.

Risk Management

The Board of Directors has overall responsibility for risk management. Through the Audit Committee, the Directors are made aware of the risk areas which affect the Company and ensure that the Senior Management team has taken appropriate measures to mitigate these risks.

Contracts of Significance

There were no contracts of significance to which the Company was a party and in which a Director was materially interested either directly or indirectly.

Cargo Handling Corporation Limited

Annual Report (Contd)

Directors' Share Interests

The Directors' have no interest in the share capital of the Company, either directly or indirectly.

Directors' Remuneration

Total emoluments and other benefits paid to the Directors were as follows:

	Name of Directors	30 June 2024 Rs	30 June 2023 Rs
	Non-Executive Directors		
1	Mr. Asish Kumar Jhoerreea	**183,500**	81,000
2	Mr Nuvin Ramburuth	**78,000**	-
3	Mrs. Vailamah Pareatumbee	**131,500**	130,000
4	State Investment Corporation Ltd, represented by Chandrek Dussoye	**129,500**	126,000
5	Mr Sarwansingh Purmessur	**19,000**	-
6	Mr Kavidev Newoor	**168,500**	56,500
7	Mr. Shakeel Goburdhone	**129,500**	113,500
8	Mr. Alain Edouard	**123,500**	114,000
9	Mr Mohunlall Bundhoo	**150,500**	75,500
10	Mr Thierry Laval Joseph	**123,500**	66,500
11	Mr. Kechan Balgobin	**81,500**	119,000
12	Mrs. Aruna Devi Bunwaree Ramsaha	-	93,500
13	Mrs Nomita Devi Seebaluck	-	9,500
14	Mr. Charles Jean Babylone	-	65,500
15	Mr. Aneesh Kumar Lochon	-	47,500
16	Mrs Kantabye Babajee	-	81,000
17	Mr Veersingh Boodhna	**66,500**	19,000
18	Mr Maubarakahmad Boodhun	-	47,500
19	Mr Navindsingh Jugmohunsing	**38,000**	-
20	Mr. Raj Kishore Bunjun	-	19,000
		1,423,000	1,264,500
	Chairperson and Executive Director		
21	Mr Medavy Pillay Munien (Chairperson)	840,000	-
22	Mr. Kechan Balgobin (Chairperson)	-	140,000
23	Mr. Eric Presley Michael Paul (Executive Director)	-	3,314,283
		840,000	3,454,283
	FULL TIME EXECUTIVE DIRECTORS		
	From the Company	-	3,314,283
	From related companies	-	-
	Total amount	-	3,314,283
	NON-EXECUTIVE DIRECTORS		
	From the Company	**397,500**	4,204,842
	From related companies	**427,500**	-
	Total amount	**825,000**	4,204,842

Cargo Handling Corporation Limited

Annual Report (Contd)

Donations

Donations made by the Company are detailed in the Corporate Governance Report.

Auditors

The fees payable to auditors for the year ended 30 June 2024 are as follows:

	30 June 2024 Rs	30 June 2023 Rs
Audit	**1,351,250**	1,121,250
Other services	**92,000**	92,000
	1,443,250	1,213,250

The financial statements were audited by Messrs. Moore (Mauritius) LLP. Other services relate to tax compliance fees.

Messrs. Moore (Mauritius) LLP ensures objectivity and independence are safeguarded at all times. The non-audit services (i.e. tax compliance services) are performed by Moore Analytics Ltd, a separate legal entity headed by non-audit partners.

Approved by the Board of Directors on 17 December 2024 **and signed on its behalf by:**

Mr. Shakeel Goburdhone
Director

Mr. Asish Kumar JHOERREEA
Director

Cargo Handling Corporation Limited

Corporate governance report

Principle 1: Governance Structure

Compliance with the National Code of Corporate Governance for Mauritius (2016) (the "Code")

Cargo Handling Corporation Limited, the "Company" or "CHCL" is a government-owned private company incorporated in October 1983. CHCL is a public interest entity as per the Financial Reporting Act 2004 and has taken and continues to undertake all necessary steps to ensure full compliance with the Code of Corporate Governance (Code). CHCL recognises the ever-growing importance of good governance principles and is committed to fully comply thereof. CHCL remains guided by the eight principles issued by the National Committee on Corporate Governance in its "National Code of Corporate Governance 2016".

Presently, CHCL has a formalised Conduct and Ethics Policy for employees in the CHCL Employee Manual.

The CHCL is applying the principles contained in the Code and this report is also disclosing the compliance status.

Company's Governance Philosophy

The Company places a paramount emphasis on good corporate governance, viewing it as the bedrock of sustainable growth and stakeholder trust. Upholding integrity, transparency, and accountability across all operations, the Board adhere rigorously to regulatory frameworks while fostering a culture that values ethical decision-making, fairness, and responsible leadership.

Key Governance Positions

The Board of Directors approves all key governance positions within the CHCL and the corresponding accountabilities of these key positions. The Board assumes responsibility for leading and controlling the Company and ensuring that all legal and regulatory requirements are met. The roles and responsibilities of the Chairperson and the Managing Director (the Chief Executive Officer) are clearly stated and differentiated in the Memorandum and Articles of Association.

The Board has not yet formalised its Board Charter though the functioning of the Board is governed by CHCL Memorandum and Articles of Association and by established practices, policies and objectives.

The Board meets each month as per its constitution and reviews all significant matters through its sub committees and established agenda.

Role and Functions of the Chairperson

The Chairman presides overboard meetings and ensures the smooth functioning of the Board. The Chairman also presides over the Company's Meetings of Shareholders. The Chairman ensures that the Board operates in an effective manner with the contribution of each and every Director. He also has the responsibility that all relevant information and facts are placed before the Board to enable the Directors to reach informed decisions. Mr. Kechan Balgobin was appointed as the acting Chairman of the Company up to 01 August 2022. Mr. Medavy Pillay Munien is the Chairman of the Company since August 2022.

Role and Functions of the Chief Executive Officer

After the resignation of Mr. Eric Presley Michael Paul on 15 June 2023, who was also a Director of the Board, Mr Sanjaye Paddia was appointed Officer In Charge on 16 June 2023. The Managing Director/Officer In Charge is responsible for the implementation of policies and decisions reached at the Board level. As the head of the Management team, his functions encompass the appropriate management and monitoring of the day-to-day business affairs of the Company. The Managing Director serves also as the liaison officer between the Board of Directors and Management.

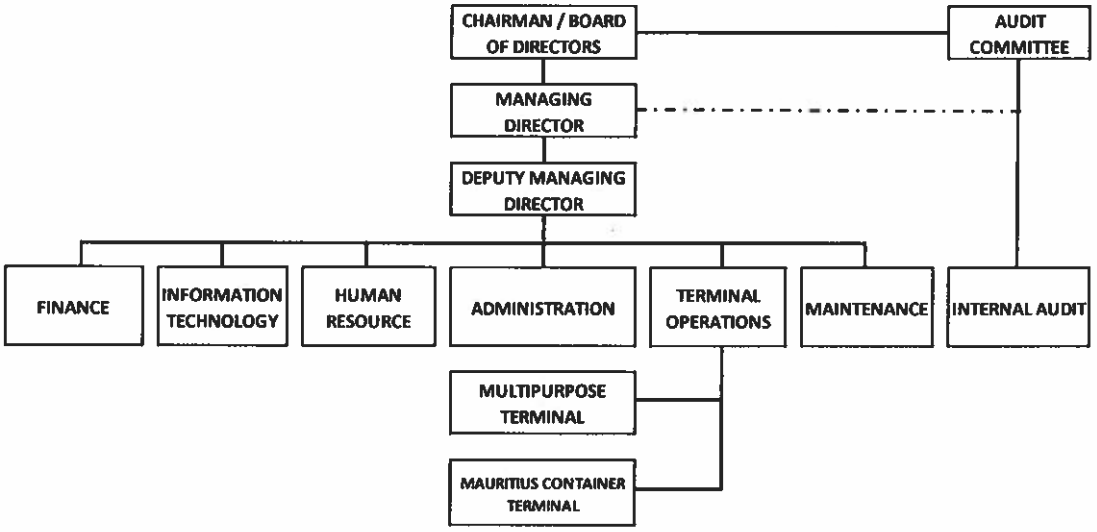
Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 1: Governance Structure (Contd)

CHCL Organisational Chart as at 30 June 2024

The organisation structure of the Cargo Handling Corporation Ltd stands as follows:



Each department is managed by a manager/responsible officer with clear responsibilities, reporting lines and duties as approved by the Board of Directors.

Principle 2: The Structure of the Board and its Committees

The CHCL Board is a unitary one consisting of 11 directors at present (two vacant post). The Board will be working on its Charter together with defining the frequency of assessment thereof.

The Board has only one woman as Board Director and all members of the Board of the CHCL are ordinarily resident in Mauritius. The size and composition of the Board are determined by the CHCL's Memorandum and Articles of Association, i.e. 13 directors including 3 directors, appointed by the Minister responsible for Ports, representing employees of the CHCL. The 3 directors are appointed following secret ballot among the CHCL employees held every two years. The other 10 directors are as hereunder:

- One director representing the Prime Minister's Office (PMO);
- One director representing the Parent Ministry (PMO);
- One director representing the Ministry of Finance and Economic Development;
- Two directors representing the Mauritius Ports Authority (MPA);
- One director representing the State Investment Corporation (SIC);
- One director representing the Ministry of Shipping;
- One director appointed to represent consumer interests (currently vacant),
- One director appointed by the PMO as Chairman; and
- The Managing Director of the CHCL. (currently vacant)

Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Role of the Board

The Board of Directors (the "Board") of CHCL is normally constituted of 13 directors: mainly from various Ministries and Government organisations.

As at 30 June 2024, two posts of director is vacant and CHCL is controlled by a Board comprising of 11 directors including the Chairman. The Chairman has no executive functions. The Board is the focal point of the corporate governance system and is ultimately accountable and responsible for the performance and affairs of CHCL.

The Board normally meets once a month to establish policies and objectives and to consider significant matters, including investment projects, review of performance, monitoring of progress on key issues and to consider recommendations from both Management and Board Committees. The Board also oversees all statutory matters, including approval of audited financial statements, high value procurement, major maintenance contracts, significant capital expenditure and investment projects.

The Board and its Committees operate in an effective manner with the contribution of each and every Director and Member. The deliberations and regular presence of Directors/Members at meetings of Board and Committees have immensely contributed to the decision-making process of the Company.

To enable the Board to take informed decisions, complete and timely information are provided to the Directors. Furthermore, the Board has access to consultants working on main assignments.

The roles, functions and responsibilities of the Chairman and the Chief Executive Officer (Managing Director) are separate.

Role and Functions of the Executive, Non-Executive and Independent Non-Executive Directors

The majority of the directors at CHCL Board hold non-executive functions. Non-executive directors are essential for providing independent judgement in all circumstances. All directors ensure that they have adequate time to diligently carry out their responsibilities and duties to the Company. CHCL directors are diligent in discharging their duties and obligations to the Company, regularly attend meetings and have knowledge of the business of the Company so that they can meaningfully contribute to its direction.

Presently, there is no executive director on the Board instead of two as recommended by the Code. However, the Officer in Charge has the same powers as the Managing Director. In the light of the present structure of the Board (13 directors), the appointment of a Managing Director is deemed to be urgent, however, another director is deemed not urgent considering that the Deputy Managing Director, the post being presently vacant, attended the CHCL Board as an observer.

There is no independent director on the CHCL Board. The decision to review the composition of the Board rests on the Government of Mauritius as the major shareholder.

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Role and Functions of the Company Secretary

The Company Secretary ensures that CHCL complies with its Constitution and all relevant statutory and regulatory requirements, codes of conduct and rules established by the Board. The Company Secretary also provides guidance and advice to the Board on matters of ethics and good governance.

After the suspension of the Administrative Manager who was also assigned the duties of Company Secretary in August 2022, Mr Sanjaye Paddia is shouldering the duties of Company Secretary.

Board Committees

To allow detailed consideration of specific and complex issues, the Board has four standing committees to assist in the execution of its duties by making well-considered recommendations. The Board Committees operate according to their approved terms of reference.

The delegation of the authority to Board Committees or Management does not in any way discharge the Board from its duties and responsibilities. The ultimate accountability and responsibility for the performance and affairs of the Company rest with the Board of Directors.

The recommendations of the Board Committees are forwarded in the next meeting of the Board. Minutes and reports of the Committees are made available in the Board disclosing the deliberations of Board Committees. The final approval rests with the Board.

CHCL Board Committees comprise of members of the Board. The Secretary of the Board also acts as the Secretary of the Board Committees.

The terms of reference of each committee are reassessed by the Board as and when required.

A broad description, including the memberships, of the Board Committees is provided hereunder:

Staff Committee

The Staff Committee considers all matters relating to staff of the Company.

The composition of this Committee for the year under review was as follows:

Chairperson: Mr. Asish Kumar Jhoerreea

Members: Mr Kavidev Newoor
Mr. Nuvin Ramburuth (as from January 2024)
Mr Kechan Balgobin (up to December 2023)
Mr Sanjaye Paddia

Acting as Secretary: Mrs Firdosh Mullug

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Staff Committee (Contd)

The Staff Committee has the following Terms of Reference:

To consider matters pertaining to the: -

i. Creation of posts (including the Scheme of Service);
ii. (a) Recruitment, (b) Selection and (c) Promotion of employees and make appropriate recommendations to the Board; and
iii. The Committee may also be called upon to consider other issues pertaining to Human Resource Management and make recommendations to the Board.

The Staff Committee may solicit the cooperation of specialists in the relevant fields to guide and advise members of the Committee as and when required.

Finance Committee

The Finance Committee makes recommendations to the Board on various financial matters including procurement, capital expenditure and investment.

Membership of the Finance Committee during the year ended 30 June 2024 was:

Chairperson: Mr. Asish Kumar Jhoerreea

Members: Mr Kavidev Newoor
Mr. Nuvin Ramburuth (as from January 2024)
Mr Kechan Balgobin (up to December 2023)
Mr Mohunlall Bundhoo
Mr Sanjaye Paddia

Ag as Secretary: Mrs Firdosh Mullug

The Terms of Reference of the Committee are provided hereunder:

The members of the Finance Committee may be called upon to:-
i. Analyse all tenders pertaining to purchases amounting to more than Rs 1 million for selection, while ensuring that all tender procedures have been followed from the start of the exercise till the supply of the goods or services.
ii. Monitor tariffs levels for any adjustment.
iii. Consider the budget.
iv. Consider the audited financial statements and Directors' Report.
v. Consider any financial issue brought to their attention by Management; and
vi. Make appropriate recommendations to the Board.

Audit Committee

The Audit Committee recommends the Board on matters relating to internal and external audits as well as the effectiveness of the internal control system.

Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Audit Committee (Contd)

The Audit Committee was constituted as follows during the year under review:

Chairperson: Mrs. Vailamah Pareatumbee

Members: Mr Chandrek Dussoye
Mr. Shakeel Goburdhone

Management Team: Mr Sanjaye Paddia

Acting as Secretary: Mrs Firdosh Mullug

The Terms of Reference of this Committee are detailed below:

(i) Review of the audited financial statements.
(ii) Considering appointment, remuneration and resignation or dismissal of external auditors.
(iii) Discussing and agreeing on the scope, nature, and any limitations of the audit exercise.
(iv) Discussing with external auditors.
(v) Reviewing reports from the Internal Audit.
(vi) Reviewing the control environment of the entity.
(vii) Ensure coordination between internal and external audits.
(viii) Reviewing plans for new developments; and
(ix) Reviewing reports on major defalcations, fraud, or thefts from the Company.

The Audit Committee also considers issues relating to risk management of the Company.

Currently, the Audit Committee is chaired by a non-independent director and the other members have also the same status since no independent directors are present on CHCL's Board due to its constitution as decided by the Government of Mauritius, the major shareholder.

Corporate Governance Committee
The Board was responsible for Corporate Governance matters and has delegated Management to report on Corporate Governance for the year under review.

The Board has approved the setting up of a Corporate Governance Committee in October 2018 and thereafter, the composition and membership was decided. During the year ended 30 June 2024, no Corporate Governance Committee was held since all decision pertaining to corporate governance was taken by the board.

Remuneration Committee
The responsibility for remuneration of the executive director and fees for non-executive directors' rests with the Board. Remuneration for senior management staff and other employees is recommended by the Staff Committee following negotiation by the Management with the Unions periodically.

Board Risk Committee
The Company does not have a Board Risk Committee. The Audit Committee considers issues relating to risk management of the Company.

Nomination Committee
Directors and senior executive nominations are approved by the Board. No separate Nomination Committee is constituted at the Company.

Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Directors' profile

Mr. Medavy Pillay MUNIEN – Chairman *(As from 01 August 2022)*
Non-Executive Director

Mr. M. P. Munien was appointed as director and Chairman of the Company on 01 August 2022. He is also the Chairperson of the National Social Inclusion Foundation (NSIF) which is the Central Body for receiving and allocating public funds to NGOs. Mr. M. P. Munien has made a career in education. A physics teacher, he was in turn Dean of Studies, Deputy Rector, Principal and Rector. He is now the Project Manager responsible for ZEP schools at the Ministry of Education. Moreover, he is the Chairperson of the National CSR Foundation. Mr. M. P. Munien is also known for coaching young people. He was the organizer of the Jump Around Youth Concert in the 1990s and worked under the aegis of the Ministry of Youth and Sports.

Mr. Condavelloo DORSAMY – Managing Director *(as from 12 December 2024)*
Executive Director

Appointed as director as from 12 December 2024, Mr. C. Dorsamy is also the Managing Director of the Cargo Handling Corporation Limited as from the same date. He is a Fellow Member of the Association of Chartered Certified Accountants (ACCA). He also holds a Diploma in Management Studies from the University of Mauritius where he has been awarded the gold medal for his exceptional performance. Mr. C. Dorsamy started his career at the Central Electricity Board (CEB) as a meter reader. From 1976 to 1991, he was at the CEB initially as Senior Internal Auditor and eventually Financial Manager. At the same time, he was a part-time lecturer in Advanced Accounting at the University of Mauritius. Prior to joining the Madagascar Container Terminal Services Ltd (MCTSL), he was the Director for Administration and Finance of the Floreal Group's Madagascar unit from 1991-2002 and, later, Head of Administration and Finance at Tropic Knits Ltd, Floreal's unit in Mauritius, from 2002-2005. Mr. C. Dorsamy joined MCTSL in September 2005 as a member of the startup team that took over operations at the International Container Terminal in Toamasina. Afterwards, Mr. C. Dorsamy was appointed as the Chief Operating Officer and General Manager for MCTSL.

