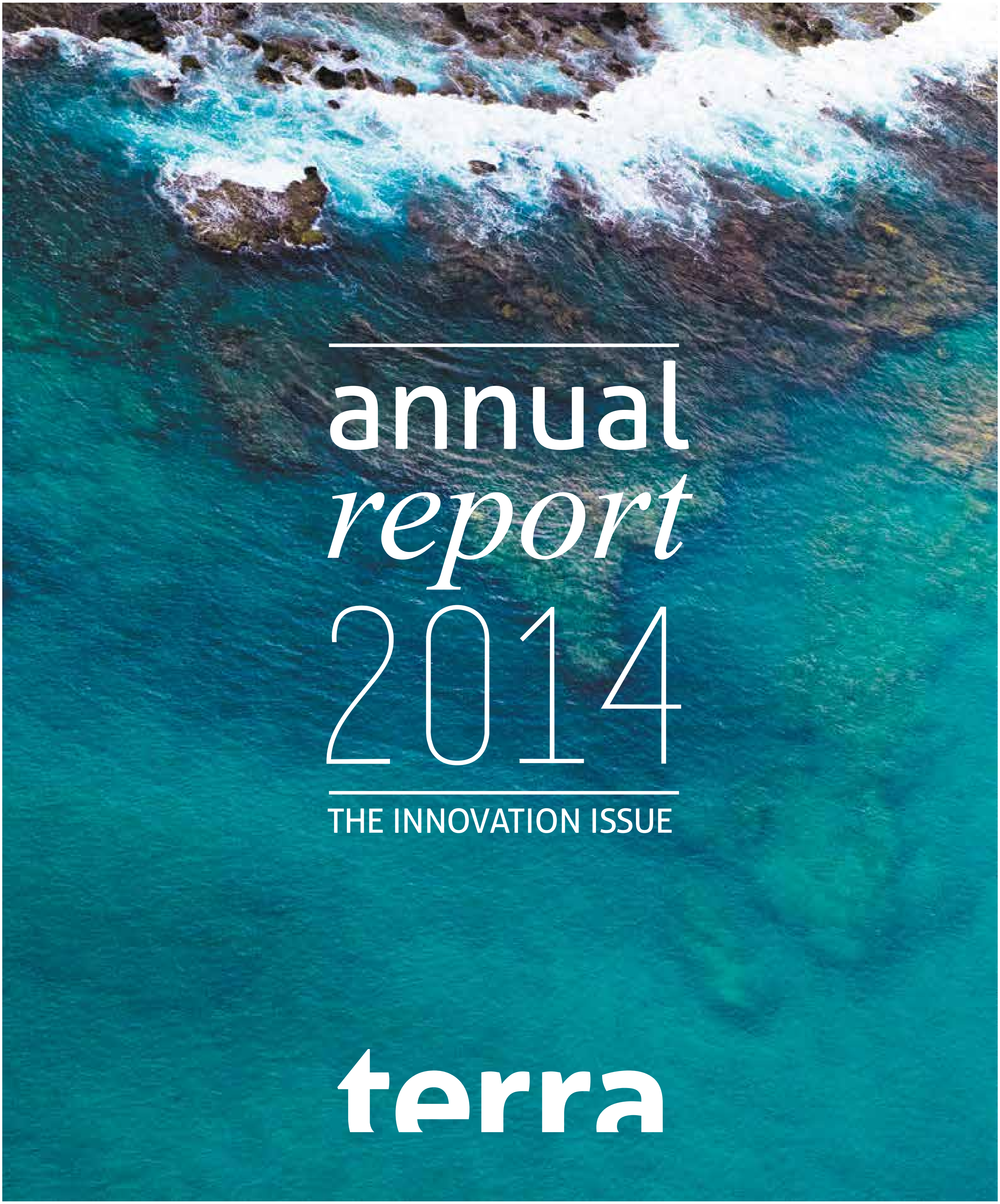


annual *report* 2014

THE INNOVATION ISSUE

terra

Dear Shareholder,

G4-3

The Board of directors of Terra Mauricia Ltd (“Terra”) is pleased to present this Annual Report, which was approved on May 13, 2015. This integrated Annual Report, which was prepared according to the GRI G4 guidelines and under the ‘in accordance’ core option, covers the activities of Terra and its subsidiaries for the year ended December 31, 2014 and should be read in conjunction with the report entitled ‘Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement’[1]

On behalf of the Board of Directors, we invite you to join us at the Annual Meeting of Terra to be held:

Date: June 30, 2015

Time: 2.00 p.m.

Place: 7th floor, Harel Mallac Building, 18 Edith Cavell Street, Port-Louis

Yours faithfully,

Daniel Nairac
Chairman

Cyril Mayer
Managing Director

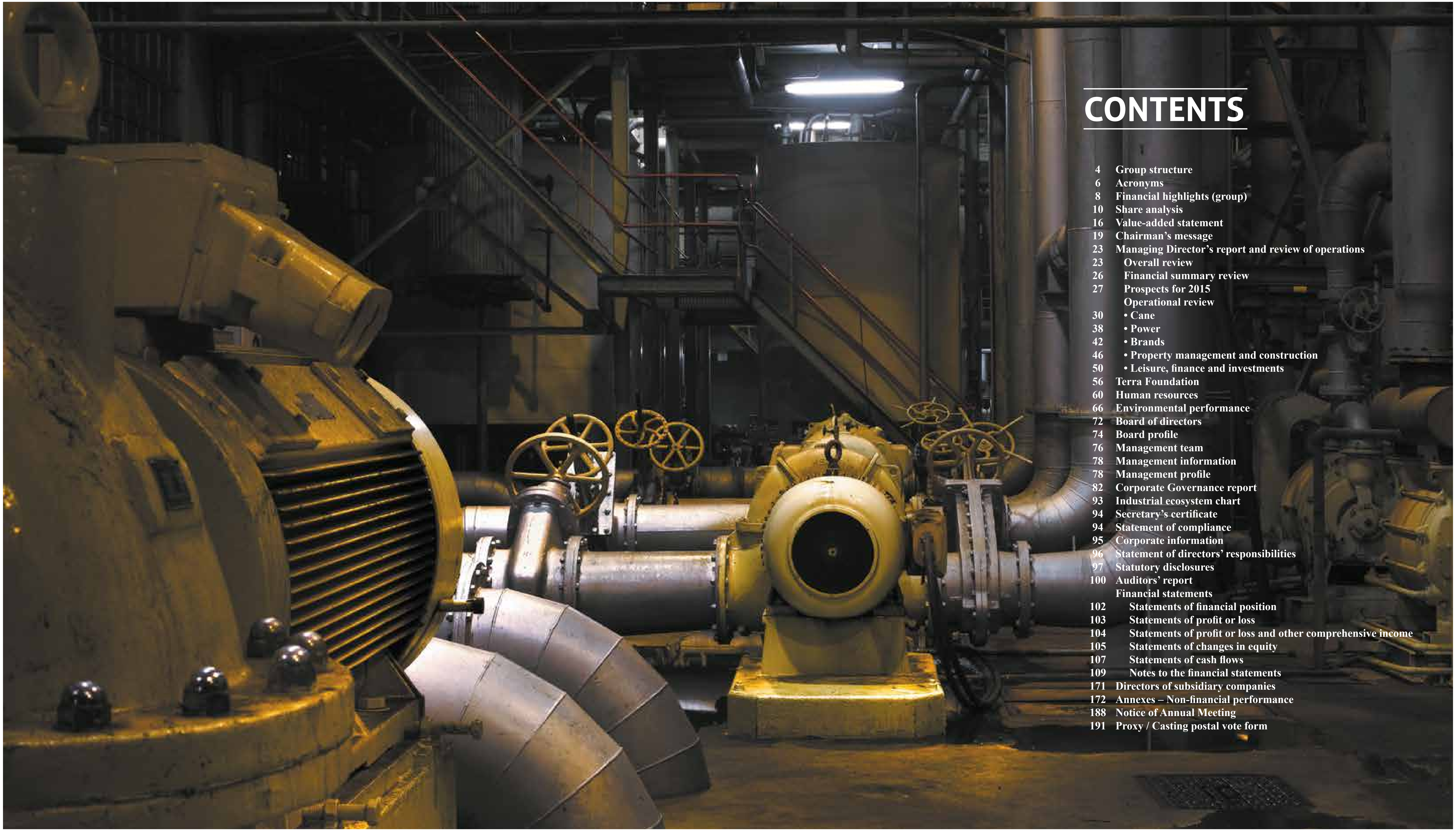
[1] http://terra.co.mu/investors-corner/sustainability-reports.aspx