Mr C. Dorsamy was also the Managing Director at CHCL from May 2012 to May 2017. He then joined COROI (Mauritius) as Administrative and Finance Manager/ Consultant from 2018 to 2021. As from 2022 to 2024, he was a Freelance Consultant on Port Management and Company Re-engineering

Mr. Asish Kumar JHOERREEA *(as from 21 July 2021)*
Non-Executive Director

Mr. A. K. Jhoerreea was appointed as director on 21 July 2021 as representative of the External Communications Division of the Prime Minister's Office. He is a Deputy Permanent Secretary at the External Communications Division and had previously worked at various ministries including the Home Affairs Division of the Prime Minister's Office and the Ministry of Justice, Human Rights and Institutional Reforms. He holds a BSc (Hons) Public Administration & Management. He ceased to be a Director of the Company on 08 August 2022 and was re-appointed on 04th April 2023.

Mr. Kechan BALGOBIN *(resigned on 12 January 2024)*
Non-Executive Director

Mr. K. Balgobin was appointed as director on 30 January 2013. He joined the public sector on 05 May 1983 as Clerical Officer/Higher Clerical Officer. Afterwards, he subsequently held the positions of Executive Officer, Establishment Officer, Assistant Secretary and Principal Assistant Secretary. He was previously a Deputy Permanent Secretary and the representative of the External Communications Division. He holds a Diploma in Personnel Management and an MBA (General). He is currently a Permanent Secretary at the Defence and Home Affairs Division and represents the Prime Minister's Office. He was also acting as the Chairman of the Board of Directors from 29 September 2021 and up to 01 August 2022.

Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Directors' profile (Contd)

Mrs K.O Fong Weng-Poorun *(as from 12 December 2024)*
Non-Executive Director

Mrs Kan Oye Fong Weng-Poorun was appointed as director on 12th December 2024, to represent the Prime Minister's Office. She is presently the Senior Advisor at the Prime Ministers's Office and has a vast experience in the public service. She retired as Senior Chief Executive at the Prime Ministers; Office (Home Affairs Division). She is holder of BA (Hons) Public Administration from the University of Mauritius.

Mr. Nuvin RAMBURUTH *(as from 12 January 2024 up to 12 December 2024)*
Non-Executive Director

Mr Nuvin Ramburuth was appointed as director on 12 January 2024. He is presently the Permanent Secretary at the Prime Minister's office, Defence and Home Affairs Division and reckons 15 years' service in the Administrative cadre of the Prime Minister's Office. He also worked at the Ministry of Agro Industry and Food Security as Assistant Permanent Secretary from 2009 to 2012. He holds a Diploma in Public Administration, a BSC (Hons) Management, a Master of Business Administration and a Master of Arts in Strategic Security Studies. Mr Ramburuth also served as Director on various board of state-owned organisations.

Mrs. Vailamah PAREATUMBEE
Non-Executive Director

Mrs V. Pareatumbee was first appointed as director on 19 March 2015 and reappointed on 10 August 2020. She is a Director (Economic and Finance) at the Ministry of Finance, Economic Planning and Development where she was previously a Lead Analyst. She has over 35 years of service in the Civil Service and joined the Government as Clerical Officer in December 1980. She joined the National Audit Office in 1987 and ultimately the Mauritius Audit Bureau. She is a Fellow member of the Association of Chartered Certified Accountants (ACCA) and also holds an MBA.

Mr. Veesingh BOODHNA *(resigned on 13 December 2023)*
Non-Executive Director

Mr Veersingh Boodhna was appointed as Board Member of the CHCL on 4 April 2023. Mr Boodhna holds a BSc (Hons) in Human Resource Management from the University of Technology, Mauritius (UTM) and a Master in Public Policy and Administration from UoM. Mr Boodhna is presently the Permanent Secretary at the Ministry of Blue Economy, Marine Resources, Fisheries and Shipping. He has also worked as Assistant Permanent Secretary at the Ministry of Civil Service and Administrative Reforms, Prime Minister's Office (Home Affairs), at the Ombudsperson's Office, at the Ministry of Fisheries, at the Ministry of Tourism and Leisure, at the Ministry of Health and Quality of Life and at the Office of the President of the Republic. Mr Boodhna has also worked as Deputy Permanent Secretary at the Prime Minister's Office (Home Affairs), the Ministry of Agro-Industry and Food Security and at the Ministry of Finance and Economic Development.

Mr. Navinsing JUGMOHUNSING *(resigned on 05 May 2024)*
Non-Executive Director

Mr Navindsing Jugmohunsing was appointed director on 10 January 2024 and represented the Ministry of Blue Economy, Marine Resources, Fisheries and Shipping. He has a vast experience in the public sector and worked at the Registrar of Companies, at the Ministry of Agro Industry and Food Security, at the Office of the President, at the Ministry of Tourism, at the Public Service Commission, at the Civil Aviation department, at the Ministry of Information Technology, Communication and Innovation, at the Ministry of Education, Tertiary Education and Science and Technology, at the Local Government Service Commission and at the Ministry of Financial Services and Good Governance. He holds a diploma in Human Resource Management, a diploma in Administration and Management, a degree in Computer Science and an MBA in Information Technology

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Directors' profile (Contd)

Mr. Sarwansingh PURMESSUR *(as from 21 May 2024)*
Non-Executive Director

Mr. Sarwansingh Purmessur holds the position of Acting Senior Chief Executive and is posted to the Ministry of Blue Economy, Marine Resources, Fisheries and Shipping. He has a very long career in the Civil Service, having served more than 40 years in various Ministries/Departments, namely, the Income Tax Department, the Ministry of Housing and Lands, the Ministry of Local Government, the Ministry of Technology Communication and Innovation, the Ministry of Foreign Affairs, Regional Integration and International Trade, the Ministry of National Infrastructure and Community Development and the Ministry of Financial Services and Good Governance. Amongst his various responsibilities, he has also served as the Supervising Officer of the Beach Authority.

Mr. Purmessur holds an MBA in Human Resource Management from the Indira Gandhi National Open University (IGNOU), India, an MSc IT in Business Information Systems from the Keele University, UK and a Diploma in Public Administration and Management from the University of Mauritius. He has also served on various Boards and Committees, namely, the National Housing Development Company Ltd, the Town and Country Planning Board, the Informatics Park Ltd, the Information and Communication Technology Authority, the Rights Management Society, the Financial Services Fund, the National Productivity and Competitiveness Council, the National Committee on Corporate Governance, the National Environment Fund Committee, the Heritage City Co. Ltd., the SBM Holdings Ltd., the National Property Fund Ltd, the Financial Services Commission, the Financial Reporting Council and the Land Drainage Authority.

Mr. Shakeel GOBURDHONE
Non-Executive Director

Mr. S. Goburdhone was officially appointed as director on 06 October 2015 as the second representative of the Mauritius Ports Authority (MPA) and reappointed on 10 August 2020. He is currently the Deputy Director General (Technical & Operational Services) at the MPA. He joined the MPA as Civil Engineer in 1990. He was promoted Port Engineer in 1999 and thereafter as Port Development Director at the MPA. He was previously employed as Civil Engineer at Sir Alexander Gibb and Partners. He is a graduate in Civil Engineering from the University of Mauritius in 1987 and also holds a Master's in Business Administration (MBA).

Mrs. Aruna Devi BUNWAREE RAMSAHA
Non-Executive Director

Mrs. A. Bunwaree Ramsaha was appointed as director on 11 February 2022. She is the Deputy Director General (Management Support Services) since 2008 at the Mauritius Ports Authority ("MPA"). Following the departure of Mr. S. Suntah, Mrs. A. Bunwaree Ramsaha has been acting Director General at the MPA. She is a Fellow of the Association of Chartered and Certified Accountants (FCCA) and also holds a Master's in Business Administration (MBA). After a brief career in the banking sector, she took employment with accounting firms both in UK and in Mauritius. She subsequently joined the Mauritius Marine Authority as Accountant in 1993 and was promoted as Finance Manager four years later.

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Directors' profile (Contd)

Captain Kavidev NEWOOR
Non-Executive Director

Captain Newoor joined the Authority in July 1996 as Pilot. He was appointed as Assistant Port Master in November 2006 and subsequently Deputy Port Master in June 2017 and Acting Port Master in January 2022. He is a Fellow of the Chartered Institute of Logistics and Transport (UK) and a member of International Association of Harbour Masters. He holds a Certificate of Competency Class 1 (unlimited, Master Mariner) issued by the Maritime and Coast Guard Agency, UK, since 1996. He obtained a Master's degree in Harbour Master and Port Management in 2010 from the Middlesex University followed by a Master in Business Administration from MANCOSA, Republic of South Africa in 2011. He was also awarded the Harbour Master's Certificate in 2007 from the Nautical Institute, UK, which is an International recognised body for qualified mariners with an interest in nautical science and to acquire high standards of knowledge, qualifications, and competence.

Mrs Nomita SEEBALICK

Mrs. Seebaluck graduated with a B.A (Hons) degree in Economics from the University of Delhi (India) in 1994 and obtained a Master in Economics from Delhi School of Economics (India) in 1996. In 2007, she obtained an MSc in Port Management and Shipping Administration with distinction from the University of Mauritius. She is also a holder of a Diplôme d'Études en Langue Française et Diplôme Approfondi de Langue Française from Centre Internationald'Études Pédagogiques (CIEP). Mrs. Seebaluck is also a Chartered Member of the Chartered Institute of Logistics and Transport (MCILT) and she was the President of the local branch of the Association of Women Managers in the Maritime Sector in the Eastern and Southern Africa, WOMESA Mauritius from 2011 to 2016.

She started her career as Education Officer in 1996. She later joined Happy World Marketing Ltd as Marketing Officer from 1998-2002. Afterwards, Mrs. Seebaluck worked at the Mauritius Broadcasting Corporation as Marketing Executive from 2002 to February 2004. She joined the Mauritius Ports Authority as Assistant Commercial Manager in March 2004 and was promoted in March 2011 as Manager Port Operations. In February 2014, she was assigned additional duties devolving on the post of Director Port Operations following the retirement of the incumbent. In October 2019, she was offered actingship in the grade of Director Port Operations.

Mr. Chandrek DUSSOYE *(as from 15 May 2023)*
Non-Executive Director

Nitin Dussoye's presence in the financial sector since 2000 resonates with expertise as a Business and Financial Consultant, and an experienced Financial Analyst. He holds a BSc (Hons) Business Management from the University of Mauritius and is an affiliate of the Association of Certified Accountants. His expertise extends to private equity financing, contributing to a comprehensive financial acumen. Presently, Mr Dussoye serves as Senior Investment Executive at the State Investment Corporation (SIC) Limited, a role that encapsulates strategic portfolio and investment management. A dynamic professional, he has actively contributed to the realisation of a number of live projects within a fast-paced investment landscape. His experiences span diverse economic sectors, offering a holistic understanding of market dynamics. He also holds directorial roles within the SIC Group and has other key attributions in the implementation of some strategic projects led by the public sector.

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Directors' profile (Contd)

Mr. Anant Ashish Ramdeen GOORAH *(as from 20 July 2023)*
Non-Executive Director (alternate Director)

Mr. Anant Goorah is an Investment Executive at The State Investment Corporation Limited (SIC) and holds directorship of various investee companies of SIC. He holds a Bachelor's Degree in Business from the Virginia Commonwealth University, USA and a Master's Degree in Management from the Middlesex University, U.K. Mr. Goorah has acquired more than six years' experience working under the Additional Stimulus Package Programme in the restructuring and deleveraging of companies facing financial difficulties. Support to these companies was given in terms of equity finance, debentures, and other financial instruments. He has also been involved in promoting SMEs through participation in seminars and development of various schemes. Since 2019, Mr. Goorah has been managing the operations of SIC Development Co. Ltd, a wholly owned subsidiary of SIC. The objective of the company is to provide finance for the realization of public sector infrastructure projects in Mauritius.

Mr. Alain EDOUARD
Non-Executive Director

Mr. A. Edouard appointed as Director on 27 April 2018 and was reappointed as Director on 10 August 2020. He represented the non-manual employees on CHCL Board. He is in service at CHCL since April 1991 and is a Trainer STS at the Mauritius Container Terminal (MCT). He was also the President of the Port Louis Maritime Employees Association (PLMEA).

Mr. Mohunlall BUNDHOO

Mr. M. Bundhoo was appointed as Director representing employees on the CHCL Board as from 14 December 2022. He joined the Company in March 2002 and is currently a Heavy Equipment Operator at the Mauritius Container Terminal (MCT).

Mr. Thierry Laval JOSEPH

Mr. T.L. Joseph was appointed as Director representing employees on the CHCL Board as from 14 December 2022. He joined the Company in January 2008 and is currently a Lasher at the Mauritius Container Terminal (MCT).

Senior management team's profile

Mr. Condavelloo DORSAMY – Managing Director *(as from 12 December 2024)*
Managing Director

As disclosed on page 15.

Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Mr Jean Huber NOEL – Deputy Managing Director *(as from 12 December 2024)*

Captain Jean Hubert Noel joined CHCL as Deputy Managing Director as from 12 December 2024. Prior to acceding to this post, he was employed as the Deputy Director of Shipping at the Ministry of Blue Economy, Marine Resources, Fisheries and Shipping from October 2022. He also worked as Principal Nautical Surveyor at the said Ministry from May 2017 to October 2022 and as Nautical Surveyor at the Ministry of Public Infrastructure, National Development unit, Land Transport and Shipping. Captain J.H. Noel was employed at CHCL as Operations Controller, Terminal Manager and Senior Terminal Manager from December 1997 to July 2008. Captain J.H.Noel is a Master Mariner from South Tyneside College, South Shields, United Kingdom. and holds a BTEC certificate of achievement in Nautical Science.

Mr. Sanjaye PADDIA – Officer In Charge *(as from 16 June 2023 up to 12 December 2024)*

Mr. S. Paddia is the Finance Manager since 01 January 2003 and is responsible of the Finance Department of CHCL. Prior to acceding to the post of the Finance Manager, he occupied the post of Accountant in the Company. He is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and a member of the Mauritius Institute of Professional Accountants (MIPA). Additionally, he is a Chartered Member of the Chartered Institute of Logistics & Transport (CILT). He holds a postgraduate degree of Master of Business Administration with specialisation in Finance from the University of Technology, Mauritius (UTM). Prior to joining the CHCL on 09 June 1993, he worked at the Development Bank of Mauritius (DBM). He is presently the Officer in Charge of CHCL since 16th June 2023.

Mr. Hemraj DAHARI

Mr. H. Dahari has been acting as the Human Resource Manager at CHCL since December 2011 and was promoted to the post of Human Resource Manager in March 2013. He joined CHCL as Personnel Assistant in July 1991 and was subsequently promoted as Personnel Officer in July 1998 and Assistant Human Resource Manager in January 2008. He holds a Diploma in Personnel Management from the University of Mauritius and a BSc in Human Resource Management from the University of Technology, Mauritius (UTM). He is also holder of an MBA with specialisation in Human Resource Management from UTM.

Mr. Hemlall Chowbay MULTRA

Mr. H.C. Multra is the Terminal Operations Manager of the Mauritius Container Terminal. He joined the Company as Tally Clerk on 24 June 1991 and was subsequently promoted as Senior Terminal Assistant, Planning Officer and Planning Coordinator prior to holding his current position. He possesses extensive knowledge of the Navis Container Terminal Operations System and holds an Advanced Diploma from the Lloyds Academy in Terminal Management.

Mrs. Firdosh MULLUG

Mrs. F. Mullug is the Assistant Finance Manager of CHCL and has been acting as the Finance Manager as from 16 June 2023. She joined the Company in 2002 as Senior Accounting Technician. She is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and a member of the Mauritius Institute of Professional Accountants (MIPA). She holds a postgraduate degree of Master of Business Administration with specialisation in Financial Management from the University of Mauritius and a Master "de Droit, Economie, Gestion, Mention Analyse Economique et Développement International, Spécialité Maîtrise d'ouvrage publique et privée, à finalité Professionnelle" de l'Université D'Auvergne Clermont Ferrand, France. Prior to joining CHCL, she worked in an auditing firm and in various other sectors shouldering always finance related responsibilities.

Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Senior management team's profile

Mrs. Janice MUNDIL *(retired in May 2024)*

Mrs. J. Mundil is the Internal Audit Manager and she heads the Internal Audit Department of the Company. She joined CHCL on 01 March 1999 as Internal Auditor (restyled now as Internal Audit Manager). She is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and a member of the Mauritius Institute of Professional Accountants (MIPA). Before joining CHCL, she worked in auditing at BDO (previously De Chazal Du Mée).

Mr Laxmikant RAMLALL *(Ag Internal Audit Manager as from May 2024)*

Mr. L. Ramlall is the Assistant Internal Audit Manager and currently acting as the Internal Audit Manager since May 2024. He started his career in the Internal Audit Department of CHCL in 2002 as an Audit Officer and was later promoted, in 2006, as the Audit Supervisor restyled as the Assistant Internal Audit Manager in 2013. He is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and a member of the Mauritius Institute of Professional Accountants (MIPA). He is also holder of a postgraduate degree of Master of Business Administration (MBA) with specialisation in Finance from the University of Technology, Mauritius (UTM).

Mrs. Lata SEEGOOLAM

Mrs. A. Seegoolam is currently the Information Technology Manager and is the head of the IT Department. She joined CHCL on 16 January 2002 as a Software Engineer. She has a Diploma in Computer Science (1995) and a B. Eng Computer Science & Engineering (1997). She is also holder of an MSc in Project Management from the University of Mauritius.

Mr. Ananda JUGGIAH

Mr. A. Juggiah is the Technical Manager at the CHCL and he joined the Company in January 2017 on a contractual basis. He was appointed on permanent basis as from January 2019. He is a Professional Mechanical Engineer registered with the Council of Registered Professional Engineers of Mauritius (CRPE). He holds a Diploma in Automobile Engineering from the Military Transportation Academy, China, B.Tech Degree in Mechanical Engineering from the Military College of Electronics and Mechanical Engineering, India, and MSc in Building Services Engineering from the University of Mauritius. He reckons 25 years of service with the Mauritius Police Force and served as Assistant Superintendent of Police and Registered Professional Engineer. In 2012, he has been awarded the "Medal of Excellence" from City and Guilds London for being the overall best candidate worldwide in "Level 1-Certificate in Refrigeration and Air-Conditioning". In 2012, he has also been awarded the "President's Long Service and Good Conduct Medal" and in 2017, awarded the "First Class to the President's Long Service and Good Conduct Medal" after completing 18 and 25 years of Good and Loyal Service with the Mauritius Police Force.

Mr. Harikesh Bhanupratap SINGH *(appointed on 15 July 2022)*

Mr. H. B. Singh was previously appointed on a contract basis as Technical Manager in June 2014. Following a recruitment exercise, he was again enlisted on 15 July 2022 as the Head of Maintenance & Engineering Department. He is an engineer and has experience in port sector overseas. He hails from India and is currently in charge of CHCL Maintenance Unit.

Directors' Remuneration

The total emoluments and other benefits paid to the Directors are detailed in the Annual report.

Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Attendance at board and board sub-committee meetings

The following table displays the number of Board and Committee Meetings held during the year ended 30 June 2024 together with the attendance of each director or their alternates. Details of attendance of the Company Secretary in Board and Committee meetings are also showed in the table.

	Status	Board	Finance Committee	Staff Committee	Audit Committee
Number of Meetings		12	9	5	2
Chairperson					
Mr. Medavy. Pillay Munien	NE	12/12	-	-	-
Mr. Asish Kumar Jhoerreea	NE	-	9/9	5/5	-
Mrs. Vailamah Pareatumbee	NE	-	-	-	2/2
Officer In Charge					
Mr Sanjaye Paddia		12/12	9/9	5/5	2/2
Directors					
Mr. Kechan Balgobin	NE	3/12	4/9	-	-
Mr. Nuvin Ramburuth	NE	5/12	3/9	4/5	-
Mr. Asish Kumar Jhoerreea	NE	11/12	9/9	-	-
Mr Shakeel Goburdhone	NE	9/12	-	-	2/4
Mr Kavidev Newoor	NE	12/12	9/9	5/5	-
Mrs. Vailamah Pareatumbee	NE	11/12	-	-	/4
Mr. Navindsing Jugmohunsing	NE	3/12	-	-	-
Mr. Sarwansingh Purmessur	NE	1/12	-	-	-
Mr. Chandrek Dussoye	NE	11/12	-	-	2/2
Mr Veersingh Boodhna	NE	4/12	-	-	-
Mr. Alain Edouard	NE	12/12	-	-	-
Mr Mohunlall Bundhoo	NE	12/12	8/9	-	-
Mr Thierry Laval Joseph	NE	6/12	-	-	-
Company Secretary					
Mrs Firdosh Mullug	Ag Secretary	12/12	9/9	5/5	1/2
In attendance					
Mr Hemlall Chowbay Multra	TOM	1/12	-	-	-
Mr. Hemraj Dahari	HRM	1/12	-	2/5	-
Mr. Sadachand Tahalooa	Consultant	-	-	1/5	-
Mr. Harikesh Singh	HOE	-	2/9	-	-
Mrs. Janice Mundil	IAM	-	-	-	1/2
Mr. Laxmikant Ramlall	Ag IAM	-	-	-	2/2

E : Executive Director
NE : Non-Executive Director
TOM: Terminal Operations Manager
HEM: Human Resources Manager
IAM: Internal Audit Manager
HOE: Head of Engineering

Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 2: The Structure of the Board and its Committees (Contd)

Details of other directorship of CHCL Board Directors as at 30 June 2024

Board Member	Organisation	Directorship Type
Mr M. P. Munien	National Social Inclusion Foundation Mauri Facilities Management Co Ltd	Chairperson Non-Executive Director
Mr. K. Balgobin	Mauritius Ports Authority	Non-Executive Director
Mr. A. K. Jhoerreea	None	Not applicable
Mr N. Ramburuth	Civil Service College Traditional Medicine Board	Non-Executive Director
Mrs. A. Bunwaree Ramsaha	Mauritius Ports Authority	Executive Director
Mr. S. Goburdhone	None	Not applicable
Mr K. Newoor	Mauritius Shipping Corporation Ltd	Non-Executive Director
Mrs N. Seebaluck	None	Not applicable
Mrs. V. Pareatumbee	Mauritius Ports Authority	Non-Executive Director
Mr C. Dussoye	Beach Casinos Limited Sun Casinos Limited SIC Management Services Co Ltd YIHAI Investment Ltd Compagnie Mauricienne D'Hippodromes Ltee Morning Light Co Ltd Prime Real Estate Ltd Guibies Holdings Ltd, Guibies Properties Ltd Capital Asset Management Ltd Sicom General Insurance Jumeirah Investment Ltd, Mauritius Cargo Community Services Ltd Terragen Ltd, Terragen Management Ltd	Non-Executive Director
Mr A. A. R. Goorah	Beach Casinos Limited Casino De Maurice Limited Le Grand Casino Du Domaine Limitee Sun Casinos Limited SIC Capital Support Ltd Maurinet Investment Ltd Splendid Property Holdings Ltd Marina Village Hotel Limited The Mauritius Shopping Paradise Co Ltd Mauritius Technologies Holdings Ltd	Non-Executive Director
Mr N. Jugmohunsing	National Property Fund Ltd Mauritius Oceanography Institute Mauritius Shipping Corporation Ltd	Non-Executive Director
Mr Sarwansingh Purmessur	Mauritius Oceanography Institute Mauritius Shipping Corporation Ltd Mauritius Housing Company Ltd	Non-Executive Director
Mr. A. Edouard	None	Not applicable
Mr M.Bundhoo	None	Not applicable
Mr T.L. Joseph	None	Not applicable

Corporate governance report (Contd)

Principle 3: Director Appointment Procedures

Directors are appointed by the Parent Ministry, Ministry responsible for Ports, other Ministries and shareholders as per the Memorandum and Articles of Association.

The three directors representing the employees are elected by employees by select ballot every two years. These representatives of employees are appointed as directors after approval of the Parent Ministry.

The Board of CHCL assumes the responsibilities for succession planning of senior management. For the Board, the nominations rest with the concerned ministries or organisations.

A succession plan has not been developed for the moment. No formal induction and orientation programme exist at CHCL for new directors. The Chairperson, the Managing Director and the Secretary of the Board are readily available to provide necessary information on the CHCL and its activities to newly appointed directors as and when required. Professional development and ongoing education of directors are being done.

Presently, there is no re-election of other directors. Change of directors occurs only in case of demise, retirement, resignation or transfer from Ministries / organisations concerned.

Biographies of directors are available at Principle 2: The Structure of the Board and its Committees.

Principle 4: Director Duties, Remuneration and Performance

All Directors, including the alternate Directors, are fully apprised of their fiduciary duties as laid out in the Mauritius Companies Act 2001.

The Board does not have a Code of Ethics but the same will be devised. Thereafter, the Board will regularly monitor and evaluate compliance with its Code of Ethics.

The Company Secretary maintains a register of interests which is available to shareholders upon written request to the Company Secretary.

Conflicts of Interest

Directors at CHCL ensure that their personal interests, or those of persons closely related to them, do not take precedence over the interests of the CHCL. In cases of possible conflict of interest, timely disclosures are made by directors and the concerned directors do not take part in the related discussions and decisions.

Currently, the Board does not have a formalised conflicts-of-interest and related-party transactions policy and a Code of Ethics. As of 30 June 2024, these policies were still not yet finalised.

Related Party Transactions

Details of related party transactions are shown in Note 30 of these financial statements.

The Board will also consider the creation of the following policies in the financial year 2024/2025

- Information policy
- Information technology policy
- Information security policy

Corporate governance report (Contd)

Principle 4: Director Duties, Remuneration and Performance (Contd)

Information technology and security policy

Significant expenditures on information technology are recommended by the Management after identifying the needs. Thereafter, the approval of the Board is sought, and the Board is kept informed on the progress and implementation of the investment.

The Board, through the Corporate Governance Committee, is presently responsible for the governance processes at the CHCL.

Board and Director appraisal

The Board or its committees were not evaluated for the year under review since there is not a defined policy yet for appraisal. A policy will be put in place in financial year 2024-2025

No evaluation of the effectiveness of the Board, its committees and its individual directors have been conducted during the year under review.

The Board has approved the composition of the Corporate Governance Committee to oversee the compliance with the Code. During the year ended 30 June 2023, no Corporate Governance Committee was held since all decisions pertaining to corporate governance was taken by the Board.

Dealing in shares

The Directors do not hold any shares in the Company nor do they have any dealings in those shares.

Director selection, training and development

One formal training and development program has been initiated by CHCL for the year ended 30 June 2023. An induction pack for new Directors will be initiated and is expected to be completed in financial year 2024-2025. The induction pack will incorporate the activities of CHCL, role of Directors on the Board, their fiduciary duties, conflict of interest in respect of any decision taken by the Board.

Statement of remuneration philosophy

The remuneration of Directors is approved by the Shareholders following recommendations from the Parent Ministry. The salaries of the Managing Director and of his deputy, who are employees of the Company, are approved by the Board upon recommendation of the Parent Ministry.

Directors are paid monthly director fees for Board Meetings as well as for attendance for meetings of Committees. These fees are approved by the Board after recommendation of the Parent Ministry and have not been changed for the financial year 2023/2024.

Only the Chairperson, the Managing Director and the Deputy Managing Director are paid a salary as approved by the Board.

Share option plan

CHCL did not have any share option plan for the year ended 30 June 2024.

The CHCL does not have long-term incentive plans and the non-executive directors have not received remuneration in the form of share options or bonuses associated with the organisational performance.

Corporate governance report (Contd)

Principle 5: Risk Governance and Internal Control

Risk management

Management, under the guidance of the Board and the Audit Committee, is taking all necessary actions to identify and manage all risks affecting the business of the Company and to establish a comprehensive risk management framework. The various risks affecting the Company include operational risk, compliance risk, financial risk, technology risk, human resources risk and physical risk.

Some of the measures in place to manage risks of the Company include adequate insurance covers, maintenance contracts for major terminal equipment and for IT software and hardware, keeping stocks of critical spares, data control and backups, annual delivery of protective equipment to employees, and continuous and constructive communication/meetings with all Unions.

The risk assessment report for the CHCL is updated every two years and the current one was finalised in year 2021.

A Health and Safety Committee, comprising of CHCL officers and members of Unions, met regularly to monitor health and safety issues and risk assessment in the workplace. The Committee is chaired by the Human Resource Manager.

Financial risk management is reported in Note 5 of these Financial Statements.

Internal control

The Standard Accounting Manual of CHCL outlines the accounting and internal control systems and processes. The Board, through the Audit Committee, monitors the systems and processes of internal control operating in the Company. The Internal Audit function provides assurance about the effectiveness of the internal control systems through various observations and recommendations. Management and Heads of Department ensure the functioning of internal control procedures applicable in their areas of responsibility. Internal controls are applied to all significant enterprise areas. No material problems existed which are deemed to be disclosed in the annual report or financial statements.

The CHCL appointed a consulting accounting firm to update the accounting manual. The CHCL Accounting Manual was approved by the Board in October 2022.

Formal whistle-blowing rules and procedures are currently not in place at CHCL.

Principle 6: Reporting with Integrity

Social, ethical, safety, health and environmental issues

CHCL has always made donations to non-profit organisations as part of its social policy. These include social organisations located in the vicinity of the port. Towards its social responsibility, CHCL also sponsors employees in sports activities, grant scholarships to wards of employees attending secondary as well as tertiary institutions and provides medical facilities to employees at the Medical Inspection Room of the Company.

CHCL has also a Health and Safety Committee – comprising members of the CHCL Management and concerned officers as well as representatives of the Unions – already functioning with a well-defined agenda.

Corporate governance report (Contd)

Principle 6: Reporting with Integrity (Contd)

CHCL provides canteen facilities to its employees where a balanced meal is sold at subsidised rate. The canteen is presently closed until the selection of new caterer. In the meantime, employees are being paid a monthly canteen allowance based on attendance.

Employees are expected to demonstrate a high standard of ethics in their conduct of the Company's affairs. The Company has published Code of Ethics and Conduct for employees in the CHCL Employee Manual.

The Company has undertaken steps for the preservation of the environment, viz. proper disposal of used oils and tyres, retreading of tyres, printing/photocopying on both sides of the paper and printing only when needed.

Donations

Donations effected by the Company during the financial year under review amounted to Rs 107,000 (2023: Rs 151,000).

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

Donations are also given to socio-cultural organisations as part of the social policy of the Company.

Calendar of important events

December	Approval of Financial Statements
December	Annual Meeting of Shareholders
December	Annual Returns to Registrar of Companies

Website

Management will ensure that adequate disclosures are made on the CHCL's website.

Principle 7: Audit

Internal Audit

The CHCL is geared with an internal audit function headed by an Internal Audit Manager who reports to the Audit Committee on a quarterly basis.

The audit areas are according to the annual approved audit plan and as per assignments for special audits from the Board / Audit Committee.

The internal audit function maintains its independence and objectivity through direct reporting to the Audit Committee. The Internal Audit Manager reports administratively only to the Managing Director.

Corporate governance report (Contd)

Principle 7: Audit (Contd)

The Internal Audit Manager has regular access to the Chairperson of the Board and the Chairperson of the Audit Committee. She attends quarterly meetings with the Audit Committee and more frequently when the need arises.

The approved Internal Audit Charter details the right of access of Internal Audit to the records of the Company, the Management of the Company and the employees of the CHCL.

The Internal Audit Department is managed by the Internal Audit Manager who is assisted by the Assistant Internal Audit Manager. They are both fellow members of the Association of the Chartered Certified Accountants (ACCA).

The structure, organisation and qualifications of key members of the internal audit functions are presently not listed on the CHCL's website.

Audit Committee

The members of the Audit Committee are considered to be financially literate. The annual report is reviewed by this Committee before being recommended for approval by the Board. Significant issues in relation to the financial statements are discussed with the External Auditors and Management in the meeting considering the annual report.

External Auditors

Appointment of the external auditors is recommended by the Audit Committee after a bidding exercise. The reappointment is also discussed in the Annual General Meeting upon approval of the annual report.

The Audit Committee can discuss accounting principles with the external auditors and can meet with the external auditors without Management presence. This committee can also assess the effectiveness of the external audit process and can make any recommendations thereon.

The Audit Committee or the Board discusses critical policies, judgements and estimates with the external auditors. The latter are also invited to make presentations when needed.

Disclosures on CHCL's Website

The following disclosures are currently not found on CHCL's website:

- Board and committee charters
- Code of Ethics
- Dividend policy and declarations
- Financial highlights
- Governance structure
- Notice of Annual Meeting of Shareholders/Special Meeting of Shareholders

Management will ensure that the above information is posted on the website along with other disclosures.

Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 8: Relations with Shareholders and Other Key Stakeholders

Shareholders' agreements/third party management agreements

There were no such agreements during the year under review.

Communication and disclosure

Current shareholders of CHCL are represented on the Board of Directors and as such, are aware of all matters of material interests.

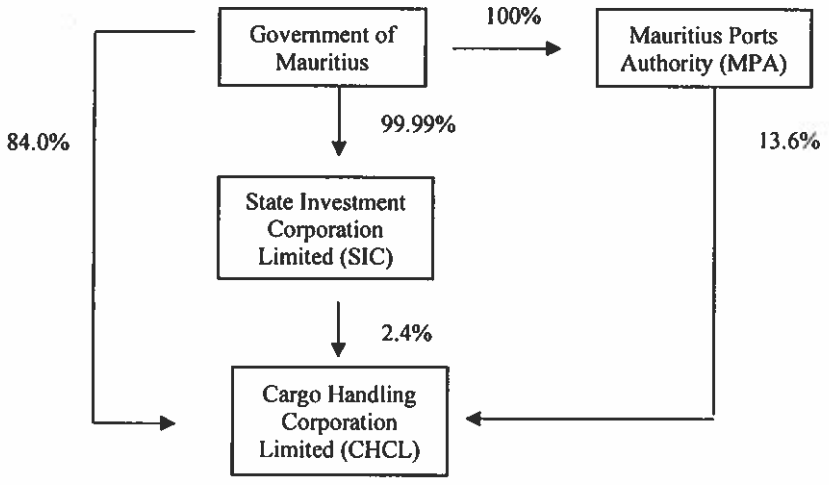
Share price information

For the year under review, the Company has an issued share capital of Rs 1,126,330,000 representing 11,263,300 ordinary shares at the price of Rs 100 each.

Shareholding structure & Shareholders

The shareholding structure of the Company and the list of shareholders in the Company as at 30 June 2024 are as follows:-

Shareholders	30 June 2024
Government of Mauritius	84.0%
Mauritius Ports Authority (MPA)	13.6%
State Investment Corporation Limited (SIC)	2.4%
Total	100.0%



Cargo Handling Corporation Limited

Corporate governance report (Contd)

Principle 8: Relations with Shareholders and Other Key Stakeholders (Contd)

Dividend policy

Cargo Handling Corporation Limited has no formal dividend policy. The Board endeavours to authorise the distribution of dividends subject to the performance of the Company, its investments requirements and its solvency ratio. No dividend has been paid over the last five years.

Key stakeholders

CHCL key stakeholders include its shareholders, directors, employees, trade unions, the Parent Ministry, customers, suppliers, shipping agents and other port users.

Meetings are held with key stakeholders on a regular basis or as and when required to discuss relevant issues as well as organisational performance and outlook.

CHCL will hold an Annual General Meeting after the approval of the annual report. The proceedings of the Annual General Meeting are as per applicable laws, the Mauritius Companies Act 2001.

Mr. Shakeel Goburdhone
Director

Date: 17/12/2024

Mr. Asish Kumar JHOERREEA
Director

Date: 17/12/2024

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

We, the Directors of Cargo Handling Corporation Limited, confirm that to the best of our knowledge, the Company has complied with its obligations and requirements under the Code of Corporate Governance except for certain sections as described on pages 32-33.

Signed by:

Mr. Shakeel Goburdhone
Director

Date: 17/12/2024

Mr. Asish Kumar JHOERREEA
Director

Date: 17/12/2024

Cargo Handling Corporation Limited

Non-compliance with the National Code of Corporate Governance for Mauritius 2016

Principle 1: Governance Structure

(i) The functioning of the CHCL Board is governed by its constitution. The Board has not yet approved a Code of Ethics.

(ii) For the time being, the following disclosures are not available on CHCL's website:

- The Company's constitution;
- The Board's Charter;
- The Company's Code of Ethics;
- Appropriate job descriptions of the key senior governance positions;
- An organisational chart; and
- A statement of major accountabilities within the organisation.

CHCL is working towards disclosing the above information as well as describing the approval, monitoring and review process (including frequency) of these documents.

Principle 2: The Structure of the Board and its Committees

(i) **Frequency of board charter reassessment**

No formal board charter exists for the time being.

(ii) **Board Composition**

Executive Directors and Independent Directors

Presently, there is no executive director on the Board instead of two as recommended by the Code. The executive powers are handled by the Officer In Charge. In the light of the present structure of the Board (13 directors), the appointment of another director is deemed not urgent considering that the Deputy Managing Director may attend the CHCL Board as an observer. The appointment of an Independent Director is to be initiated at soonest.

There is no independent director on the CHCL Board. The decision to review the composition of the Board rests on the Government of Mauritius as the major shareholder.

(iii) **Board Sub Committee**

Audit Committee

The chairperson of the Audit Committee should be an independent non-executive director and the majority of the members should be independent.

Currently, the Audit Committee is chaired by a non-executive director and the other members have also the same status since no independent directors are present on the CHCL's Board due to its constitution as decided by the Government of Mauritius, the major shareholder.