By printing this publication on Cocoon 100% recycled paper the environmental impact was reduced by:

- 1,316 kg of landfill
- 35,598 litres of water
- 2,182 kWh of electricity
- 1,946 kg of CO_2 and greenhouse gases
- 2,138 kg of wood

Source: Carbon footprint data evaluated by FactorX in accordance with the Bilan Carbone® methodology. Calculations are based on a comparison between the recycled paper used versus a virgin fibre paper according to the latest European BREF data (virgin fibre paper) available.

Results are obtained according to the technical information and are subject to modification.



CONTENTS

GROUP *Structure*

terra

(Terra Mauricia Ltd) G4-4

Cane*

- Ivoirel Limitee - 100% **
- Sucrivoire S.A. - 25.50%

Growing
- Terragri Ltd - 100% **

Milling
- Terra Milling Ltd - 80.00%

Power

Power Generation
- Terragen Ltd - 51.00%

Management and Services
- Terragen Management Ltd - 61.75%
- Thermal Valorisation Co Ltd - 17.85%
- Coal Terminal (Management) Co Ltd - 15.43%

Brands

Bottling and Distribution
- Terra Brands Ltd - 100%**
- Grays Inc. Ltd - 74.00%**
- Terralogic Ltd - 100%
- Les Chais de l'Isle de France Limitée - 100%
- Eco energy (Madagascar) - 80.00%***
- East Indies Company - 74.00%
- Providence Warehouse Co. Ltd - 18.50%
- Les Domaines de Mauricia Limitée - 50.00%
- Anytime Investment Ltd - 24.50%
- New Fabulous Investment Ltd - 24.50%
- New Goodwill Co. Ltd - 33.33%
- Rum Distributors Ltd - 33.33%

Distillery
- Grays Distilling Ltd - 66.67%
- Société Evapo - 66.67%**
- Topterra Ltd - 33.33%
- Distillerie de Bois Rouge Ltd - 33.33%**
- Société de Distillation de St Antoine et Bois Rouge - 33.33%***

Property Management & Construction

- Sagiterra Ltd - 100%
- Société Proban - 83.34%**
- Terrarock Ltd - 45.00%
- Rehm Grinaker Construction Co Ltd - 35.49%
- Rehm Grinaker Properties Ltd - 35.49%

Leisure

- Sugarworld Ltd - 95.24%

Finance

- Terra Finance Ltd - 100%
- AceTer Global Ltd - 79.00%**
- AG Holdings Ltd - 79.00%
- Intendance Holding Ltd - 100%**
- Swan Insurance Co. Ltd - 34.03%**

Investments

Administration
- Terra Services Ltd - 100%

Cultural
- Fondation Nemours Harel - 75.00%

Telecommunications
- Commada Ltd - 50.00%**

Property
- Les Bureaux Réunis Ltd - 50.00%
- Horus Ltée - 50.00%**

Commodity Trading
- Alcohol and Molasses Export Ltd - 41.87%

Commerce
- Harel Mallac & Co Ltd - 26.06%

Investment Holding
- United Investments Ltd - 29.03%

Industry
- Terravest Holding Ltd - 100%**

Corporate Social Responsibility
- Terra Foundation - 100%

N.B.: Percentage indicated above are in respect of effective holding.

* The growing activities of the cane segment are owned directly by Terragri Ltd.

** Holding entity.

*** Dormant company.

Subsidiaries | Associates

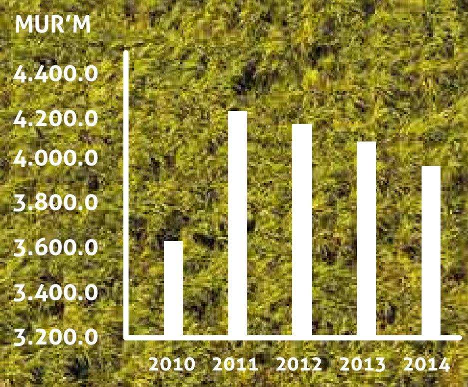
List of Acronyms

ACP	African Caribbean and Pacific Group of States
AFNOR	*Association Française de Normalisation*
AMCO	Alcohol & Molasses Export Ltd
APEBS	*Association des Parents d'Enfants à Besoins Spéciaux*
ARISE	*Accompagnement, Réhabilitation et Insertion Sociale des Enfants*
BRC	British Retail Consortium
BSSD	Bagged Sugar Storage & Distribution Co Ltd
CEB	Central Electricity Board
CMS	Concentrated Molasses Stillage
COLA	Cost Of Living Allowance
CSR	Corporate Social Responsibility
ECOWAS	Economic Community Of West African States
EPA	Environment Protection Act
EU	European Union
FIAMLA	Financial Intelligence and Anti Money Laundering Act
FSA	Financial Services Act
FSC	Financial Services Commission
GBC	Global Business Companies
GDP	Gross Domestic Product
GRI	Global Reporting Initiative
ILO	International Labour Organisation
IPP	Independent Power Producer
ISO	International Organisation for Standardisation

List of Acronyms (cont'd)

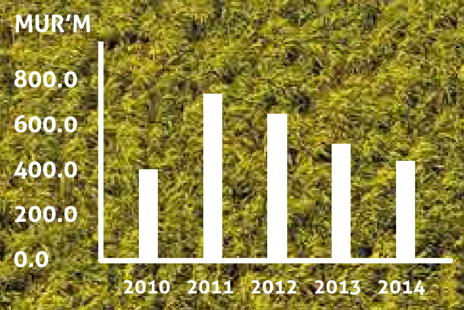
JNP	Joint Negotiating Panel
LDC	Least Developed Countries
LEAD	Leadership and Empowerment for Action and Development
LMC	LMC International Ltd
MAA	*Mouvement pour l'Autosuffisance Alimentaire*
MCIA	Mauritius Cane Industry Authority
MSPA	Mauritius Sugar Producers Association
MSS	Mauritius Sugar Syndicate
MUR	Mauritian Rupee
MWF	Mauritius Wildlife Foundation
NGO	Non-Governmental Organisation
OMA	*Orange Madagascar*
OSH	Occupational Safety and Health
SAFIRE	*Service d'Accompagnement, de Formation, d'Intégration et de Réhabilitation de l'Enfant*
SEED	*Services d'Ecoute et de Développement*
SEM	Stock Exchange of Mauritius
SIFCA	*Société Immobilière et Financière de la Côte Africaine*
SKU	Stock Keeping Unit
SME	Small and Medium Enterprises
SMETA	Sedex Members Ethical Trade Audit
TIPA	Terrain for Interactive Pedagogy through Arts
ZEP	*Zone d'Education Prioritaire*