Non-compliance with the National Code of Corporate Governance for Mauritius 2016 (Contd)

Principle 3: Director Appointment Procedures

(i) **Succession Plan and Induction**

A succession plan is the responsibility of the Board and the same has not been developed for the moment. No formal induction and orientation programme exist at the CHCL for new directors. The Chairperson, the Managing Director and the Secretary of the Board are readily available to provide necessary information on the CHCL and its activities to newly appointed directors as and when required. Professional development and ongoing education of directors has been initiated during the financial year 2022/2023 and will be developed further during the year 2024/25.

Presently, there is no re-election of Directors. Change of directors occurs only in case of demise, retirement, resignation or transfer from Ministries / organisations concerned.

Principle 4: Director Duties, Remuneration and Performance

(i) Currently, the Board does not have a formalised conflicts-of-interest and related-party transactions policy and a Code of Ethics. Such policies are being catered for.

(ii) The Board will also consider the creation of the following policies in the financial year 2024/2025:

- Information policy
- Information technology policy
- Information security policy

(iii) **Board and Director appraisal**

The Board or its Committees were not evaluated for the year under review since there is not a defined policy yet for appraisal. A policy is contemplated in financial year 2022-2023.

No evaluation of the effectiveness of the Board, its committees and its individual directors have been conducted during the year under review.

(iv) **Director selection, training and development**

No formal training and development program existed at the Company for the year ended 30 June 2022. An induction pack for new Directors will be initiated and is expected to be completed in financial year 2022-2023. The induction pack will incorporate the activities of CHCL, role of Directors on the Board, their fiduciary duties, conflict of interest in respect of any decision taken by the Board.

Principle 5: Risk Governance and Internal Control

(i) No formal whistle-blowing rules and procedures are in place in the Company.

Principle 6: Reporting with Integrity

(i) **Website**

Management will ensure that applicable disclosures are published in full on the CHCL's website. The annual reports are already available on the website.

Cargo Handling Corporation Limited

Certificate from the Secretary under Section 166 (d) of the Mauritius Companies Act 2001

I hereby certify, to the best of my knowledge and belief, that the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001 in terms of Section 166 (d) during the financial year ended 30 June 2024.

Sanjaye PADDIA
Company Secretary

Registered Office:

Mer Rouge
Port Louis
Republic of Mauritius

Date: 17/12/2024

MOORE (Mauritius) LLP
6th Floor, Newton Tower
Sir William Newton Street
Port-Louis, Mauritius
T (230) 211 6535
F (230) 211 6964
E moore-mauritius@intnet.mu
www.moore-mauritius.mu

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF Cargo Handling Corporation Limited

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of **Cargo Handling Corporation Limited** ("the Company") set out on pages 39 to 99 which comprise the statement of financial position as at 30 June 2024 and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of material accounting policies.

In our opinion, these financial statements give a true and fair view of the financial position of the Company as at 30 June 2024 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, and the Financial Reporting Act 2004.

Basis for opinion

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

Report on the audit of the financial statements (continued)

Other Information

The directors are responsible for the other information. The other information comprises the Annual report, the Corporate governance report and Certificate from the secretary, or any other statutory disclosures. 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.

Corporate Governance Report

Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the Corporate governance report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the public interest entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code and satisfactory explanation disclosed on the principles of the Code which have not been complied with.

Responsibilities of directors and those charged with governance for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 and Financial Reporting Act 2004 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Report on the audit of the financial statements (continued)

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 Company's internal control.

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

- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 Company to cease to continue as a going concern.

- 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.

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

Report on the audit of the financial statements (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

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

Other matter

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

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

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

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

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

MOORE (Mauritius) LLP
Chartered Accountants

Arvin ROGBEER, FCA, FCCA
Licensed by FRC

Port Louis
Republic of Mauritius

Date:

Cargo Handling Corporation Limited

Statement of financial position as at 30 June 2024

	Notes	2024 Rs	2023 Rs
ASSETS			
Non-current			
Property, plant and equipment	8	**2,939,500,293**	**3,145,487,248**
Intangible assets	9	**532,514,027**	**565,595,072**
Financial assets at fair value through other comprehensive income	10	**63,923,632**	**54,090,875**
Loans and grants receivable	11	**32,527,165**	**20,003,272**
Deferred tax asset	28	**87,678,254**	**131,711,124**
Rights-of-use asset	20	**4,735,647**	**5,524,921**
Non-current assets		**3,660,879,018**	**3,922,412,511**
Current			
Inventories	12	**434,656,254**	**425,583,330**
Deposits and prepayments	13	**13,653,757**	**10,207,613**
Loans and grants receivable	11	**8,271,134**	**13,067,370**
Trade and other receivables	14	**425,382,839**	**260,649,415**
Short-term financial assets	15	**903,495,000**	**848,695,000**
Cash and cash equivalents	16	**366,140,723**	**383,984,367**
Current assets		**2,151,599,707**	**1,942,187,095**
Total assets		**5,812,478,725**	**5,864,599,606**
EQUITY AND LIABILITIES			
Equity attributable to shareholders			
Share capital	17	**1,126,330,000**	**1,126,330,000**
Revaluation reserve		**1,326,873,492**	**1,326,873,492**
Fair value reserve	10	**55,197,156**	**45,364,398**
Retirement benefit deficit		**(2,180,652,988)**	**(1,870,169,696)**
Retained earnings		**2,103,616,994**	**1,659,204,059**
Total equity		**2,431,364,654**	**2,287,602,254**

The notes on pages 45 to 99 form an integral part of these financial statements.

Cargo Handling Corporation Limited

Statement of financial position as at 30 June 2024 (Contd)

	Notes	2024 Rs	2023 Rs
LIABILITIES			
Non-current			
Employee benefits liabilities	18	**1,241,396,528**	**1,131,735,276**
Borrowings	19	**607,787,681**	**708,819,407**
Concession rights payable	21	**926,388,533**	**938,182,684**
Lease liabilities	20	**5,158,270**	**6,001,931**
Non-current liabilities		**2,780,731,012**	**2,784,739,298**
Current			
Trade and other payables	22	**390,437,437**	**579,668,147**
Employee benefits liabilities	18	**74,369,215**	**53,996,100**
Borrowings	19	**122,938,595**	**147,780,583**
Concession rights payable	21	**11,794,151**	**10,225,183**
Lease liability	20	**843,661**	**588,041**
Current liabilities		**600,383,059**	**792,258,054**
Total liabilities		**3,381,114,071**	**3,576,997,352**
Total equity and liabilities		**5,812,478,725**	**5,864,599,606**

These financial statements have been approved for issue by the Board of Directors on 17 December 2024

Mr. Shakeel Goburdhone
Director

Mr. Asish Kumar JHOERREEA
Director

The notes on pages 45 to 99 form an integral part of these financial statements.

Cargo Handling Corporation Limited

Statement of profit or loss and other comprehensive income for the year ended 30 June 2024

	Notes	2024 Rs	2023 Rs
Revenue - rendering of services		**3,333,181,378**	**2,922,147,054**
Other income	23	**37,465,578**	**17,247,978**
Employee benefits expense	24	**(1,609,163,788)**	**(1,525,143,849)**
Other operating expenses	25	**(739,215,360)**	**(723,828,725)**
Administrative expenses	26	**(28,048,696)**	**(27,775,317)**
Depreciation and amortisation	8,9 & 20	**(282,041,358)**	**(246,627,504)**
Operating profit		**712,177,754**	**416,019,638**
Finance income	27.1	**33,889,569**	**20,426,904**
Finance costs	27.2	**(194,028,556)**	**(199,609,343)**
Profit before tax		**552,038,767**	**236,837,199**
Tax credit/ (expense)	28	**(107,625,832)**	**232,398,120**
Profit for the year		**444,412,935**	**469,235,319**
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss:			
Fair value adjustment on financial assets at fair value through other comprehensive income*	10	**9,832,758**	**40,315,978**
Items that will not be reclassified subsequently to profit or loss:			
Revaluation of Property, Plant and Equipment *	8	**-**	**1,326, 873,492**
Actuarial losses on defined benefit liability	18	**(374,076,253)**	**(118,144,745)**
Tax effect	28	**63,592,961**	**20,084,607**
Other comprehensive income (loss) for the year, net of tax		**(300,650,534)**	**1,269,129,332**
Total comprehensive income/(loss) for the year		**143,762,401**	**1,738,364,651**

*There is no tax effect on these components of other comprehensive income.

The notes on pages 45 to 99 form an integral part of these financial statements.

Cargo Handling Corporation Limited

Statement of changes in equity for the year ended 30 June 2024

	Share capital Rs	Revaluation reserve Rs	Fair value reserve Rs	Retirement benefit deficit Rs	Retained earnings Rs	Total Rs
At 01 July 2023	**1,126,330,000**	**1,326,873,492**	**45,364,398**	**(1,870,169,696)**	**1,659,204,059**	**2,287,602,254**
Profit for the year	-	-	-	-	**444,412,935**	**444,412,935**
Other comprehensive profit/ (loss)	-	-	**9,832,758**	**(310,483,292)**	-	**(300,650,534)**
Total comprehensive income for the year	-	-	**9,832,758**	**(310,483,292)**	**444,412,935**	**143,762,401**
At 30 June 2024	**1,126,330,000**	**1,326,873,492**	**55,197,156**	**(2,180,652,988)**	**2,103,616,994**	**2,431,364,654**

The notes on pages 45 to 99 form an integral part of these financial statements.

Cargo Handling Corporation Limited

Statement of changes in equity for the year ended 30 June 2024 (Contd)

	Share capital Rs	Revaluation reserve Rs	Fair value reserve Rs	Retirement benefit deficit Rs	Retained earnings Rs	Total Rs
At 01 July 2022	1,126,330,000	153,868,754	5,048,420	(1,772,109,558)	1,036,099,990	549,237,606
Transfer of revaluation reserves to retained earnings	-	(153,868,754)	-	-	153,868,754	-
Profit for the year	-	-	-	-	469,235,319	469,235,319
Other comprehensive loss	-	1,326,873,492	40,315,978	(98,060,138)	-	1,269,129,335
Total comprehensive loss for the year	-	1,326,873,492	40,315,978	(98,060,138)	469,235,317	1,738,364,648
At 30 June 2023	1,126,330,000	1,326,873,492	45,364,398	(1,870,169,696)	1,659,204,059	2,287,602,254

The notes on pages 45 to 99 form an integral part of these financial statements.

Cargo Handling Corporation Limited

Statement of cash flows for the year ended 30 June 2024

	Note	2024 Rs	2023 Rs
Operating activities:			
Profit before tax		**552,038,767**	236,837,199
Non-cash adjustments:			
Depreciation of property, plant and equipment	8	**247,355,354**	206,914,724
Amortisation of intangible assets	9	**33,896,729**	35,903,505
Amortisation of right of use	20	**789,274**	789,274
Right of use written off		**-**	2,367,823
Loss/(gain) on disposal of property, plant and equipment	8	**(2,383)**	107,341,349
Interest on borrowings	29	**27,957,142**	34,109,969
Interest expense on lease liability	29	**320,163**	347,408
Interest on concession rights	21(iii)	**145,525,427**	146,885,503
Foreign exchange loss		**20,226,005**	18,266,463
Interest income		**(33,889,569)**	(20,426,904)
Dividend income		**(3,484,525)**	(3,120,572)
Movement in employee benefits liabilities		**(244,041,886)**	(126,208,324)
		746,690,498	643,027,418
Working capital adjustments:			
Change in inventories		**(9,072,924)**	(40,738,272)
Change in trade and other receivables		**(164,733,424)**	(128,873,822)
Change in deposits and prepayments		**(3,446,145)**	6,971,051
Loans and grants availed to staff		**(30,079,475)**	(14,390,620)
Refund of loans granted to staff		**22,351,818**	19,470,072
Change in trade and other payables		**(189,230,710)**	138,249,295
Net cash from operating activities		**372,479,638**	623,715,121
Investing activities			
Purchase of property, plant and equipment	8	**(41,536,826)**	(89,623,031)
Purchase of intangible assets	9	**(815,685)**	-
Proceeds from disposal of property, plant and equipment	8	**170,808**	1,194,539
Acquisition of short-term financial assets	15	**(1,750,000,000)**	(1,194,926,000)
Short-term financial assets matured	15	**1,695,200,000**	1,158,376,000
Dividends received		**3,484,525**	3,120,572
Interest received		**33,889,569**	20,426,904
Net cash used in investing activities		**(59,607,609)**	(101,431,016)
Financing activities			
Repayment of borrowings	29	**(144,669,210)**	(166,485,500)
Repayment of concession rights	29	**(155,750,430)**	(155,750,436)
Repayment of lease liability	29	**(908,204)**	(908,204)
Interest paid	29	**(29,346,933)**	(35,768,519)
Net cash used in financing activities		**(330,674,777)**	(358,912,659)
Net change in cash and cash equivalents		**(17,802,748)**	163,371,446
Net foreign exchange difference		**(40,896)**	1,893,076
Cash and cash equivalents, beginning of year		**383,984,367**	218,719,845
Cash and cash equivalents, end of year		**366,140,723**	383,984,367
Represented by:			
Cash in hand and at bank (Note 16)		**366,140,723**	383,984,367

The notes on pages 45 to 99 form an integral part of these financial statements.

Cargo Handling Corporation Limited

Notes to the financial statements

For the year ended 30 June 2024

1. General information and statement of compliance with International Financial Reporting Standards ("IFRS")

The financial statements of Cargo Handling Corporation Limited, the "Company", for the year ended 30 June 2024 were approved and authorised for issue by the Board of Directors on 17 December 2024.

The Company was incorporated in the Republic of Mauritius on 02 September 1983 as a private company with liability limited by shares. The Company's registered office is CHCL Building, Mer Rouge, Port Louis, Republic of Mauritius.

The principal activities of the Company are as follows:

- providing handling services for containers and general cargo by providing labour and equipment;
- providing for the storage of all general cargo including containers passing through Port Louis Harbour; and;
- providing ancillary services namely monitoring of reefer containers, transfer of containers and leasing of equipment.

2. New and Revised International Financial Reporting Standards ("IFRSs")

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

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amendments to IFRS as from 1 July 2022:

Standards/amendments	**Effective annual reporting periods beginning on or after**
Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1 - Subsidiary as a first-time adopter	01 July 2023
Reference to the Conceptual Framework: Amendments to IFRS 3	01 July 2023
Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9 - Fees in the '10 per cent' test for derecognition of financial liabilities	01 July 2023
Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	01 July 2023
Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	01 July 2023
Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41 - Taxation in fair value measurements	01 July 2023
Initial application of IFRS 17 and IFRS 9 - Comparative information	01 January 2023
Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023
Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	01 January 2023
Definition of accounting estimates: Amendments to IAS 8	01 January 2023
Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023
IFRS 17 Insurance Contracts	01 January 2023
Amendments to IAS 12 - International Tax Reform - Pillar Two Model Rules	01 January 2023

These amendments do not have a significant impact on these Financial Statements and therefore no additional disclosures were required following Management's assessment.

Notes to the financial statements

For the year ended 30 June 2024

2. New and Revised International Financial Reporting Standards ("IFRSs") (Contd)

2.2 Accounting Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 01 January 2024, or later periods, but which the Company has not early adopted. At the reporting date of these financial statements, the following were in issue but not yet effective:

Standards/amendments	Effective date
-Amendments to IAS 12 - International Tax Reform - Pillar Two Model Rules	01 January 2024
-Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements	01 January 2024
-Amendments to IAS 12 - The Effects of Changes in Foreign Exchange Rates.	01 January 2025
Lease liability in a sale and leaseback	1-Jan-24
Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements	1-Jan-24
Amendments to IAS 12 - Lack of Exchangeability	1-Jan-25
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	1-Jan-26
IFRS 18 Presentation and Disclosure in Financial Statements	1-Jan-27
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1-Jan-27

These new standards, interpretations and amendments are not expected to have a significant impact on the financial statements in the period of initial application.

3. Summary of accounting policies

3.1 Basis of preparation

The financial statements of the company comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). Where necessary comparative figures have been amended to conform with change in presentation in the current year. These financial statements are that of an individual entity and are presented in Mauritian Rupee ("MUR" or "Rs"), which is the Company's functional and presentation currency. The financial statements are prepared under the historical cost convention, except that the relevant financial assets and financial liabilities are stated at their fair value or at amortised cost.

3.2 Foreign currencies translation

Functional and presentation currency

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

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.2 Foreign currencies translation (Contd)

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot exchange rates at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

3.3 Property, plant and equipment

Property, plant and equipment apart from plant and cargo handling equipment, are recognised at cost, less accumulated depreciation and impairment losses.

Plant and cargo handling equipment are measured at fair value less accumulated depreciation and impairment losses. Valuations are performed at least every five years by external professional valuers so that the fair value of the plant and cargo handling equipment does not differ materially from its carrying amount.

Any revaluation surplus is recognised in other comprehensive income and is credited to the revaluation reserve included in the equity section of the statement of financial position, except to the extent that it reverses a revaluation decrease or impairment loss of the same asset previously recognised in other comprehensive income, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in the other comprehensive income, except to the extent that it offsets an existing surplus on the same asset recognised in the revaluation reserve.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Depreciation is calculated on the straight-line method to write down the cost of each asset or the revalued amount to its residual value over its estimated useful life. Residual value is the estimated amount that the Company would currently obtain from disposal of the asset after deducting the estimated cost of disposal and if the asset was already of the age and in the condition expected at the end of its useful life.

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.3 Property, plant and equipment (Contd)

The depreciation rates of property, plant and equipment are as follows:

Building on leasehold property	: 4%
Motor vehicles and autocycles	: 20%
Plant and cargo handling equipment	: 5% to 33%
Furniture and equipment	: 4%, 10%, 20% and 33%

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

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each reporting date. Repairs and maintenance costs are expensed as incurred.

3.4 Intangible assets

Concession rights

The annual fees payable to the Mauritius Ports Authority are considered as a deferred payment for the right to charge the public for the Company's services. The initial cost of this right, referred hereafter as concession right, is determined by reference to the present value of all the annual fees payable over the lifetime of the concession contract.

The concession right is amortised on a straight-line basis over the lifetime of the concession contract which is 25 years and is assessed for impairment whenever there is an indication that the intangible asset may be impaired. Changes in the expected useful life and in the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation year or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense is recognised in profit or loss as the expense category that is consistent with the function of the intangible asset.

Computer software

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation year and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation year or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income as the expense category that is consistent with the function of the intangible assets.

Computer software has been assessed as having a finite useful life which has been estimated between 3 to 10 years.

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.4 Intangible assets (Contd)

Computer software (Contd)

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

3.5 Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value-in-use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a year of five years. For longer years, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of comprehensive income in expense categories consistent with the function of the impaired asset, except for a property previously revalued when the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

3.6 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.6 Financial instruments (Contd)

Classification and initial measurement of financial assets

Except for those trade receivables and contract assets that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs or amortised cost where appropriate.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

In the current year, the Company does not have any financial assets categorised as FVTPL.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, loans and grants receivable, short term financial assets and trade and other receivables fall into this category of financial instruments.

Financial assets at fair value through other comprehensive income ("FVOCI")

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.6 Financial instruments (Contd)

Subsequent measurement of financial assets (Contd)

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. For the Company, instruments within the scope of the new requirements include mainly trade receivables, loans receivables and contract assets.

Recognition of credit losses is no longer dependent on the Company's first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1"); and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Trade receivables, loans receivable and contract assets

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Company makes use of a simplified approach in accounting for trade and loans receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating the expected credit losses, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due.

The Company writes off a financial asset when there is information indicating that the debtor is in severe difficulty and there is no realistic prospect of recovery. Receivable or other financial assets written off are still subject to recovery procedures based on legal advices.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include borrowings, concession rights payable, lease liability and trade and other payables.

Notes to the financial statements

For the year ended 30 June 202

3. Summary of accounting policies (Contd)

3.6 Financial instruments (Contd)

Classification and subsequent measurement of financial liabilities (Contd)

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

All interest-related charges on financial liabilities are included within finance costs.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first in, first out method. Net realisable value is the estimate of the selling price in the ordinary course of business, less any applicable selling expenses.

Where necessary, provision is made for obsolete and slow-moving inventories.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from date of acquisition, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

All fixed deposits with initial maturity more than 3 months are recognised separately under 'short term financial assets'.

3.9 Equity, reserves and dividend payments

Share capital represents the value of shares that have been issued.

Revaluation reserve within equity comprises gains and losses due to the revaluation of property, plant and equipment as detailed under note 3.3.

Fair value reserve comprises gains and losses on fair valuation of quoted and unquoted financial assets at fair values through other comprehensive income as detailed under note 3.6.

Retirement benefit deficit comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets.

Retained earnings include all current and prior years' results as disclosed in the statement of profit or loss and other comprehensive income.

All transactions with owners of the Company are recorded separately within equity.

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.10 Employee benefit liabilities

Defined benefit plan

The Company contributes to a defined benefit scheme with a pension fund for certain employees.

Under the Company's defined benefit plans, the amount of pension benefit that an employee will receive on retirement is defined by reference to length of service and final salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. Plan assets may include assets specifically designated to a long-term benefit fund as well as qualifying insurance policies.

The liability recognised in the statement of financial position for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets.

Management estimates the DBO annually with the assistance of independent actuaries. The estimate of the post-retirement benefit obligations is based on standard rates of inflation, future salary increase, future guaranteed pension increase and post retirement mortality rates. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Service costs and net interest expense on the net defined benefit liability are included in employee benefits expense.

Gains and losses resulting from remeasurement of the net defined benefit liability are included in other comprehensive income and recorded in retirement benefit deficit within equity.

Social plan

The Company has implemented a social plan in June 1997 for its employees who were made redundant as from June 1997 up to 31 December 2009. The social plan was transferred to an insurance company on 31 December 2009 which the latter thereon manages. The social plan operates in the same manner as the defined benefit plan.

Defined contribution plans

The Company also has defined contribution plans.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into an independent entity. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. Contributions to this plan are recognised as an expense in the year that relevant employee services are received.

Severance allowance

The Company compensates employees at retirement under the Worker's Rights Act 2019, which is similar to an unfunded defined benefit pension plan. Severance allowance is payable on retirement of employees who joined the Company prior to 1983 and up to October 1987. Severance allowance is not paid to employees eligible to a full pension at normal retirement.

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.11 Taxation

Tax expense recognised in profit or loss comprises the sum of deferred tax, current tax, CSR (Corporate Social Responsibility Fund) and CCR (Corporate Climate Responsibility) not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the fiscal authority relating to the current or prior reporting years, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

The Company is subject to CSR and the contribution is at the rate of 2% on the chargeable income of the preceding financial year. 75% of the CSR contribution is remitted to the Mauritius Revenue Authority and same can be reduced to 50% if prior written approval of the National CSR Foundation is obtained. The Government has also recently introduced a new levy called Corporate Climate Responsibility Levy (CCR) of 2% on chargeable income of all companies having a turnover exceeding MUR 50 million.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective year of realisation, provided they are enacted or substantively enacted by the end of the reporting year.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

3.12 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, 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 the statement of comprehensive income net of any reimbursement.

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.12 Provisions (Contd)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense in the statement of comprehensive income.

3.13 Revenue

Revenue arises from the rendering of services. It is measured at the fair value of the consideration received or receivable, excluding discount and rebates. The Company assesses its revenue arrangement against specific criteria to determine if it is acting as principal or agent. The Company concluded that it is acting as principal in its arrangement.

To determine whether to recognise revenue, the Company ensures that the following 5 conditions are satisfied:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from operations

Revenue is recognised at point in time when the Company satisfies performance obligations by transferring the promised services to its customers.

Interest income

Interest income is recognised on the accrual basis using the effective interest method. Interest income is included in finance income in the statement of comprehensive income.

Dividend

Dividend income is recognised when the Company's right to receive the payment is established.

3.14 Operating expenses

Operating expenses are recognised in the statement of comprehensive income upon utilisation of the service or as incurred.

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.15 Leased assets

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

Measurement and recognition of leases as a lessee

Right of use assets and concession rights:

At lease commencement date, the Company recognises a right-of-use asset/concession rights and a lease liability/concession rights payable on the statement of financial position. The right-of-use asset/concession rights is measured at cost, which is made up of the initial measurement of the lease liability/concession rights payable, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use asset/concession rights on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset/concession rights or the end of the lease term. The right-of-use asset/concession rights is estimated to be for a period of 11 years. The Company also assesses the right-of-use asset/concession rights for impairment when such indicators exist.

Lease liabilities and Concession rights payable

At the commencement date, the Company measures the lease liability/concession rights payable at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability/concession rights payable are made up of fixed payments and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability/concession rights payable is remeasured, the corresponding adjustment is reflected in the right-of-use asset/concession rights, or profit and loss if the right-of-use asset/concession rights is already reduced to zero.

3.16 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business and are classified as current assets if settlement is expected within one year.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details of the Company's impairment policies are provided in Note 3.6 of these financial statements.

Notes to the financial statements

For the year ended 30 June 2024

3. Summary of accounting policies (Contd)

3.17 Contract assets

A contract asset is initially recognised for revenue earned from handling charges not yet billed at year end. Upon acceptance by the customer, the amount recognised as contract assets is invoiced and reclassified to trade receivables. Details of the Company's impairment policies are provided in Note 3.6 of these financial statements.

3.18 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

3.19 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the year of the borrowings using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the year of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the year in which they are incurred and reported in 'finance costs'.

3.20 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

4. Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgements

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

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Notes to the financial statements

For the year ended 30 June 2024

4. Significant management judgement in applying accounting policies and estimation uncertainty (Contd)

Significant management judgements (Contd)

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deductible temporary differences can be utilised.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. Management has considered those factors and has determined that the functional currency of the Company is the Mauritian rupee (MUR or Rs).

Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Defined benefit liability

The cost of retirement benefits is determined using actuarial valuations. The actuarial valuation is based on a number of critical underlying assumptions such as discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Variation in these assumptions may significantly impact the defined benefit liability amount and the annual defined benefit expenses. These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors were determined close to each year-end by reference to high quality corporate bonds that have terms to maturity approximating the terms of the related pension obligation. Other assumptions are based on management historical experience.

Useful lives and residual values of intangible assets and property, plant and equipment

Management reviews its estimate of the useful lives and residual value of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Notes to the financial statements

For the year ended 30 June 2024

4. Significant management judgement in applying accounting policies and estimation uncertainty (Contd)

Estimation uncertainty (Contd)

Impact of Russia/ Ukraine conflict

In February 2022, a military conflict arose between Russia and Ukraine, with the latter being supported by countries in the NATO alliance as well as others around the globe, including imposition of financial and trade sanctions against Russia. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict could lead to significant market and other disruptions, including significant volatility in commodity prices, supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

Going concern

The directors have made an assessment of the Company's ability to continue as a going concern taking into account all available information about the future including analysis of the possible impacts in relation to COVID-19 and the conflict in Ukraine, which is at least, but is not limited to, twelve months from the date of approval of these financial statements and confirm that it has not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by market-driven changes that may reduce future selling prices.

Impairment of financial assets

The Company uses the guidance of IFRS 9 to determine the degree of impairment of its trade and loans receivables. Management considers a broader range of information when assessing credit risk and estimating the credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the receivables. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from an active model, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes to the financial statements

For the year ended 30 June 2024

4. Significant management judgement in applying accounting policies and estimation uncertainty (Contd)

Estimation uncertainty (Contd)

Impairment of assets

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

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value added and, if lower, the assets are impaired to the present value.

Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results. Sensitivity analysis does not take into consideration that the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

Legal proceedings

The Company reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Company's management as to how it will respond to the litigation, claim or assessment.

5. Financial instruments risk

5.1 Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised as follows.

Notes to the financial statements

For the year ended 30 June 2024

5. Financial instruments risk (Contd)

5.1 Risk management objectives and policies (Contd)

Financial assets and financial liabilities

	2024 Rs	2023 Rs
Financial assets		
Non-current:		
Financial asset at fair value through other comprehensive income:		
Investment in quoted and unquoted securities	**63,923,632**	54,090,874
Financial asset measured at amortised cost:		
Loans receivable	**14,839,007**	13,607,684
	78,762,639	67,698,558
Current:		
Financial assets measured at amortised cost:		
Short-term financial assets	**903,495,000**	848,695,000
Loans receivable	**8,271,133**	9,488,904
Trade and other receivables	**425,382,839**	260,649,415
Cash and cash equivalents	**366,140,723**	383,984,367
	1,703,289,695	1,502,817,685
Total financial assets	**1,782,052,334**	1,570,516,243

	2024 Rs	2023 Rs
Financial liabilities		
Non-current:		
Financial liabilities measured at amortised cost:		
Borrowings	**607,787,681**	708,819,407
Lease liability	**5,158,270**	6,001,931
Concession rights payable	**926,388,533**	938,182,684
	1,539,334,484	1,653,004,022
Current:		
Trade and other payables	**390,437,437**	579,668,147
Borrowings	**122,938,595**	147,780,583
Lease liability	**843,661**	588,041
Concession rights payable	**11,794,151**	10,225,185
	526,013,844	738,261,956
Total financial liabilities	**2,065,348,328**	2,391,265,978

Notes to the financial statements

For the year ended 30 June 2024

5. Financial instruments risk (Contd)

5.1 Risk management objectives and policies (Contd)

The main types of risks are market risk, credit risk and liquidity risk. The Company's risk management is coordinated by management in close cooperation with the Board of Directors and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to financial markets.

The most significant financial risks to which the Company is exposed are described below.

5.1.1 Market risk analysis

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and price risk which result from both its operating and investing activities.

Foreign currency sensitivity

Foreign exchange risk arises from commercial transactions and financial assets and liabilities denominated in a currency that is not the Company's functional currency.

The Company is exposed to foreign currency risk since part of its cash and cash equivalents and borrowings are denominated in United States Dollar ("USD") and Euro ("EUR").

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	2024	2023
Financial assets	**Rs**	Rs
MUR	**1,657,209,901**	1,508,183,502
USD	**47,550,993**	61,939,532
EUR	**403,745**	393,209
	1,705,164,639	1,570,516,243

	2024	2023
Financial liabilities	**Rs**	Rs
MUR	**1,510,239,998**	1,710,537,252
USD	**555,089,913**	677,791,020
EUR	**-**	2,937,703
	2,065,329,911	2,391,265,975

The following table illustrates the sensitivity of profit and equity in regard to the Company's financial assets and liabilities and the USD/MUR and EUR/MUR exchange rates, "all other things being equal".

It assumes the following changes in exchange rates based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date.

Notes to the financial statements

For the year ended 30 June 2024

5. Financial instruments risk (Contd)

5.1 Risk management objectives and policies (Contd)

5.1.1 Market risk analysis (Contd)

Foreign currency sensitivity (Contd)

	2024	2023
USD/MUR	4%	3%
EUR/MUR	3%	7%

If the MUR had weakened against the USD and EUR, then this would have had the following impact:

	Profit and equity	
	2024	2023
	Rs	Rs
USD	(24,760,681)	(19,331,661)
EUR	(12,868)	(177,296)

Any strengthening in the MUR against the USD and EUR would have the same opposite impact.

Interest rate sensitivity

The Company's policy is to minimise interest rate risk exposures on long-term financing. At 30 June 2024, the Company was not exposed to interest rates risk as it does not have any financial assets or liabilities at floating interest rates.

Notes to the financial statements

For the year ended 30 June 2024

5. Financial instruments risk (Contd)

5.1 Risk management objectives and policies (Contd)

5.1.1 Market risk analysis (Contd)

Price risk sensitivity

The Company is exposed to price risk in respect of its fair value investments. The average volatility observed in the share prices over the last twelve months is shown in the table below:

Name of investee companies	% change in share price	
	2024	2023
SBM Holdings Ltd	5%	7%
Port Louis Fund Ltd	20%	1%
Maurinet Investment Ltd	-	1,970%
Mauritius Cargo Community Services Ltd	-	30%

If the stock prices for these investments increased by 5%, equity would increase by Rs 2,785,710 (2023: Rs 2,704,543) and a decrease in the quoted stock prices by the same percentage would decrease equity by an equal amount.

As described in Note 10 to these financial statements, the Company holds investments in Maurinet Investment Ltd and Mauritius Cargo Community Services Ltd, all incorporated in the Republic of Mauritius. The directors have assessed the fair value of these investments and confirmed that the carrying value of these investments are reflection of their fair value at the reporting date. The fair value of the unquoted investment has been measured by using the Income Approach-Discounted Cash Flow Analysis. At 30 June 2024, the fair values of these investments have increased resulting in a fair value gain amounting to Rs8 8,209,424 (2023: 40,232,569).

The Company also holds investments in two quoted companies which are measured at fair value based on the quoted prices prevailing on the Stock Exchange of Mauritius at the reporting date. At 30 June 2024, the fair values of these investments have increased resulting in a fair value gain amounting to Rs 1,623,334 (2023: fair value loss Rs 83,409).

5.1.2 Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk from various financial instruments including outstanding trade receivables, loans receivable, term deposits, etc.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2024	2023
	Rs	Rs
Financial assets		
Non-current		
Investment in quoted and unquoted securities	**63,923,632**	54,090,874
Loans receivable	**14,839,007**	13,607,684
	78,762,639	67,698,558

Notes to the financial statements

For the year ended 30 June 2024

5. Financial instruments risk (Contd)

5.1 Risk management objectives and policies (Contd)

5.1.2 Credit risk analysis (Contd)

	2024 Rs	2023 Rs
Current		
Short-term financial assets	**903,495,000**	848,695,000
Loans receivable	**8,271,133**	9,488,904
Trade and other receivables	**425,382,839**	260,649,415
Cash and cash equivalents	**366,140,723**	383,984,367
	1,703,289,695	1,502,817,685
Total financial assets	**1,782,052,335**	1,570,516,243

As described in Note 15 to these financial statements, the Company holds Government of Mauritius treasury certificates with Bank of Mauritius and fixed deposits with commercial banks. Management considers that no credit risk is associated with the treasury certificates and fixed deposits.

The loans and grants are given to the employees of the Company and management considered that no credit risk is associated with these facilities as the majority of these employees are still in employment with the Company and where necessary full provision has been made as detailed under note 11.

In respect of trade receivables and contract assets, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics since trade and other receivables consists of various agents and customers. The analysis of the Company's expected credit losses on trade receivables is detailed in Note 14 in these financial statements.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The bank loans of the Company are secured by floating and fixed charges on all assets of the Company, including financial assets. No default occurred during the year under review.

5.1.3 Liquidity risk analysis

Liquidity risk is the risk arising from the Company not being able to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecasted cash inflows and outflows due in day-to-day business.

The Company's objective is to maintain cash and marketable assets to meet its liquidity requirements for a 30-day period at a minimum. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

Notes to the financial statements

For the year ended 30 June 2024

5. Financial instrument risk (Contd)

5.1 Risk management objectives and policies (Contd)

5.1.3 Liquidity risk analysis (Contd)

The Company's financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

At 30 June 2024	Carrying amount Rs	Contractual cash flows Rs	Less than 1 year Rs	1-5 years Rs	Over 5 years Rs
Trade and other payables	390,437,437	390,437,437	390,419,019		
Borrowings	730,726,277	847,285,320	146,762,214	390,072,838	310,450,268
Concession rights payable	938,182,684	2,816,486,943	155,750,430	778,752,150	1,881,984,363
Lease liability	6,001,931	7,095,344	1,135,255	5,960,089	-
Total financial liabilities	**2,065,348,329**	**4,061,305,044**	**694,066,918**	**1,174,785,077**	**2,192,434,631**

At 30 June 2023	Carrying amount Rs	Contractual cash flows Rs	Less than 1 year Rs	1-5 years Rs	Over 5 years Rs
Trade and other payables	579,668,147	579,668,147	579,668,147	-	-
Borrowings	856,599,990	1,330,140,506	174,628,858	741,890,073	413,621,575
Concession rights payable	948,407,867	2,972,237,373	155,750,430	778,752,150	2,037,734,793
Lease liability	6,589,972	8,003,574	908,204	5,676,275	1,419,043
Total financial liabilities	2,391,265,975	4,890,049,600	910,955,639	1,526,318,498	2,452,775,411

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. In addition to relying on existing cash resources and trade receivables, the Company may avail of banking facilities whenever required to meet its current cash outflow requirements.

6. Capital management policies and procedures

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders.

The Company monitors capital on the basis of the carrying amount of equity plus its borrowings, less cash and cash equivalents as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, that is, equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Notes to the financial statements

For the year ended 30 June 2024

6. Capital management policies and procedures (Contd)

	2024 Rs	2023 Rs
Total borrowings	**730,726,277**	856,599,990
Lease liability	**6,001,931**	6,589,972
Less: cash and cash equivalents	**(366,140,723)**	(383,984,367)
Net debt	**370,587,485**	479,205,595
Total equity	**2,431,364,654**	2,287,602,254
Total capital	**2,801,952,139**	2,766,807,849
Gearing ratio (%)	**13%**	17%

The gearing ratio of 13% is considered reasonable by the Board of Directors.