FINANCIAL *Highlights* (GROUP)



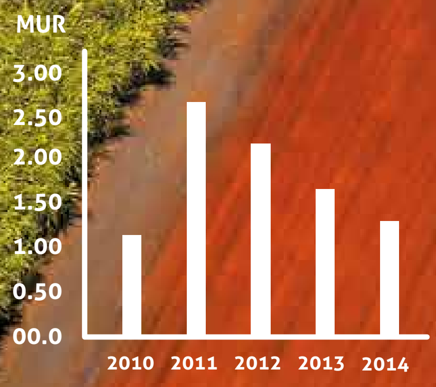
G4-9 **TURNOVER**

	MUR' M	EUR' M*	USD' M*
2010	3,643.3	89.99	119.65
2011	4,222.7	111.24	143.97
2012	4,185.5	103.76	137.07
2013	4,078.0	98.60	135.23
2014	3,905.4	101.77	123.45



PROFIT AFTER TAXATION

	MUR' M	EUR' M*	USD' M*
2010	400.2	9.89	13.14
2011	760.6	20.04	25.93
2012	653.7	16.20	21.41
2013	466.1	11.27	15.46
2014	432.2	11.26	13.66

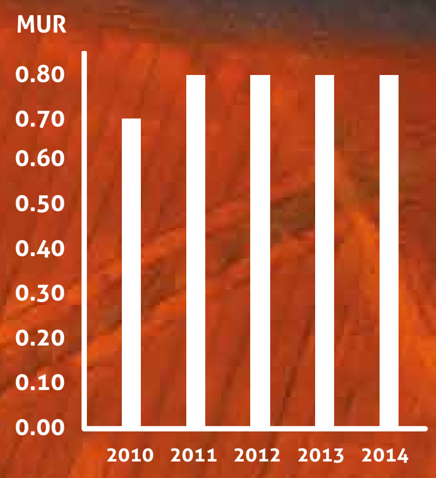


EARNINGS PER SHARE

	MUR	EUR*	USD*
2010	1.14	0.028	0.037
2011	2.56	0.067	0.087
2012	2.20	0.055	0.072
2013	1.58	0.038	0.052
2014	1.39	0.036	0.044

NET ASSETS PER SHARE

	MUR	EUR*	USD*
2010	50.30	1.242	1.652
2011	52.60	1.386	1.793
2012	72.40	1.795	2.371
2013	71.89	1.738	2.384
2014	72.54	1.890	2.293



DIVIDEND PER SHARE

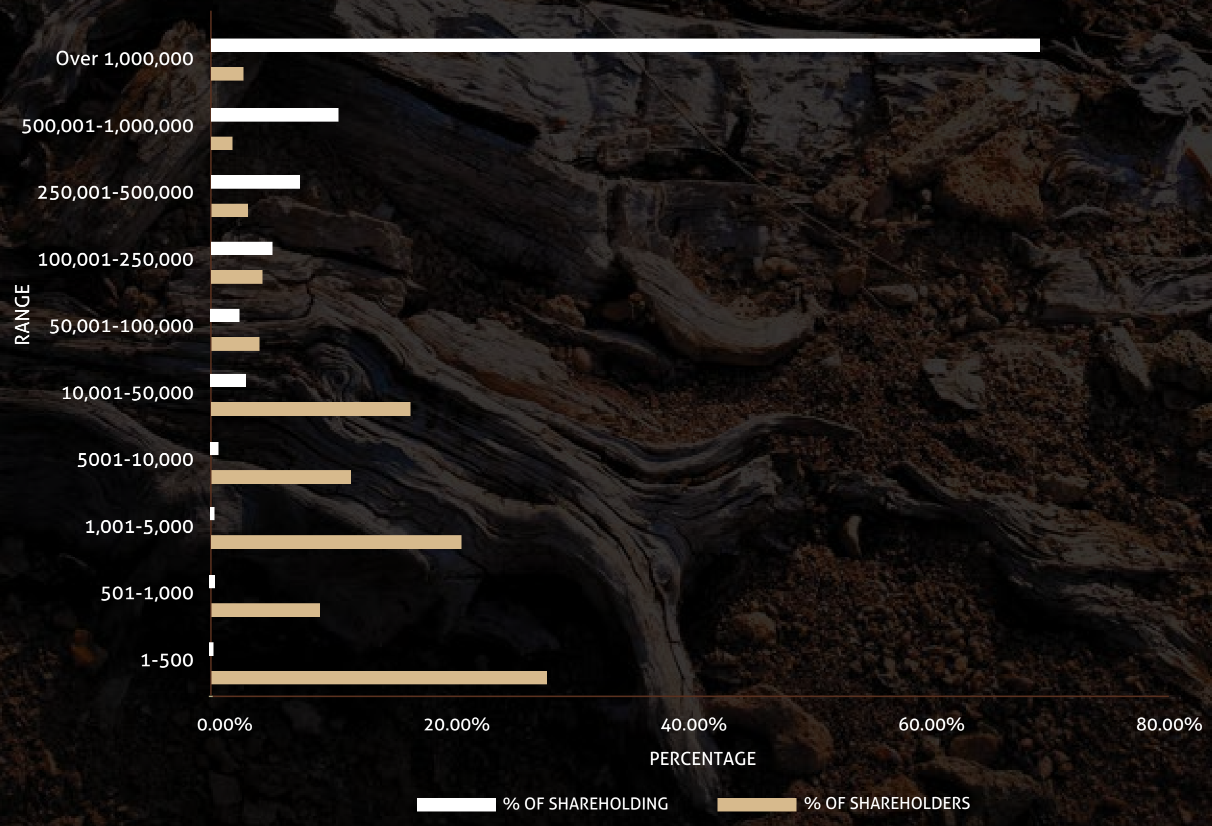
	MUR	EUR*	USD*
2010	0.70	0.017	0.023
2011	0.80	0.021	0.027
2012	0.80	0.020	0.026
2013	0.80	0.019	0.027
2014	0.80	0.021	0.025

*: The exchange rates used are those of the respective reporting years.

SHARE *Analysis*

Distribution of shareholders of Terra Mauricia Ltd at December 31, 2014

Relative comparison between range of shareholders and shareholding



Range of shareholding

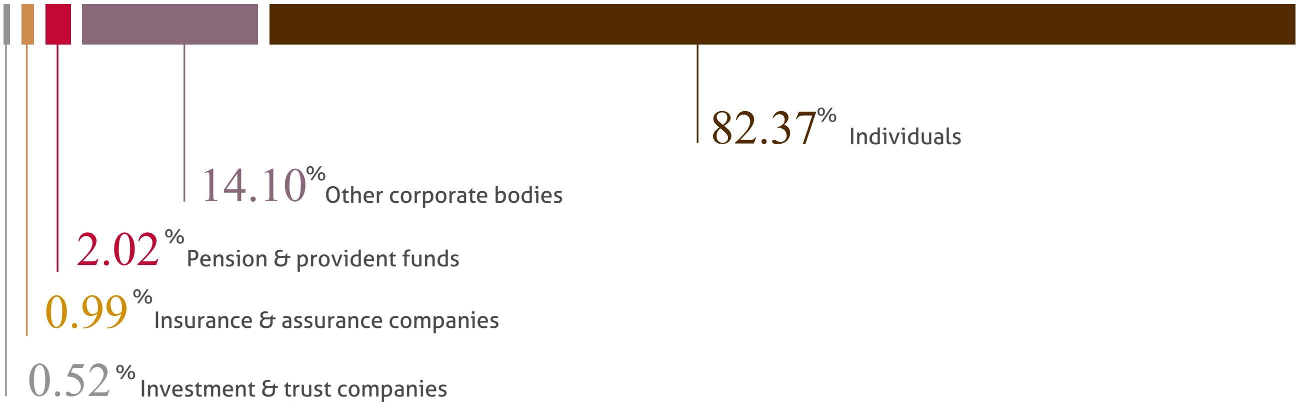
RANGE OF SHAREHOLDERS	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shareholding
1 - 500	547	28.36%	95,935	0.04%
501 - 1,000	157	8.14%	133,993	0.06%
1,001 - 5,000	404	20.94%	1,096,066	0.48%
5,001 - 10,000	228	11.82%	1,673,860	0.74%
10,001 - 50,000	316	16.38%	7,216,886	3.17%
50,001 - 100,000	71	3.68%	5,175,068	2.27%
100,001 - 250,000	74	3.84%	11,777,594	5.18%
250,001 - 500,000	50	2.59%	17,389,895	7.64%
500,001 - 1,000,000	34	1.76%	24,632,773	10.83%
Over 1,000,000	48	2.49%	158,353,554	69.59%
TOTAL	**1,929**	**100.00%**	**227,545,624**	**100.00%**

Shareholders' spread

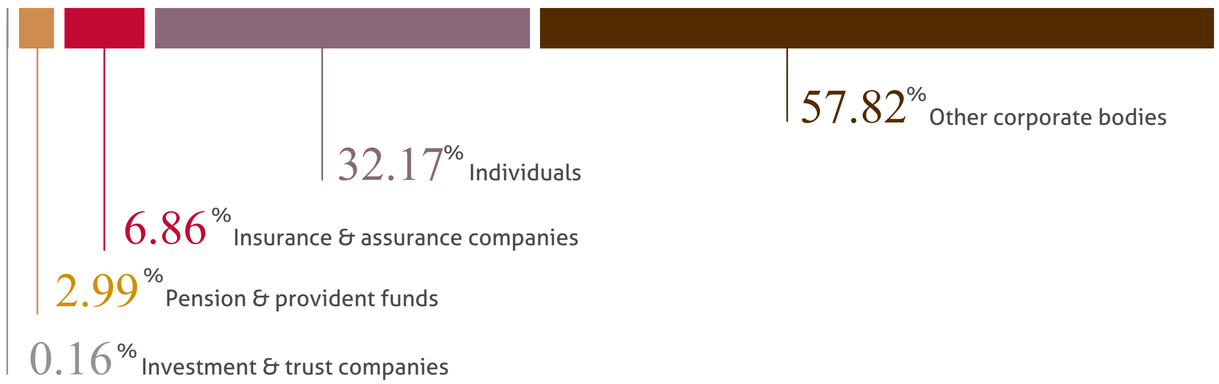
To the best knowledge of the directors, the spread of shareholders at December 31, 2014 was as follows:

	SHAREHOLDERS		SHARES HELD	
	Number	%	Number	%
Individuals	1,589	82.37	73,211,179	32.17
Insurance & assurance companies	19	0.99	15,599,862	6.86
Pension & provident funds	39	2.02	6,816,489	2.99
Investment & trust companies	10	0.52	357,734	0.16
Other corporate bodies	272	14.10	131,560,360	57.82
	1,929	**100.00**	**227,545,624**	**100.00**

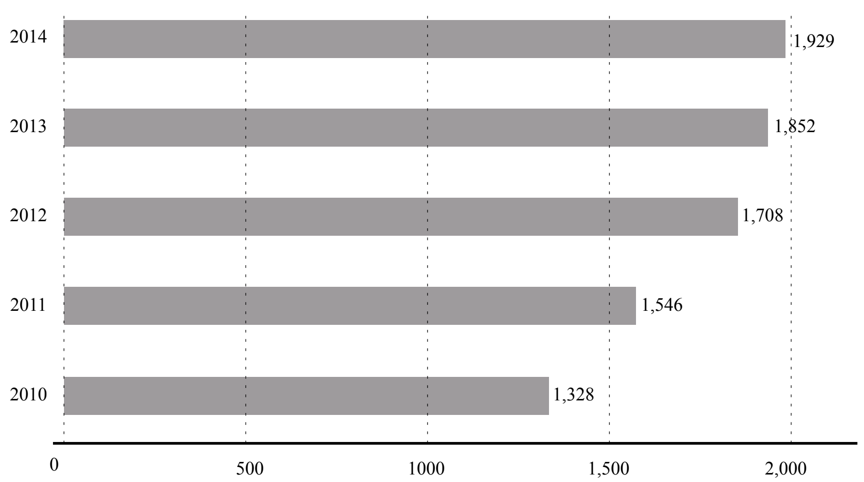
Distribution of shareholders



Shareholders' spread



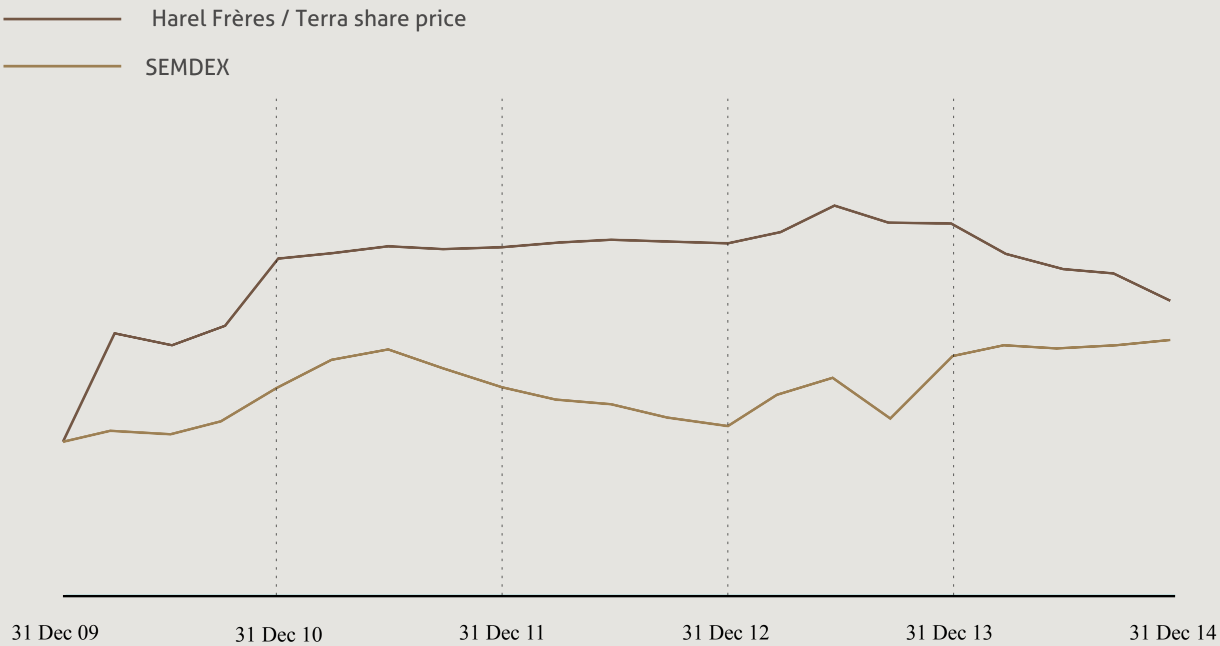
Evolution in the number of shareholders as at December 31,