7. Fair value measurement

7.1 Fair value measurement of financial instruments

Financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. This grouping is determined based on the lowest level of significant inputs used in fair value measurement, as follows:

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

The financial assets measured at fair value in the statement of financial position of the Company's are grouped into the fair value hierarchy as follows:

30 June 2024	**Level 1** **Rs**	**Level 2** **Rs**	**Level 3** **Rs**	**Total** **Rs**
Assets				
Quoted investments	**70,500**	**9,543,788**	**-**	**9,614,288**
Unquoted investments	**-**	**-**	**54,309,344**	**54,309,344**
Total	**70,500**	**9,543,788**	**54,309,344**	**63,923,632**

30 June 2023	Level 1 Rs	Level 2 Rs	Level 3 Rs	Total Rs
Assets				
Quoted investments	67,200	7,923,753	-	7,990,953
Unquoted investments	-	-	46,099,921	46,099,921
Total	67,200	7,923,753	46,099,921	54,090,874

There has been no transfer between level 1 and level 2 in 2023 and 2024.

Notes to the financial statements

For the year ended 30 June 2024

7. Fair value measurement (Contd)

7.1 Fair value measurement of financial instruments (Contd)

Measurement of fair value

Quoted investments (Level 1)

The quoted investments are listed on The Stock Exchange of Mauritius and the fair values have been determined by the reference to the quoted bid prices at the reporting date.

Quoted investment (Level 2)

Investments in unlisted securities of funds are valued based on their published net assets value.

Unquoted investments (Level 3)

The directors have made assessment on the fair value of these investments in the unquoted companies based on the discounted cash flow model. The fair value of these investments was adjusted accordingly.

Level 3 – Fair value measurement

The reconciliation of the carrying amounts of financial assets classified within Level 3 is as follows:

	2024	2023
	Rs	Rs
Opening balance	**46,099,921**	5,867,353
Additions	-	-
Fair Value Adjustment	**8,209,423**	40,232,568
Closing balance	**54,309,344**	46,099,921

7.2 Fair value of financial assets and liabilities not carried at fair value

The Company's other financial assets and financial liabilities are measured at their carrying amounts and adjusted accordingly.

7.3 Fair value measurement of non-financial assets

The following table shows the levels within the hierarchy of non-financial assets measured at fair value at 30 June:

2024	Level 1 Rs	Level 2 Rs	Level 3 Rs	Total Rs
Property, plant and equipment:				
Plant and cargo handling equipment	-	-	**2,891,885,300**	**2,891,885,300**

Notes to the financial statements

For the year ended 30 June 2024

7. Fair value measurement (Contd)

7.3 Fair value measurement of non-financial assets (Contd)

2023	Level 1 Rs	Level 2 Rs	Level 3 Rs	Total Rs
Property, plant and equipment:				
Plant and cargo handling equipment	-	-	3,095,665,773	3,095,665,773

The Company's plant and cargo handling equipment were revalued at 30 June 2023 by GS Partners Consulting Engineers Ltd, a professional firm of Chartered Valuers and Property Consultants, incorporated and registered in the Republic of Mauritius.

Valuation policy

The asset value has been derived on 'Replacement Cost New' basis with adjustments for physical depreciation, functional (or technical) obsolescence and economic obsolescence.

The method used for the asset evaluation is based on the economic cost analysis whereby the various types of equipment were depreciated according to their useful service life and the prevailing market rate of the equipment, in order to obtain their economic value or residual value.

The economic value and the residual value were then further discounted to obtain the revalued figure based on survey carried out on the actual state of the equipment.

The reconciliation of the carrying amounts of non-financial assets classified within level 3 is as follows:

Plant and cargo handling equipment	**2024 Rs**	2023 Rs
At 01 July	**3,095,665,774**	1,988,693,928
Additions	**28,522,935**	72,607,593
Revaluation	**-**	1,326,873,493
Disposal/write off	**-**	(107,058,214)
Depreciation	**(232,303,409)**	(185,451,026)
At 30 June	**2,891,885,300**	3,095,665,773

Other non-financial assets include property, plant and equipment (excluding plant and cargo handling equipment), intangible assets, right-of-use asset, deposits and prepayments and inventories. Non-financial liabilities include employee benefit liabilities and deferred tax liabilities. Fair value is not applicable for these non-financial instruments since they are not measured at fair value on a recurring or non-recurring basis in the statement of financial position.

Notes to the financial statements

For the year ended 30 June 2024

8. Property, plant and equipment

Cost or valuation	Building on leasehold property Rs	Motor vehicles and auto cycles Rs	Plant and cargo handling equipment Rs	Furniture and equipment Rs	Total Rs
Gross carrying amount					
At 01 July 2023	**46,948,390**	**29,859,349**	**3,910,001,268**	**125,399,398**	**4,112,208,406**
Additions	**1,227,650**	**3,231,175**	**28,522,935**	**8,555,066**	**41,536,826**
Disposals	**-**	**(1,000,000)**	**-**	**(1,259,721)**	**(2,259,721)**
Reclassified	**-**	**-**	**(4,500)**	**4,500**	**-**
At 30 June 2024	**48,176,040**	**32,090,524**	**3,938,519,703**	**132,699,244**	**4,151,485,512**
Depreciation					
At 01 July 2023	**44,326,850**	**23,730,899**	**814,335,494**	**84,327,913**	**966,721,158**
Charge for the year	**678,592**	**3,649,093**	**232,303,409**	**10,724,260**	**247,355,354**
Disposal adjustments	**-**	**(1,000,000)**	**-**	**(1,091,292)**	**(2,091,292)**
Reclassified	**-**	**-**	**(4,500)**	**4,500**	**-**
At 30 June 2024	**45,005,442**	**26,379,992**	**1,046,634,403**	**93,965,381**	**1,211,985,219**
Carrying amount					
At 30 June 2024	**3,170,598**	**5,710,532**	**2,891,885,300**	**38,733,863**	**2,939,500,293**

Notes to the financial statements

For the year ended 30 June 2023

8. Property, plant and equipment (Contd)

Cost or valuation	Building on leasehold property Rs	Motor vehicles and auto cycles Rs	Plant and cargo handling equipment Rs	Furniture and equipment Rs	Total Rs
Gross carrying amount					
At 01 July 2022	46,948,390	33,849,749	2,856,889,448	109,471,104	3,047,158,691
Additions	-	-	72,607,593	17,015,438	89,623,031
Fair value adjustment	-	-	1,326,873,492	-	1,326,873,492
Disposals	-	(3,707,394)	-	(733,699)	(4,441,093)
Write off	-	(283,006)	(346,369,265)	(353,445)	(347,005,716)
At 30 June 2023	46,948,390	29,859,349	3,910,001,268	125,399,398	4,112,208,406
Depreciation					
At 01 July 2022	43,414,555	22,136,523	868,195,520	69,750,758	1,003,497,356
Charge for the year	912,295	4,350,302	185,451,026	15,421,102	206,134,725
Disposal adjustment	-	(2,431,144)	-	(475,323)	(2,906,467)
Write off	-	(324,782)	(239,311,052)	(368,623)	(240,004,456)
At 30 June 2023	44,326,850	23,730,899	814,335,494	84,327,914	966,721,158
Carrying amount					
At 30 June 2023	2,621,540	6,128,450	3,095,665,773	41,071,485	3,145,487,248

Notes to the financial statements

For the year ended 30 June 2024

8. Property, plant and equipment (Contd)

(i) Revaluation of plant and cargo handling equipment

The Company's plant and cargo handling equipment was revalued at 30 June 2023 by GS Partners Consulting Engineers Ltd, a professional firm of Chartered Valuers and Property Consultants, incorporated and registered in the Republic of Mauritius. Valuations were made on the basis of the cost of replacement (based on proprietary database of market prices of equipment of similar nature, location and conditions), adjusted for physical depreciation, functional obsolescence and economic obsolescence. The carrying value of the plant and cargo handling equipment was adjusted to the revalued amount of Rs 1,326,873,495 and the resultant surplus was credited to revaluation reserve in equity.

(ii) Historical carrying amount of revalued assets

If the cost model had been used, the gross carrying amount of the revalued equipment would have been **Rs 1,576,392,722** (2023: Rs 1,686,930,508).

(iii) Assets pledged

Borrowings are secured by floating and fixed charges on the assets of the Company.

No borrowing costs were capitalised in 2024 and 2023.

(iv) Assets held under finance leases

No item of Property, Plant and Equipment were under finance lease in 2024 and 2023.

(v) Write off

Write off with a total carry value of Rs 107,001,260 in 2023 relates to adjustments made to cost and accumulated depreciation of property, plant and equipment in respect of depreciated assets scrapped and were recognized under other operating expenses in the statement of profit and loss and other comprehensive income.

(vi) Disposals

In 2024, the Company sold motor vehicles and autocycles and furniture and equipment, with a total carrying value of Rs 168,425 (2023: Rs 1,534,525) for cash consideration of Rs 170,808 (2023: Rs 1,194,539). The net profit on these disposals were recognized under other income in the statement of profit and loss and other comprehensive income.

Notes to the financial statements

For the year ended 30 June 2024

9. Intangible assets

	Software	Concession rights	Total
	Rs	Rs	Rs
Gross carrying amount			
At 01 July 2023	**62,184,959**	**1,118,296,326**	**1,180,481,285**
Additions	**815,685**	**-**	**815,685**
At 30 June 2024	**63,000,644**	**1,118,296,326**	**1,181,296,970**
Amortisation			
At 01 July 2023	**43,547,927**	**571,338,286**	**614,886,213**
Charge for the year	**5,109,464**	**28,787,265**	**33,896,729**
At 30 June 2024	**48,657,391**	**600,125,551**	**648,782,942**
Carrying amount			
At 30 June 2024	**14,343,252**	**518,170,775**	**532,514,027**
Gross carrying amount			
At 01 July 2022 and at 30 June 2023	62,184,959	1,118,296,326	1,180,481,285
Amortisation			
At 01 July 2022	38,282,823	540,067,708	578,350,531
Charge for the year	5,265,104	31,270,578	36,535,682
At 30 June 2023	43,547,927	571,338,286	614,886,213
Carrying amount			
At 30 June 2023	18,637,032	546,958,040	565,595,072

Refer to note 21 for details on the concession rights.

10. Financial assets at fair value through other comprehensive income ("FVOCI")

Financial assets at FVOCI consist of investments in quoted and unquoted securities.

	2024	2023
	Rs	Rs
At 01 July	**54,090,874**	13,774,897
Fair value adjustment	**9,832,758**	40,315,978
Additions during the year (Note 10(iv))	**-**	-
At 30 June	**63,923,632**	54,090,874

Notes to the financial statements

For the year ended 30 June 2024

10. Financial assets at fair value through other comprehensive income ("FVOCI") (Contd)

Movement in fair value reserve is as follows:

	2024 Rs	2023 Rs
At 01 July	**45,364,398**	5,048,420
Fair value adjustment	**9,832,758**	40,315,978
At 30 June	**55,197,156**	45,364,398

(i) Details of the investments are as follows:

	Type of shares	2024 Number of shares	2023	2024 Rs	2023 Rs
Quoted and at fair value (level 1)					
SBM Holdings Ltd	Equity	**15,000**	15,000	**70,500**	67,200
Unquoted and at fair value (level 2)					
Port Louis Fund Ltd	Equity	**215,144**	215,144	**9,543,787**	7,923,753
(level 3)					
Maurinet Investment Ltd	Equity	**20,000**	20,000	**33,277,544**	43,388,207
Mauritius Cargo Community Services Ltd	Equity	**1,847**	1,847	**21,031,801**	2,711,714
		21,847	21,847	**54,309,345**	46,099,921
Total		**251,991**	251,991	**63,923,632**	54,090,874

(ii) The investment in unquoted investments is measured at fair value using the discounted cash flow method as at 30 June 2024. Refer to Note 7 for fair value analysis.

(iii) If the significant unobservable inputs range, weighted average cost of capital, increased by 1%, equity would decrease by Rs 3,084,241 and a decrease of by same percentage would increase equity by Rs 3,553,671.

(iv) If the significant unobservable inputs, terminal growth rate, increased by 1%, equity would decrease by Rs 2,091,220 and a decrease of by same percentage would decrease equity by Rs 1,812,702.

Notes to the financial statements

For the year ended 30 June 2024

11. Loans and grants receivable

	2024	2023
	Rs	Rs
Loans to staff, gross (Note 11(i))	**27,528,065**	27,514,514
Allowance for credit losses (Note 11(iii))	**(4,417,925)**	(4,417,926)
Loans to staff, net	**23,110,140**	23,096,588
Cash grants to staff (Note 11(ii))	**17,688,159**	9,974,054
	40,798,299	33,070,642

	2024	2023
	Rs	Rs
Classified as:		
Non-current	**32,527,165**	20,003,272
Current	**8,271,134**	13,067,370
	40,798,299	33,070,642

(i) Loans to staff are unsecured loans granted to the employees of the Company at the rate of 0% to 6% per annum and are repayable within 1 to 7 years.

(ii) Cash grants are provided to staff, free of charge, for payments of 50% of the purchase price of car or seven to ten months basic salary, whichever the lower, depending on basic salary on the purchase of car once in 5 years for heads of departments and once in 7 years for other employees meeting certain criteria. The cash grants are amortised in the statement of profit and loss and other comprehensive income over 5 and 7 years respectively. Any carrying balance of cash grant on departure of an employee is charged in full in the statement of profit or loss and comprehensive income.

(iii) Allowance for credit losses movement during the year are as follows:

	2024	2023
	Rs	Rs
Opening balance:	**4,417,926**	3,354,747
Provision during the year	**-**	1,062,179
Written off	**-**	-
Closing balance	**4,417,926**	4,417,926

12. Inventories

	2024	2023
	Rs	Rs
Spare parts	**516,351,389**	512,823,799
Others	**7,959,178**	8,690,638
	524,310,567	521,514,437
Provision for write down of inventories	**(89,654,313)**	(95,931,107)
	434,656,254	425,583,330

The cost of inventories recognised as an expense during the year was **Rs 253,556,081** (2023: Rs 208,243,619) and is included in other operating expenses. A provision of **Rs 6,276,793** has been reversed during the year ended 30 June 2024 (2023: provision of Rs 21,720,112).

Notes to the financial statements

For the year ended 30 June 2024

13. Deposits and prepayments

	2024	2023
	Rs	Rs
Prepayments	**9,062,597**	10,062,138
Deposits (Note 13(i))	**4,591,160**	145,475
	13,653,757	10,207,613

(i) Deposits relates to advance payments made in relation to acquisition of assets.

14. Trade and other receivables

	2024	2023
	Rs	Rs
Trade receivables, gross (Note 14(i))	**390,518,529**	242,601,743
Contract assets	**40,359,410**	16,733,904
Allowance for credit losses (Note 14(iii))	**(14,824,518)**	(13,529,432)
Trade receivables, net	**416,053,421**	245,806,215
Other receivables	**9,329,418**	14,843,200
	425,382,839	260,649,415

(i) Trade receivables are non-interest bearing and the average credit period is 60 days.

(ii) Contract assets relate to unbilled revenue which include handling charges not yet billed to client at the reporting date.

(iii) **Expected credit losses**

The Company applies IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the geographical location of customers.

The expected loss rates are based on the payment profile for sales over the past 24 months before 30 June 2024 and 30 June 2023 respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within 90 days from the invoice date and failure to engage with the Company on alternative payment arrangement amongst other are considered indicators of no reasonable expectation of recovery.

Notes to the financial statements

For the year ended 30 June 2024

14. Trade and other receivables (Contd)

Expected credit losses (Contd)

On the above basis, the expected credit loss for trade receivables and contract assets as at 30 June 2024 is determined as follows:

	Trade receivables 30 June 2024	Contract assets 30 June 2024	Total gross carrying amount 30 June 2024	Expected credit loss rate 30 June 2024	Lifetime expected credit loss 30 June 2024
	Rs	Rs	Rs	%	Rs
Current	242,666,262	40,359,410	202,306,852	2.2%	346,534
Past due 1 – 30 days	103,022,272	-	103,022,272	1.6%	233,415
Past due 31 – 60 days	27,693,663	-	27,693,663	-	-
Past due 61 – 90 days	3,611,213	-	3,611,213	4.9%	719,450
Past due 91 – 120 days	1,671,858	-	1,671,858	100%	1,671,858
More than 121 days	11,853,261	-	11,853,261	100%	11,853,261
	390,518,529	40,359,410	350,159,119		14,824,518

	Trade receivables 30 June 2023	Contract assets 30 June 2023	Total gross carrying amount 30 June 2023	Expected credit loss rate 30 June 2023	Lifetime expected credit loss 30 June 2023
	Rs	Rs	Rs	%	Rs
Current	151,556,935	16,733,904	168,290,839	-	
Past due 1 – 30 days	68,893,698	-	68,893,698	3.9%	2,718,977
Past due 31 – 60 days	9,251,846	-	9,251,846	-	-
Past due 61 – 90 days	2,454,942	-	2,454,942	15%	366,133
Past due 91 – 120 days	2,239,600	-	2,239,600	100%	2,239,600
More than 121 days	8,204,722	-	8,204,722	100%	8,204,722
	242,601,743	16,733,904	259,335,647		13,529,432

The closing balance of the trade receivables loss allowance as at 30 June 2024 reconciles with the trade receivables loss allowance opening balance as follows:

	2024	2023
	Rs	Rs
At 01 July	13,529,432	13,529,432
Loss allowance recognised during the year	1,295,086	-
At 30 June	14,824,518	13,529,432-

Notes to the financial statements

For the year ended 30 June 2024

15. Short-term financial assets

Treasury bills and deposits measured at amortised cost	**2024 Rs**	2023 Rs
At 01 July	**848,695,000**	812,145,000
Additions during the year	**1,750,000,000**	1,194,926,000
Matured during the year	**(1,695,200,000)**	(1,158,376,000)
At end of year	**903,495,000**	848,695,000

The short-term financial assets earn interest rate from 3% to 4.17% and have maturity term of 6 months to one year. No expected credit losses arise on those balances.

16. Cash and cash equivalents

	2024 Rs	2023 Rs
Cash in hand (MUR)	**373,225**	386,634
Cash at bank:		
- MUR	**317,812,760**	365,975,375
- USD	**47,550,993**	17,229,149
- EUR	**403,745**	393,209
Cash and cash equivalent	**366,140,723**	383,984,368

Cash at bank earns interest at floating rates based on the banks' deposit interest rates.

17. Share capital

	Number		**2024**	2023
	2024	2023	**Rs**	Rs
Shares issued and fully paid:				
Balance at start and end of the year	**11,263,300**	11,263,300	**1,126,330,000**	1,126,330,000

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities

	2024 Rs	2023 Rs
Defined benefit pension plan	**1,044,492,865**	937,017,495
Severance allowance	**576,905**	1,061,661
CHCL share of pension	**5,525,229**	5,357,427
Total defined benefit pension plan (note (a))	**1,050,594,999**	943,436,583
Social plan (note (b))	**244,922,973**	230,605,057
Defined contribution pension plan (note (c))	**20,247,771**	11,689,736
	1,315,765,743	1,185,731,376
Disclosed as:		
Current	**74,369,215**	53,996,100
Non-current	**1,241,396,528**	1,131,735,276
	1,315,765,743	1,185,731,376

(a) Defined benefit pension plan

The plan is a defined benefit arrangement for the employees, and it is wholly funded.