The number of shareholders of Terra was 1,895 as at April 30, 2015.

Stock Exchange performance

Relative quarterly movement of Semdex and Harel Frères / Terra share price



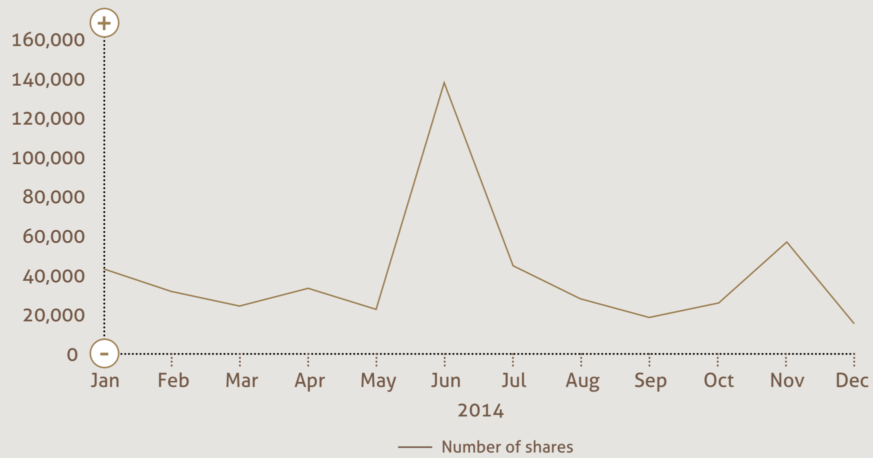
	2010	2011	2012	2013	2014
SEMDEX (Points)					
- Year End Closing	1,967.45	1,888.38	1,732.06	2,095.69	2,073.72
SHARE PRICE (MUR)					
- Year End Closing Price	38.40	38.20	38.50	39.00	33.00
- High	39.00	39.10	41.50	42.60	39.30
- Low	26.00	36.50	37.20	38.50	33.00

Note: The Terra share price was MUR 29.50 on May 13, 2015.

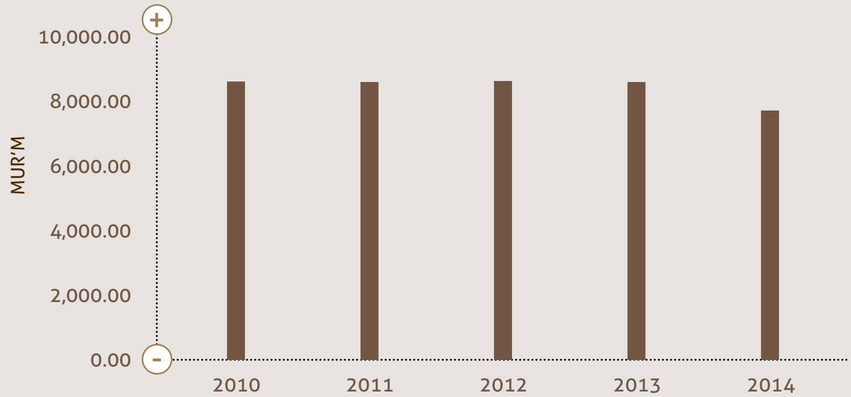
	2010	2011	2012	2013	2014
YIELDS					
- Earnings Yield %	2.97%	6.70%	5.71%	4.05%	4.21%
- Dividend Yield %	1.82%	2.09%	2.08%	2.05%	2.42%
Price Earnings Ratio	33.68	14.92	17.50	24.68	23.74

Average volume traded monthly on the Stock Exchange in 2014

	Volume traded
Jan	42,878
Feb	32,428
Mar	25,202
Apr	33,556
May	23,898
Jun	138,243
Jul	42,882
Aug	28,201
Sep	22,253
Oct	25,689
Nov	57,657
Dec	16,450



Market capitalisation G4-9



	MUR' M	EUR' M*	USD' M*
2010	8,737.75	223.94	272.22
2011	8,692.24	222.78	270.81
2012	8,760.51	224.53	272.93
2013	8,874.28	227.44	276.48
2014	7,509.01	192.45	233.94

*: The exchange rates used are those for the year 2014 as displayed on page 15.

The market capitalisation of Terra on May 13, 2015 was MUR 6,712.59 M.

Main exchange rates to the Rupee

Consolidated Average Indicative Selling Rates
(Source: Bank of Mauritius on http://bom.intnet.mu)

Currency	December 31, 2013	December 31, 2014
Euro	41.360	38.375
US Dollar	30.155	31.635
GB Pound	49.42	49.125
SA Rand	2.865	2.725

Shareholders' calendar and relations

Financial year-end		December 31
Publication of yearly group abridged financial statements (audited)		Late March
Group audited annual financial statements available		Late March
Quarterly financial report- Q1 (unaudited)		Mid May
Annual report issued		Mid June
Annual meeting of shareholders		Late June
Quarterly financial report- Q2 (unaudited)		Mid August
Quarterly financial report- Q3 (unaudited)		Mid November
Dividend	- declaration	Late November
	- payment	Late December

Website: www.terra.co.mu
For more details on shareholders' relations and communication please refer to page 90.

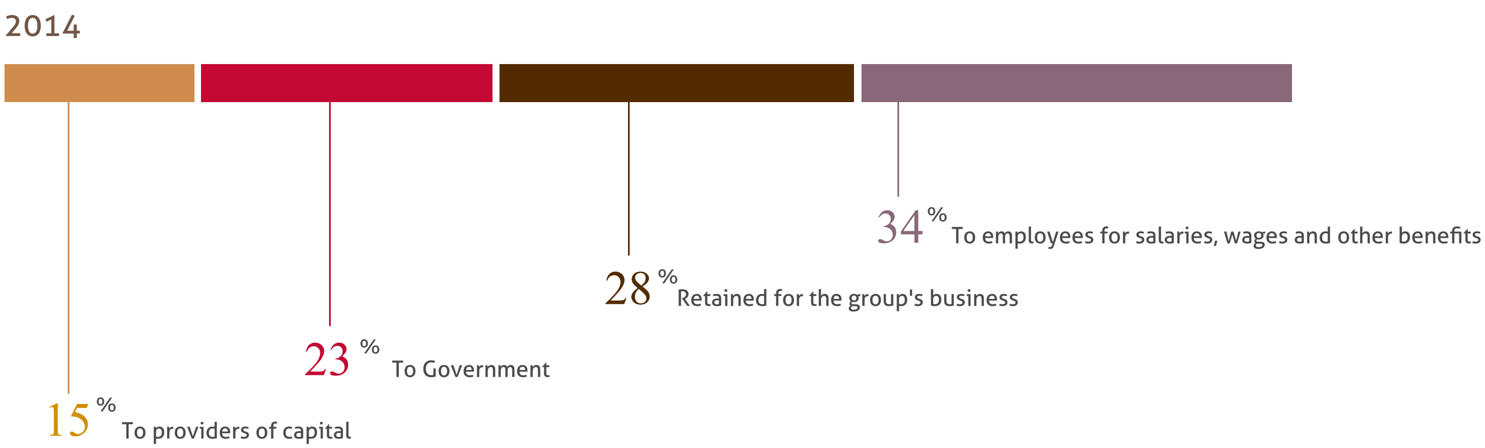
Value Added Statement

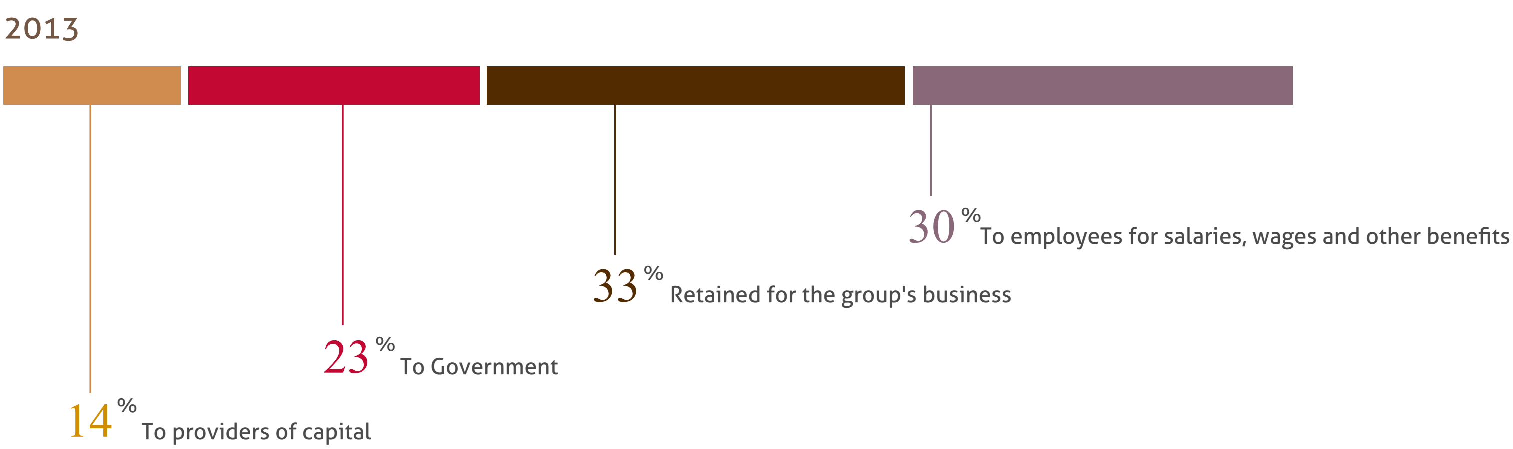
G4-EC1

Group value added statement year ended December 31, 2014

		2014 MUR'M		2013 MUR'M
Turnover		**3,905.4**		4,078.0
Gains / (losses) in fair value		**(103.7)**		4.2
Other income		**120.6**		100.7
		3,922.3		4,182.9
Less: Paid to suppliers		**(1,528.7)**		(1,779.3)
TOTAL VALUE ADDED		**2,393.6**		2,403.6
WEALTH DISTRIBUTED				
To employees for salaries, wages and other benefits	**34%**	**813.9**	33%	787.8
To Government				
Taxes		**34.0**		46.6
Custom and Excise Duties		**509.6**		547.6
	23%	**543.6**	25%	594.2
To providers of capital				
Dividends to:				
Shareholders of Terra Mauricia Ltd		**182.0**		182.0
Outside shareholders of subsidiaries		**108.0**		108.2
Banks and other lenders		**68.4**		24.7
	15%	**358.4**	13%	314.9
Retained for the group's business				
Depreciation		**248.6**		242.3
Amortisation charge		**111.8**		105.6
Retained profits		**317.3**		358.8
	28%	**677.7**	29%	706.7
TOTAL DISTRIBUTED AND RETAINED		**2,393.6**		2,403.6

	2014	2013
To employees for salaries, wages and other benefits	**34%**	30%
To Government	**23%**	23%
To providers of capital	**15%**	14%
Retained for the group's business	**28%**	33%
	100%	100%





CHAIRMAN'S *message*

G4-13 G4-14 G4-DMA

Dear Shareholder,

2014 was a year of change and challenge both for your group and for Mauritius.

National economic growth remained stagnant at 3.2% in 2014 (market prices) despite earlier forecasts for a rebound. Private sector investment dropped by 7.4% offset partly by a 3.1% increase in public sector investment. The most performing sectors were the freeport, tourism and seafood. A 4.6% growth in tourist arrivals was noted with a marked increase from Europe and China, propelling the sector to the forefront again. Inflation was contained at 3.2% compared to 3.5% in 2013. The country was ranked 28th in the World Bank's 2014 Doing Business report and maintained its first position in Africa.

The electorate seeking change voted into power, with a very large majority, a new government coalition, under the leadership of Sir Aneerood Jugnauth in December 2014, ushering in a declared new era of good governance and ethical behaviour in directing the country's affairs. The recently voted budget puts strong emphasis on economic growth, solidarity and social measures. Government quickly started to put electoral promises into action. The challenge for Mauritius as a whole is to show the will to succeed in the long term.

As for Terra, it faces a number of challenges. Perhaps the most pressing one lies within the local cane industry, where gradual erosion of profitability turned into dramatic change in 2014. Although the Côte d'Ivoire sugar operations have shown significant improvements and contributed positively to results of that segment, plummeting sugar prices, in expectation of the abolition of internal quotas of sugar in the EU market, and consequent substantive losses in the local sugar sector put a heavy burden on the rest of the cane sector in Mauritius. This challenge, however, opens up opportunities for innovation at Government and industry levels to free the cane industry of historic shackles and allow it to function as a normal industry, and to develop innovative processes and products in the value chain, to somewhat mitigate abnormally weak market prices. This challenge motivates your group to continue persevering in the development of its other existing pillars of growth and revenue and on new ones being developed, to ensure change and sustainability in the face of a continuing challenging future for the local sugar segment.

The Managing Director's review and the Annual Report provide ample information about the general economic backdrop, financial results and specific areas of operations. After a difficult year, your group faces challenges in the short term, but it enjoys a strong financial position and intends to make use of this position to safeguard the interests of shareholders and other stakeholders by ensuring sustainable development over the long term. The dividend was maintained at the same level as the previous year.