The assets of the plan are held independently and administered by the State Insurance Company of Mauritius Ltd.

(i) Amount recognised in the statement of financial position:

	2024 Rs	2023 Rs
Present value of funded obligations	**3,207,004,406**	2,736,004,141
Fair value of plan assets	**(2,162,511,541)**	(1,798,986,646)
	1,044,492,865	937,017,495
Severance allowance	**576,905**	1,061,661
CHCL share of pension	**5,525,229**	5,357,427
	1,050,594,999	943,436,583

(ii) The movement in present value of the defined benefit obligations over the year is as follows:

	2024 Rs	2023 Rs
At 01 July	**2,742,423,229**	2,558,894,388
Current service cost	**92,748,426**	83,569,218
Interest cost	**158,554,660**	129,505,149
Benefits paid	**(164,220,305)**	(136,821,504)
Liability losses	**383,600,530**	107,275,978
At 30 June	**3,213,106,540**	2,742,423,229

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities (Contd)

(a) Defined benefit pension plan (Contd)

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

	2024	2023
	Rs	Rs
At 01 July	**1,798,986,646**	1,586,872,178
Expected return on plan assets	**112,991,774**	85,554,287
Employer contributions	**71,166,713**	51,670,909
Special contributions	**239,500,000**	171,000,000
Employee contributions	**44,178,575**	31,008,923
Benefits paid	**(161,148,307)**	(136,874,707)
Asset (loss)/ gain	**56,836,140**	9,755,056
At 30 June	**2,162,511,541**	1,798,986,646

(iv) Amount recognised in the statement of comprehensive income is as follows:

	2024	2023
	Rs	Rs
Current service cost on funded obligation	**92,748,425**	83,569,218
Employee contributions	**(44,178,575)**	(31,008,923)
Fund expenses	**6,913,803**	6,289,442
Net interest expense	**45,562,885**	43,950,862
Charge to profit or loss	**101,046,538**	102,800,599
Remeasurement		
Liability losses	**383,600,530**	107,275,978
Asset loss/ (gain)	**(56,836,140)**	(9,755,056)
Charge to other comprehensive income	**326,764,390**	97,520,922
Total	**427,810,928**	200,321,521

(v) The actual return on plan assets was:

	2024	2023
	Rs	Rs
At 30 June	**169,827,914**	95,309,343

(vi) Movement in the net liability recognised in the statement of financial position:

	2024	2023
	Rs	Rs
At 01 July	**943,436,583**	972,022,210
Total expenses as above	**101,046,538**	102,800,599
Contributions paid by employer	**(81,152,513)**	(57,907,148)
Special contributions	**(239,500,000)**	(171,000,000)
Amount recognised in other comprehensive income	**236,764,390**	97,520,922
At 30 June	**1,050,594,999**	943,436,583

The weighted average duration of the defined benefit obligation is 15 years.

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities (Contd)

(a) Defined benefit pension plan (Contd)

(vii) The assets in the plan were:

	2024	2023
	Rs	Rs
Government securities and cash	54.1%	55.5%
Loans	0.3%	0.4%
Local equities	14.9%	14.4%
Overseas bonds and equities	30.2%	29.2%
Property	0.5%	0.5%
	100%	100%

The plan is exposed to actuarial risks such as investment risk, interest rate risk, mortality & longevity risk and salary risk. The risk relating to death in service benefits is re-insured.

(viii) Expected contributions to post-employment benefit plans for the year ending 30 June 2025 are ..... **Rs 74,369,215.**

(ix) Amounts for the current and previous year are as follows:

	2024	2023
	Rs	Rs
Present value of defined benefit obligations	(3,213,106,540)	(2,742,423,229)
Fair value of plan assets	2,162,511,541	1,798,986,646
Deficit	(1,050,594,999)	(943,436,583)
Experience adjustments on plan assets	56,836,140	9,755,056
Experience adjustments on plan liabilities	383,600,530	(107,275,978)

(x) The principal actuarial assumptions used for accounting purposes were:

	2024	2023
	Rs	Rs
Discount rate	5.60%	5.96%
Future pension increase	4.50%	3.5%
Future salary increases	3.50%	4.5%
Mortality before retirement	Nil	
Mortality in retirement	PA (90) Tables rated down by 2 years	
Retirement age	65 years	

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based reasonably on possible changes of the assumptions occurring at the end of the reporting year.

- If the discount rate would be 100 basis points (one percent) higher/(lower), the defined benefit obligations would decrease by Rs 440.1 million (increase by Rs 561.9 million) if all other assumptions were held unchanged.

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities (Contd)

(a) Defined benefit pension plan (Contd)

(x) The principal actuarial assumptions used for accounting purposes were (contd):

- If the expected salary growth would increase (decrease) by 1%, the defined benefit obligations would increase by Rs 226.1 million (decrease by Rs 222.8 million) if all assumptions were held unchanged.

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 51.6 million (decrease by Rs 50.9 million) if all assumptions were held unchanged.

(b) Social plan

The plan is a defined benefit arrangement, and it is wholly funded.

The assets of the plan are invested in funds managed by State Insurance Company of Mauritius Ltd.

(i) Amount recognised in the statement of financial position:

	2024	2023
	Rs	Rs
Present value of funded obligations	**445,341,272**	418,613,052
Fair value of plan assets	**(200,418,299)**	(188,007,995)
At 30 June	**244,922,973**	230,605,057

(ii) Amount recognised in the statement of profit or loss and comprehensive income is as follows:

	2024	2023
	Rs	Rs
Fund expenses	**576,428**	545,411
Net interest expense	**11,885,920**	9,193,255
Charge to profit or loss	**12,462,348**	9,738,666
Remeasurement		
Liability losses	**42,630,711**	24,213,183
Asset gain	**(475,143)**	(1,368,638)
Charge to other comprehensive income	**42,155,568**	22,844,545
Total	**54,617,916**	**32,583,211**

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities (Contd)

(b) Social plan (Contd)

(iii) Movement in the liability recognised in the statement of financial position

	2024	2023
	Rs	Rs
At 01 July	**230,605,057**	210,021,846
Amount recognised in PL	**12,462,348**	9,738,666
Special contribution	**(40,300,000)**	(12,000,000)
Amount recognised in other comprehensive income	**42,155,568**	22,844,545
At 30 June	**244,922,973**	230,605,057

(iv) The actual return on plan assets was:

	2024	2023
	Rs	Rs
Expected return on plan assets	**10,640,170**	8,573,358
Asset losses	**475,143**	1,368,638
At 30 June	**11,115,313**	9,941,996

(v) The movement in the present value of defined benefit obligation is as follows:

	2024	2023
	Rs	Rs
At 01 July	**418,613,052**	412,993,977
Interest cost	**22,526,090**	17,766,613
Benefits paid	**(38,428,581)**	(36,360,721)
Liability losses	**42,630,711**	24,213,183
At 30 June	**445,341,272**	418,613,052

The weighted average duration of the defined benefit obligation is 8 years.

(vi) The movement in fair value of plan assets:

	2024	2023
	Rs	Rs
At 01 July	**188,007,995**	202,972,131
Expected return on plan assets	**10,640,170**	8,573,358
Special contribution	**40,300,000**	12,000,000
Benefit paid	**(39,005,009)**	(36,906,132)
Assets gain	**475,143**	1,368,638
At 30 June	**200,418,299**	188,007,995

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities (Contd)

(b) Social plan (Contd)

(vii) The assets in the plan were:

	2024 Rs	2023 Rs
Fixed interest securities and cash	**91.5%**	92.4%
Local equities	**8.5%**	7.6%
	100%	100%

The plan is exposed to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(viii) Expected contribution to social plan for the year ended 30 June 2024 is nil .

(ix) Amounts for current and previous years are as follows:

	2024 Rs	2023 Rs
Fair value of plan assets	**(200,418,299)**	(188,007,995)
Present value of defined benefit obligations	**445,341,272**	(418,613,052)
Deficit	**(244,922,973)**	(230,605,057)
Experience adjustments on plan assets	**475,143**	1,368,638
Experience adjustments on plan liabilities	**(42,630,711)**	(24,213,183)

(x) The principal actuarial assumptions used for accounting purposes were:

	2024 Rs	2023 Rs
Discount rate	**5.30%**	5.64%
Future pension increase	**3.50%**	3.5%
Mortality in retirement	**PA (90) Tables rated down by 2 years**	

The discount rate is determined by reference to market yields on bonds.

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, interest and mortality. The sensitivity analyses below have been determined based reasonably on possible changes of the assumptions occurring at the end of the reporting year.

- If the discount rate would be 100 basis points (one percent) higher/(lower), the defined benefit obligations would decrease by Rs 34.6 million (increase by Rs 40.0 million) if all other assumptions were held unchanged.
- If the rate of pension increase would be 100 basis points (one percent) higher/(lower), the defined benefit obligations would increase by Rs 40.0 million (decrease by Rs 34.6 million) if all assumptions were held unchanged.
- If life expectancy would increase/(decrease) by one year, the defined benefit obligations would increase by Rs 20 million (decrease by Rs 19.7 million) if all assumptions were held unchanged.

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities (Contd)

(c) Defined contribution pension plan

The Company's statement of financial position reflects a net defined liability of Rs 20,247,771 as at 30 June 2024 (2023: Rs 11,689,736) in respect of any residual retirement gratuities expected to be paid to its employees out of Company cashflow as per the Workers' Rights Act 2019.

(i) Amount recognised in the statement of financial position:

	2024 Rs	2023 Rs
Defined benefit obligation	**20,247,771**	11,689,736
Fair value of plan assets		-
	20,247,771	11,689,736

(ii) The movement in present value of the defined benefit obligations over the year is as follows:

	2024 Rs	2023 Rs
At 01 July	**11,689,736**	11,750,899
Current service cost	**2,672,300**	1,495,633
Interest cost	**729,440**	663,926
Liability (gain)/ losses	**5,156,295**	(2,220,722)
At 30 June	**20,247,771**	11,689,736

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities (Contd)

(c) Defined contribution pension plan (Contd)

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

	2024 Rs	2023 Rs
At 01 July	-	-
Movement for the year	-	-
At 30 June	-	-

(iv) Amount recognised in the statement of profit or loss and other comprehensive income is as follows:

	2024 Rs	2023 Rs
Current service cost	**2,672,300**	1,495,633
Net interest expense	**729,440**	663,926
Charge to profit or loss	**3,401,740**	2,159,559
Remeasurement		
Liability losses	**5,156,295**	(2,220,722)
Asset loss/ (gain)	-	-
Charge to other comprehensive income	**5,156,295**	(2,220,722)
Total	**8,558,035**	(61,163)

(v) The actual return on plan assets was:

	2024 Rs	2023 Rs
At 30 June	-	-

(vi) Movement in the net liability recognised in the statement of financial position:

	2024 Rs	2023 Rs
At 01 July	**11,689,736**	11,750,899
Amount recognised in PL	**3,401,740**	2,159,559
Amount recognised in other comprehensive income	**5,156,295**	(2,220,722)
At 30 June	**20,247,771**	11,689,736

The weighted average duration of the defined benefit obligation is 21 years.

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities (Contd)

(c) Defined contribution pension plan (Contd)

(vii) The assets in the plan were:

	2024 Rs	2023 Rs
Government securities and cash	-	-
Loans	-	-
Local equities	-	-
Overseas bonds and equities	-	-
Property	-	-
	-	-

The plan is exposed to actuarial risks such as interest rate risk and salary risk.

(viii) Expected contributions to post-employment benefit plans for the year ending 30 June 2024 is nil.

(ix) Amounts for the current and previous year are as follows:

	2024 Rs	2023 Rs
Present value of defined benefit obligations	**(20,247,771)**	(11,689,736)
Fair value of plan assets		-
Deficit	**(20,247,771)**	(11,689,736)
Experience adjustments on plan assets	-	-
Experience adjustments on plan liabilities	**(5,156,295)**	2,220,722

(x) The principal actuarial assumptions used for accounting purposes were:

	2024 Rs	2023 Rs
Discount rate	**5.70%**	6.24%
Future salary increases	**4.50%**	4.5%
Mortality before retirement	**Nil**	
Mortality in retirement	**PA (90) Tables rated down by 2 years**	
Retirement age	**65 years**	

The discount rate is determined by reference to market yields on bonds.

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, expected salary increase. The sensitivity analyses below have been determined based reasonably on possible changes of the assumptions occurring at the end of the reporting year.

- If the discount rate would be 100 basis points (one percent) higher/(lower), the defined benefit obligations would decrease by Rs 7.8 million (increase by Rs 10.4 million) if all other assumptions were held unchanged.

Notes to the financial statements

For the year ended 30 June 2024

18. Employee benefit liabilities (Contd)

(c) Defined contribution pension plan (Contd)

(x) The principal actuarial assumptions used for accounting purposes were (contd)

- If the expected salary growth would increase/ (decrease) by 1%, the defined benefit obligations would increase by Rs 10.2 million (decrease by Rs 7.9 million) if all assumptions were held unchanged.

19. Borrowings

The effective interest rates refer to the rates effective during the year.

	Interest rate %	Maturity	2024 Rs	2023 Rs
Non-current				
Bank loan				
USD 19 million EIB bank loan (Note 19(i))	3.67 – 6.18	September 2024	-	**40,424,874**
Loans from Government				
Government of Mauritius Loan (Note 19(ii))	3.52	April 2032	**448,878,591**	**492,758,171**
Government of Mauritius Loan (Note 19(iii))	3.00	December 2039	**158,909,090**	**175,636,362**
Total non-current			**607,787,681**	**708,819,407**
Current				
Bank loan				
USD 19 million EIB bank loan (Note 19(i))	3.67 – 6.18	September 2024	**42,085,809**	**77,822,174**
Loans from related party				
USD 10.5 million MPA loan (Note 19(ii))	3.00	February 2023	-	-
Loans from Government				
Government of Mauritius Loan (Note 19(ii))	3.00/3.52	April 2032	**64,125,514**	**61,594,772**
Government of Mauritius Loan (Note 19(iii)	3.00	December 2039	**16,727,272**	**8,363,637**
Total current			**122,938,595**	**147,780,583**
Total borrowings			**730,726,276**	**856,599,990**

(i) USD 19 million EIB Bank Loan

This loan is secured by the Company's assets and is a government guaranteed loan. It is repayable in thirty-two semi-annual instalments. The loan has fully been repaid in September 2024.

Notes to the financial statements

For the year ended 30 June 2024

19. Borrowings (Contd)

(ii) USD 14.7 million Government of Mauritius loan

This loan has been fully disbursed during the year ended 30 June 2018 and is scheduled to be repayable as from October 2021. During the year under review, an amount of Rs 60,141,939 (equivalent to USD 1,339,017) was repaid. (2023: Rs 58,782,837 equivalent to USD 1,339,017)

(iii) Rs 184 million Government of Mauritius loan

The said loan for the sum Rs 184,000,000 shall be effective as from the date the loan is disbursed to CHCL. The interest payable by CHCL shall be at the fixed rate of 3% per annum. The interest shall accrue on a semi-annual basis as from the date of first drawdown of the loan. The principal amount of the loan shall be repaid in 22 semi-annual instalments as from 30 June 2024. Interest shall be paid on a semi-annual basis as from 31 December 2021.

20. Right of use asset and Lease liabilities

	2024 Rs	2023 Rs
Right-of-use asset		
At cost	**8,682,018**	**8,682,018**
Depreciation:		
Opening Balance	**3,157,097**	**-**
Charge for the year	**789,274**	**3,157,097**
Closing Balance	**3,946,371**	**3,157,097**
Net book values	**4,735,647**	**5,524,921**

	2024	2023
Lease liabilities	**Rs**	RS
- Non-current	**5,158,270**	**6,001,931**
- Current	**843,661**	**588,041**
	6,001,931	**6,589,972**

Amounts recognised in the statement of profit or loss:

	2024	2023
Depreciation:	**Rs**	Rs
Opening Balance	**3,157,097**	**-**
Charge for the year	**789,274**	**3,157,097**
Closing Balance	**3,946,371**	**3,157,097**
Interest expense	**320,163**	347,408
Total amount recognised in profit and loss	**4,266,534**	3,504,505

Movement in the lease liability are as follows:

	2024	2023
At 01 July	**6,589,972**	7,150,768
Finance costs (Note 27.2)	**320,163**	347,408
Payment during the year	**(908,204)**	(908,204)
At 30 June	**6,001,931**	6,589,972

Notes to the financial statements

For the year ended 30 June 2024

20. Lease liabilities (Contd)

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Lease liability is measured by remaining lease payments, discounted using a discount rate based on the Company's incremental borrowing rate at the date of initial application.

The right-of-use asset is measured at the amount of lease liability, adjusted by the amount of any previously recognised prepaid or accrued lease payments relating to that lease. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is a leasehold land and is amortised over the lease term.

The remaining period of the lease contract is 6 years as from 30 June 2024.

Future minimum lease payments at 30 June 2024 were as follows:

	Within 1 year Rs	2-7 years Rs	Total Rs
30 June 2024			
Lease payments	**1,135,255**	**5,960,116**	**7,095,371**
Finance charges	**(291,594)**	**(801,845)**	**(1,093,439)**
Net present values	**843,661**	**5,158,271**	**6,001,932**
30 June 2023			
Lease payments	908,204	7,095,371	8,003,574
Finance charges	(320,163)	(1,093,439)	(1,413,602)
Net present values	588,041	6,001,932	6,589,972

21. Concession rights

(i) The Mauritius Ports Authority ("MPA" or the "Authority"), as landlord of Port Louis Harbour, under the Ports Act 1998 and as licensor entered into a concession agreement with the Cargo Handling Corporation Limited (the "Operator"), whereby the latter provides cargo handling services at Terminals I, II and III.

Pursuant to a Revised Concession Fees letter ("letter") dated 13 June 2018, CHCL has been informed about the heavy development project regarding the upgrading and extension of Berths at the Mauritius Container Terminal (MCT) which the Company has already started using since August 2017.

In respect to the abovementioned development, the concession fees chargeable to the Company have been reviewed with effect from 01 August 2017 to Rs 155,750,430 per annum (Rs 12,979,203 per month) for a period of 25 years. Concession rights asset is analysed under note 9.

Notes to the financial statements

For the year ended 30 June 2024

21. Concession rights (cont)

(ii) Significant terms of concession agreement are as follows:

(a) Provision of cargo services from ships until delivery to consignees;
(b) Provision of cargo services from the receipt of export cargo/containers from shippers until shipment on board vessels;
(c) Safe keeping of all cargo handled, incoming and outgoing alike - from the time it comes into its possession until shipment onboard vessels or delivery to consignees, as the case may be;
(d) Provision of cargo services for discharge, storage and reshipment of transhipment containers; and
(e) The payment of an annual fee over the year of the concession.