Terra selected 2014 as the "Year of Integrity" and focused on ethics. A new Code of Ethics was published on April 16, 2014 and was presented for signature to all Board members, Senior Executives, staff and employees. The Code includes a whistle-blowing policy, involving Transparency Mauritius as intermediary and guarantor of confidentiality, which has already yielded concrete results. In respect of longevity and sustainability, Ethics is the cement that holds together civilisations, countries and companies alike. Together with strategy and planning, Ethics is a vital element to safeguard sustainability of your group, as recent events in the developed world and in Mauritius have *a contrario* abundantly illustrated. In this context, the attribution of a fourth Corporate Governance Award to Terra, early this year, is a matter of satisfaction and an encouragement to persevere in order to improve further.

Terra has embarked upon sustainability reporting, with the first Sustainability Report covering 2012 published as a separate report in the course of 2014 at the "B" reporting level of the G3.1 guidelines of Global Reporting Initiative (GRI). The Sustainability Report for 2013 has been published earlier this year, also as a separate report, following the new G4 guidelines, and this 2014 Annual Report integrates the sustainability reporting into one and the same document.

Terra has chosen a number of targets concerning the management of its ecological footprint in operations and monitors them, but sustainability also spans other areas such as social responsibility, which Terra attempts to address in the wide ranging coverage of the Terra Foundation in education, poverty alleviation and social housing. "Smart cities" open up other possibilities for Terra's master development plan for the Beau Plan area towards sustainability efforts in energy consumption, recycling, frugal water use which, coupled with the inclusive and mixed use vocation of the development, would enhance not only "physical" sustainability but also social cohesion and sustainability.

In the field of human resources at all levels, succession planning is a major consideration ensuring sustainability, as well as attempts to measure gender weighting and to improve situations where more balance is felt necessary on this score.

At Board level, Jean de Fondaumière did not seek re-election in 2014 as Independent Director, after twelve years of distinguished service with the group and Mr Nikhil Treebhoohun, after a varied career as an economist in the Civil Service, at an international organisation in charge of Commerce and as a consultant in off-shore financial services, has brought his wealth of experience to broaden and diversify the Board's scope and vision.

The group CEO, Cyril Mayer, will release his duties after 22 years at the helm of Harel Frères, subsequently Terra, at the end of 2015 and Nicolas Maigrot will be the new CEO from January 01, 2016. The latter will join the group on October 01, 2015 as Deputy CEO.

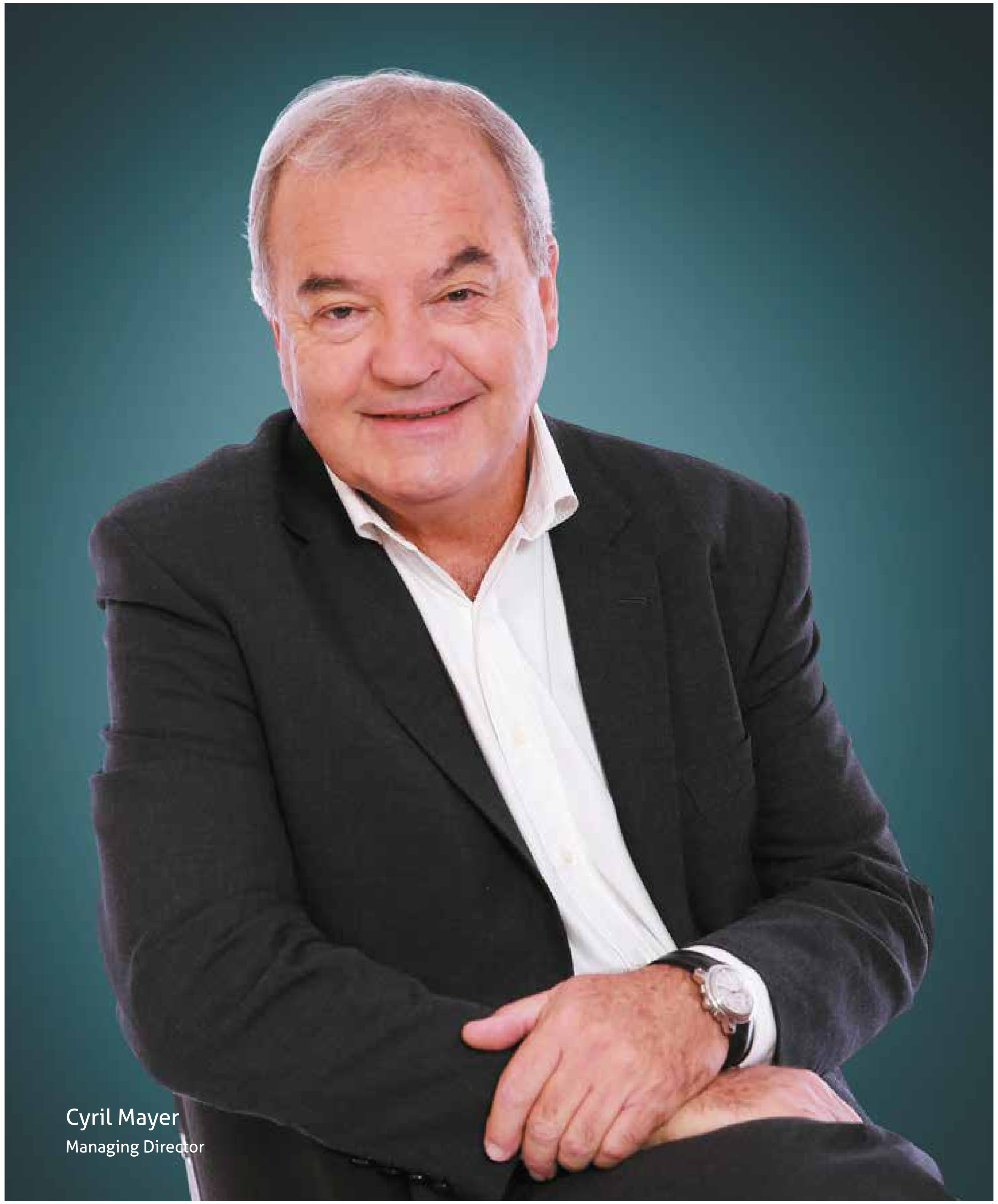
G4-1

Looking ahead and in the wake of the Board's strategy meeting in October 2015 and of the "Year of Innovation" inaugurated in the presence of Honourable Minister Pravind Jugnauth on April 23, 2015, Terra will concentrate its development efforts in five main directions: (i) Finance and financial services, including banking, insurance and new investments in this field (ii) Property development (iii) Strengthening of existing activities in Africa and Indian Ocean Rim countries and investigation of new ventures in core competencies (iv) The cane sector in Mauritius with innovation in processes, products and the whole industrial approach (v) The commercial and industrial sector where innovation to gain market share and exports will be key avenues.

In the quest for a future of better quality and value for shareholders and all stakeholders, human skills and excellence are essential elements. Sustainability hinges upon such skills being found, kept, nurtured, motivated, empowered to innovate and managed into a cohesive force for progress. A major, constant effort is necessary in this field and Terra strives to ensure that it is persistently pursued.

In this context, I thank my colleagues on the Board for their support during the year, without which much less would have been achieved. I also thank all the employees of the group and its management whose cohesion, dedication, innovative skills and hard work have been, and will increasingly continue to be, essential for Terra's sustainability.