(iii) Concession rights payable

Movement in the concession rights payable are as follows:

	2024	2023
	Rs	Rs
At 01 July	**948,407,867**	957,272,800
Finance costs (Note 27.2)	**145,525,247**	146,885,497
Payment during the year	**(155,750,430)**	(155,750,430)
At 30 June	**938,182,684**	948,407,867

Future minimum payments together with the present value of the net minimum payments are as follows:

	2024	2023
	Rs	Rs
Minimum lease payments:		
Within one year	**155,750,430**	155,750,430
After one year but less than five years	**778,752,150**	778,752,150
After five years	**1,881,984,363**	2,037,734,793
	2,816,486,943	2,972,237,373
Less notional finance charges	**(1,878,304,259)**	(2,023,899,506)
Present value of concession rights payable	**938,182,684**	948,407,867

Amounts recognised in the statement of profit or loss:

	2024	2023
	Rs	**Rs**
Amortisation charge on concession right assets	**28,787,265**	31,270,578
Interest expense	**145,525,247**	146,885,497
Total amount charged to profit and loss	**174,312,512**	178,156,075

(iii) Concession rights payable

	2024	2023
	Rs	Rs
Classified as:		
Non-current	**926,388,533**	938,182,684
Current	**11,794,151**	10,225,183
	938,182,684	948,407,867

Notes to the financial statements

For the year ended 30 June 2024

21. Concession rights (cont)

(iii) Concession rights payable (cont)

Concession rights are recognised as a right of use asset and a corresponding liability at the date at which the concession rights are available for use by the Company. Concession rights liability is measured by remaining concession contract period, discounted using a discount rate based on the Company's incremental borrowing rate at the date of initial application.

The concession rights are measured at the amount of lease liability, adjusted by the amount of any previously recognised prepaid or accrued concession rights payments relating to that right. Each concession rights payment is allocated between the liability and the finance cost. The finance cost is charged to statement of profit or loss over the concession rights period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The concession rights is a leasehold infrastructure and is amortised over the concession rights period term.

The remaining period of the lease contract is 18 years as from 30 June 2024.

22. Trade and other payables

	2024	2023
	Rs	Rs
Trade payables	**64,411,796**	83,061,736
Employee Benefit accrued	**178,311,531**	408,080,081
Other payables and accruals	**147,714,110**	88,526,330
	390,437,437	579,668,147

Trade payables are non-interest bearing and are normally settled on 30-day terms. Employee benefit accrued are non-interest bearing and relates mainly to the salary report 2021 dues, payable after the reporting date. Other payables are non-interest bearing and have an average term of six months.

23. Other income

	2024	2023
	Rs	Rs
Miscellaneous income	**33,978,670**	14,127,406
Dividend income	**3,484,524**	3,120,572
Profit on disposal	**2,384**	-
	37,465,578	17,247,978

24. Employee benefits expense

	2024	2023
	Rs	Rs
Wages and salaries	**1,228,641,790**	1,159,746,227
Social security costs	**47,839,865**	32,550,273
Pensions and contributions	**130,392,974**	138,273,148
Other staff expenses	**202,289,159**	194,574,201
Staff Cost	**1,609,163,788**	1,525,143,849

Notes to the financial statements

For the year ended 30 June 2024

25. Other operating expenses

	2024	2023
	Rs	Rs
Utilities	**97,597,439**	72,421,265
Insurances	**63,497,631**	50,820,289
Motor vehicle running expenses	**6,463,322**	5,412,470
Repairs and maintenance costs	**489,483,926**	410,694,121
General expenses	**26,668,354**	26,770,563
Overseas missions and travelling expenses	**78,847**	29,872
Loss on disposal	**-**	107,341,349
Other expenses	**55,425,841**	50,338,796
	739,215,360	723,828,725

26. Administrative expenses

	2024	2023
	Rs	Rs
Legal and professional expenses	**8,119,570**	10,207,846
Printing and stationery expenses	**3,762,602**	3,305,125
Commission to shipping agents	**12,216,275**	11,009,670
Board expenses	**1,423,000**	1,404,500
Fines and penalties	**71,400**	-
Other administrative expenses	**2,455,849**	1,848,176
	28,048,696	27,775,316

27.1 Finance income

	2024	2023
	Rs	Rs
Interest income on bank balances	**3,009,731**	1,723,940
Interest income on loans receivable	**1,460,633**	1,464,169
Interest income on treasury bills	**29,419,205**	17,238,795
	33,889,569	20,426,904

27.2 Finance costs

	2024	2023
	Rs	Rs
Interest on borrowings	**27,957,142**	34,109,969
Interest on lease liability (note 20)	**320,163**	347,408
Interest on concession rights (note 21)	**145,525,247**	146,885,503
Foreign exchange loss	**20,226,004**	18,266,463
	194,028,556	199,609,343

Notes to the financial statements

For the year ended 30 June 2024

28. Taxation

The Company is liable to income tax at the rate of 17% on its chargeable income and at 30 June 2024 (17% at 30 June 2023). It did not have any income tax liability.

The Company is subject to the Advanced Payment Scheme (APS), the Corporate Social Responsibility Fund (CSR Fund) and the Corporate Climate Responsibility Fund (CCR).

Under the APS, the Company is required to submit an APS Statement and pay tax quarterly on the basis of either last year's income or the income for the current quarter.

Contribution to the CSR Fund is a rate of 2% on chargeable income of the preceding financial year.

The major components of income tax expense are:

28.1 Statement of profit and loss and other comprehensive income

	2024 Rs	2023 Rs
Income tax charge	-	-
Deferred income tax:		
- Reported in statement of profit or loss	**107,625,832**	(232,398,120)
- Reported in other comprehensive income	**(63,592,961)**	(20,084,607)
Tax expense reported in statement of comprehensive income	**44,032,871**	(252,482,727)

28.2 Reconciliation

A reconciliation between tax expense and the product of accounting profit multiplied by the domestic rate for the years ended 30 June 2024 and 30 June 2023 is as follows:

	2024 Rs	2023 Rs
Profit before income tax	**552,038,767**	236,837,199
At the statutory income tax rate of 17% (2023:17%)	93,846,590	40,262,323
Non-deductible expenses	32,634,625	56,883,016
Depreciation and amortisation	47,947,031	41,926,676
Exempt income	(106,064,673)	(89,144,276)
Tax losses brought forward utilised	(68,363,572)	(49,927,739)
Income tax charge for the year	-	-

Notes to the financial statements

For the year ended 30 June 2024

28. Taxation (Contd)

28.3 Deferred tax

Deferred tax relates to the following:

	STATEMENT OF FINANCIAL POSITION		STATEMENT OF COMPREHENSIVE INCOME	
	2024	2023	2024	2023
	Rs	Rs	Rs	Rs
Accelerated depreciation for tax purposes	**(256,353,708)**	(256,263,092)	**(90,616)**	10,698,129
Provision for doubtful debts and staff loans	**3,271,215**	3,051,051	**220,164**	381,783
Concession rights	**71,402,025**	68,239,319	**3,162,706**	11,382,692
Provision for obsolete stock	**15,241,233**	16,308,288	**(1,067,055)**	5,176,639
Losses available for offsetting against future taxable income	**30,437,312**	98,801,224	**(68,363,912)**	(32,430,199)
Employee benefit liabilities	**223,680,176**	201,574,334	**22,105,842**	257,273,683
Deferred tax expense	**-**	-	**(44,032,871)**	252,482,727
Deferred tax asset/(liability)	**87,678,254**	131,711,124	**-**	-

29. Reconciliation of liabilities arising from financing activities

(i) Net debt reconciliation

	2024	2023
	Rs	Rs
Net debt		
Borrowings:		
- Repayable within one year	**122,938,595**	147,780,583
- Repayable after one year	**607,787,682**	708,819,407
Concession rights payable		
- Repayable within one year	**11,794,151**	10,225,183
- Repayable after one year	**926,388,533**	938,182,684
Lease liability:		
- Repayable within one year	**843,661**	588,041
- Repayable after one year	**5,158,271**	6,001,931
	1,674,910,893	1,811,597,829

Notes to the financial statements

For the year ended 30 June 2024

29. Reconciliation of liabilities arising from financing activities (Contd)

(i) Net debt reconciliation (Contd)

	Short term liabilities				Long term liabilities				
	Bank Loan	Loan from Government	Concession rights payable	Lease liability	Bank Loan	Loan from Government	Concession rights payable	Lease liability	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
At 01 July 2023	**77,822,174**	**69,958,409**	**10,225,183**	**588,041**	**40,424,874**	**668,394,533**	**938,182,684**	**6,001,931**	**1,811,597,829**
Cash flows:									
Repayments	(76,163,635)	(68,505,575)	(155,750,430)	(908,204)	-	-	-	-	(301,327,844)
Interest paid	(4,999,643)	(24,347,290)	-	-	-	-	-	-	(29,346,933)
Total cash flows	(81,163,278)	(92,852,865)	(155,750,430)	(908,204)	-	-	-	-	(330,674,777)
Non-cash:									
Interest expense	3,862,889	24,094,253	145,525,247	320,163	-	-	-	-	173,802,552
Reclassification	39,905,485	78,200,153	11,794,151	843,661	(39,905,485)	(78,200,153)	(11,794,151)	(843,661)	-
Foreign exchange loss (gain)	1,658,539	1,452,836	-	-	(519,389)	17,593,302	-	-	20,185,288
Total non-cash changes	45,426,913	103,747,242	157,319,398	1,163,824	(40,424,874)	(60,606,851)	(11,794,151)	(843,661)	193,987,840
At 30 June 2024	**42,085,809**	**80,852,786**	**11,794,151**	**843,661**	**-**	**607,787,682**	**926,388,533**	**5,158,270**	**1,674,920,892**

Notes to the financial statements

For the year ended 30 June 2024

29. Reconciliation of liabilities arising from financing activities (Contd)

(i) Net debt reconciliation (Contd)

	Short Term liabilities					Long term liabilities					Total
	Bank Loan	Loan from related party	Loan from Government	Concession rights payable	Lease liability	Bank Loan	Loan from related party	Loan from Governme nt	Concession rights payable	Lease liability	
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
At 01 July 2022	74,503,280	34,173,194	63,460,222	8,886,933	560,796	114,648,224	-	721,481,332	948,407,867	6,589,972	1,972,689,820
Cash flows:											
Repayments	(72,132,979)	(35,569,684)	(58,782,837)	(155,750,430)	(908,204)	-	-	-		-	(323,144,134
Interest paid	(8,732,797)	(1,067,091)	(25,968,631)	-	-	-	-	-		-	(35,768,519
Total cash flows	(80,865,776)	(36,636,775)	(84,751,468)	(155,750,430)	(908,204)		-			-	(358,912,653)
Non-cash:											
Interest expense	5,934,976	755,407	22,228,558	146,885,497	347,408	-	-			-	176,151,846
Reclassification	77,822,174	-	69,958,408	10,225,183	588,041	(77,822,174)	-	(69,958,408)	(10,225,183)	(588,041)	-
foreign exchange loss(gain)	427,520	1,708,174	(937,311)	-	-	3,598,824	-	16,871,609	-	-	21,668,816
Total non-cash changes	84,184,670	2,463,581	91,249,655	157,110,680	935,449	(74,223,350)	-	(53,086,799)	(10,225,183)	(588,041)	197,820,662
At 30 June 2023	77,822,174	-	69,958,409	10,225,183	588,041	40,424,874	-	668,394,533	938,182,684	6,001,931	1,811,597,829

Notes to the financial statements

For the year ended 30 June 2024

30. Related party disclosures

There is a related party relationship between Cargo Handling Corporation Limited and Mauritius Ports Authority (MPA). The latter held 13.6% of the issued share capital of the Company at the reporting date.

		Transaction from related party		Amounts owed to related party	
	Relationship	**2024**	2023	**2024**	2023
		Rs	Rs	**Rs**	Rs
MPA	Concession granter	**155,750,436**	155,750,436	**938,182,684**	948,407,867
MPA	Financing	-	33,861,511	-	-

Terms and conditions of transactions with related parties

The transactions with the related party are made at normal market prices. Outstanding balances at the year-end are secured, interest bearing and settlement occurs in cash. There have been no guarantees provided or received for any related party payables.

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, including directors.

	2024	2023
	Rs	Rs
Compensation of key management personnel		
Short-term employee benefits	**29,981,064**	**20,958,795**

31. Commitments and contingencies

31.1 Capital commitments

The Board has approved a capital investment programme for financial year 2023/2024 amounting to Rs 477 million which involves the acquisition of building, cargo handling equipment, motor vehicles, IT equipment and furniture, fixtures and fittings as per the Company's budget 2023/2024. No amount has been contracted at year end.

31.2 Legal claims

The Company has no cases pending before the Courts. However, the Company had a provision of Rs 9,000,000 as at 30 June 2024 towards insurance claims. (2023: Rs 6,000,000). The directors consider that, based on the present circumstances, the provision is sufficient for the ongoing legal claims.

Notes to the financial statements

For the year ended 30 June 2022

32. Ultimate beneficial owner

The Government of Mauritius is the immediate and ultimate beneficial owner.

33. Events after the reporting date

There have been no events after the reporting date which would require disclosure or adjustment to the 30 June 2024 financial statements.

Cargo Handling Corporation Limited

APPENDIX 1 - INCOME STATEMENT

FOR THE YEAR ENDED 30 June 2024

	2024 Rs	2023 Rs
REVENUE		
Operating income	**3,333,181,378**	**2,922,147,054**
Other income		
Miscellaneous income	**37,465,578**	**17,247,978**
LESS EXPENDITURE		
Staff costs	**1,609,163,788**	**1,525,143,849**
Training costs	**180,000**	**992,352**
Rent	**4,750,860**	**3,557,065**
Telephone, electricity and water	**97,597,439**	**72,421,265**
Insurances	**63,497,631**	**50,820,289**
Motor vehicle running expenses	**6,463,322**	**5,412,470**
Other operational expenses	**50,494,980**	**45,789,379**
Repairs, maintenance & running expenses of equipment	**489,483,926**	**410,694,121**
Overseas missions and penalties	**78,847**	**29,872**
General expenses	**26,668,354**	**26,770,563**
Loss on disposal	**-**	**107,341,349**
Amortisation	**34,686,004**	**39,692,779**
Depreciation	**247,355,354**	**206,934,724**
	2,630,420,506	**2,495,600,077**
Administrative expenses		
Licences	**213,553**	**258,013**
Legal and professional fees	**8,119,570**	**10,207,846**
Printing, postages, and stationery	**3,762,602**	**3,305,125**
Service charges to shipping agents	**12,216,275**	**11,009,670**
Advertising	**1,486,756**	**868,558**
Bank charges	**755,540**	**721,605**
Board expenses	**1,423,000**	**1,404,500**
Fines and penalties	**71,400**	**-**
	28,048,696	**27,775,317**
Total expenditure	**2,658,469,202**	**2,523,375,394**
Profit from operating activities	**712,177,754**	**416,019,638**
Interest income	**33,889,569**	**20,426,904**
Interest expense	**(173,802,552)**	**(181,342,880)**
Exchange losses	**(20,226,005)**	**(18,266,463)**
Profit before income tax	**552,038,767**	**236,837,199**

Appendices 1-3 are provided for information purposes only and do not form part of the audited financial statements.

Cargo Handling Corporation Limited

APPENDIX 2 - OPERATING INCOME

FOR THE YEAR ENDED 30 June 2024

		2024 Rs	2023 Rs
1	**HANDLING CHARGES**		
	Containers full	**1,220,830,465**	1,134,548,030
	Containers empty	**348,929,159**	292,424,002
	Transshipment	**341,272,212**	292,807,537
	General cargo	**8,113,037**	13,911,625
	Fish	**5,332,870**	3,371,488
	Freeport (shore)	**4,967,511**	4,832,432
	Bulk	**210,142,812**	163,903,482
	Rodrigues traffic	**37,280,866**	37,289,332
	Hatchcover	**53,235,053**	40,856,535
	Others (detention, extra labour)	**2,748,037**	4,134,456
	Shut out fee	**17,189,180**	15,597,720
	Shifting/Restow	**59,277,718**	50,299,658
	Extended shifts	**172,172,528**	147,623,844
	Vehicles	**174,231,773**	166,798,363
	Total handling charges	**2,655,723,221**	2,368,398,504
2	**STORAGE/REEFER CHARGES**		
	Container	**302,628,998**	276,146,974
	Reefer electricity	**338,159,588**	245,306,052
	Shifting charges	**6,479,267**	3,314,397
	Hire of equipment	**2,488,215**	1,846,813
	Empty container depot	**3,920,232**	12,240,356
	Scan services	**5,928,000**	7,053,750
	General cargo and vehicles	**17,853,858**	7,840,209
	Total storage/reefer charges	**677,458,157**	553,748,550
	Total operating income	**3,333,181,378**	2,922,147,054

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Cargo Handling Corporation Limited

APPENDIX 3 – STAFF COSTS
FOR THE YEAR ENDED 30 June 2024

Staff costs comprise the following items of expenditure:

	2024 Rs	2023 Rs
Salaries and wages-basic	**559,577,691**	530,460,109
Overtime	**322,722,421**	271,795,158
Personal pensionable allowance	**23,466,807**	24,637,605
Productivity bonus on overtime	**3,509,913**	3,574,272
New productivity bonus	**76,741,487**	87,243,847
New non-pensionable allowance	**22,633,865**	24,830,444
Supplementary allowance	**3,522,513**	4,087,361
Additional shift allowance	**917,691**	1,181,494
Incentive bonus	**4,041,600**	2,708,155
Casual labour	**444,350**	619,956
Night shift allowance	**22,598,679**	15,592,690
Risk allowance	**513,600**	534,000
Polyvalence	**1,690,000**	20,975,500
Total salaries and wages	**1,042,380,617**	988,240,591
Allowances	**117,407,776**	107,520,721
Flexitime allowance	**21,537,136**	15,150,510
Medical and dental expenditure	**16,132,356**	15,834,926
NSF & CSG	**47,839,865**	32,550,273
Pension Cost	**130,392,974**	138,273,148
Uniforms and protective equipment	**12,013,624**	8,763,260
Pensions to former employees	**1,064,664**	1,315,014
End of year bonus	**164,568,212**	156,183,701
Paid leaves	**34,503,069**	32,798,004
Passage benefits	**21,323,495**	28,513,700
Other staff costs	**566,783,171**	536,903,258
Total	**1,609,163,788**	1,525,143,849

The establishment comprises of:

Male	**1,144**	1,181
Female	**37**	35
On contract - Administration	**6**	16
	1,187	1,232

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