Daniel L Nairac,
Chairman of the Board
May 13, 2015



MANAGING DIRECTOR'S *report and review of operations*

Overall review

G4-13 G4-DMA

From a national perspective, the most important event of 2014 was the national elections, which took place on December 10, and brought about a widely unexpected change in government in favour of the newly formed MSM-PMSD-ML alliance. Once it assumed power, the new government started delivering on campaign promises, increasing old age pensions, reviewing upwards the recently awarded COLA and opening, or re-opening, investigations on alleged malpractices under the previous regime. These culminated in April 2015 with a large insurance conglomerate being investigated and placed under conservatorship and its banking subsidiary placed under receivership, with its licence revoked. A number of senior ex-ministers, politicians, civil servants and private sector executives have been brought in for questioning, police investigations are on-going and international arrest warrants have been issued.

G4-9

Despite a difficult year economically for the country and especially for companies involved in the sugar industry, Terra formed part of the recently introduced SEM 10 index; its share was the ninth most largely traded share in value terms on the SEM for 2014 and it ended the year as the ninth largest market capitalisation of the SEM. As shown on the graph on page 13 of this report, its performance followed a negative trend declining by 15.4% over the year. The stock saw 9.1 million shares exchanged over the year and accounted for 2.0% of the total value traded. The Terra share was quite volatile during the year, trading between MUR 33.00 and MUR 39.50 and closing the year at MUR 33.00.

Overall review (cont'd)

Concerning the group performance itself during 2014, the following events may not be systematically referred to in the ensuing review of operations but are nevertheless of interest and are, therefore, summarized below:

G4-9

2014 was not a good year for the local sugar industry. The spectacular drop of sugar prices in Europe, compounded by a weak euro, resulted in ex-Syndicate prices dropping from MUR 16,500 in December 2013 to MUR 12,500 in 2014 – a price level not witnessed in the industry since 2000. As if this was not enough, the industry also suffered a nationwide strike in November last, during which the country's three largest mills were idle for nine days. The crop dragged on to the end of January 2015 – an exceptional event – as a result of unsuitable cane allocation between the mills, adverse weather conditions and the strike itself. Worst, two mills were unable to complete the harvesting of their canes and an estimated 140,000 tonnes of cane were left un-harvested.
It thus came as no surprise that our local sugar segment suffered severe losses in 2014.

Regarding industrial relations in the sugar industry and following the reporting of labour disputes by both the MSPA and the Joint Negotiating Panel (JNP) in 2014, the Commission for Conciliation and Mediation held several meetings during the year, but was unable to broker an agreement. In its report, submitted to the parties in October 2014, the Commission advised both parties to voluntarily refer the unresolved disputes to the Employment Relations Tribunal for arbitration. The JNP shunned such an option and opted instead for a general strike in the industry. It lasted a full nine days, from November 19 to November 27, 2014.

The strike was ended following the signature of collective agreements for agricultural and non-agricultural workers under the aegis of the then Minister of Labour, Industrial Relations and Employment. These collective agreements provided, *inter alia*, for an interim 13% increase in basic salary staggered over 4 years (7% in 2014, 3% in 2015, 3% in 2016) and for an Arbitrator to be appointed to look into the unresolved issues. The arbitration exercise is presently underway and the Arbitrator is expected to deliver its award at the end of May 2015.

In late 2013, basing ourselves on the premise that all four mills should be supplied with canes to the same level of saturation, we had applied to the MCIA for the redirecting to Terra Milling Ltd of 160,000 tonnes of cane yearly upon the closure of Deep River Beau Champ (DRBC) factory. Our application went unanswered, but we learnt through the media that it had apparently not been entertained, all the DRBC canes being redirected instead to the Alteo mill. The latter, as expected, was unable to crush all its factory area canes in 2014, even though it extended its crushing period over an exceptionally long 188 days and diverted some 107,000 tonnes of cane to other mills. Well over 100,000 tonnes of cane were left un-harvested in the Alteo factory area at the end of January 2015 when the crop finally came to a stop.

G4-6 G4-8 G4-9

In view of the inability of Alteo to mill a significant proportion of the canes accruing to it and of the idle spare capacity of our Belle Vue mill, we reiterated our application to the MCIA for the permanent reallocation of 160,000 tonnes of cane to Terra Milling. We were recently informed that 40,000 tonnes of canes from Alteo would be diverted to us in 2015 and that our request for a higher cane tonnage in future years would be considered when the MCIA would carry out the new delimitation of factory areas in the near future.

In contrast to local sugar operations, our Ivorian sugar associate, Sucrivoire, in which we hold 25.5%, has been performing well, with average after tax profits in excess of MUR 300 M over the last three years and dividends amounting to some MUR 240 M being declared, for the first time ever, in March this year. Such a consistently good performance, coupled with seemingly lasting social peace and solid economic growth in Côte d'Ivoire, has prompted us to reverse 50% of the impairment made to this investment back in 2004 This has positively impacted our 2014 Statement of Profit and Loss by some MUR 166.3 M. It is expected that the remaining 50% will be reversed in 2015.

G4-6 G4-8

It may be recalled that in June 2013, Terra took a 10% stake in Banyan Tree Bank, a Mauritian bank founded in 2012, which has strategically positioned itself to capture investment flows between India and Africa. While the financial year 2013 recorded a small loss as budgeted, the bank's performance exceeded expectations in 2014, recording after tax profits above the MUR 100.0 M mark.

In December 2013, Terra had acquired a 29% stake in United Investments Ltd (UIL), an investment holding company with interests mainly in financial services, agriculture related activities, fish processing and the hospitality business. This acquisition was in line with the group's policy of diversifying its activities outside its core competencies. During 2014 and as more amply explained later in this report, UIL delivered on its promises and created significant value through various acquisitions, mainly in financial services and in the leisure industry. It also applied for and was conditionally granted a banking licence, in the light of which it has announced a restructuring of the group due to take place in the second semester of 2015.

G4-6 G4-8

In pursuance of its African drive policy, the group decided to take a 26.7% interest in Terravest Limited, a medium-sized group based locally and presently operating in the fields of water storage and sanitation in five East African countries. As this decision took place in October 2014, group results were not materially impacted by its performance. With Terra's financial muscle, Terravest expects to expand its operations to two more East African countries and to further diversify its product range.

G4-8

Terra's effective 34.03% stake in the Swan group was held through Intendance Holding Limited (IHL) which regrouped two other shareholders. These decided to hold their Swan investment directly and it was agreed that they would exchange their IHL shares for Swan shares. This process was completed on November 06, 2014, leaving Terra as IHL's sole shareholder as from that date.

The group has traditionally held passive investments in the fields of education and health care. During the course of 2014, offers were received from third parties who were committed to the development of these socially important investments. These offers were accepted and the group thus disposed of its 3.75% stake in the Charles Telfair Institute at a price of MUR 9.4 M and of its 2.72% interest in Medical & Surgical Centre Limited for MUR 27.0 M.

2012 had seen attempts at land misappropriation of some 11 hectares at Pointe aux Piments and 38.4 hectares at Balaclava belonging to Terragri Ltd. The latter has good and valid title to those lands, and its predecessors in title and itself have furthermore been occupying those lands with all the requisites of acquisitive prescription for much more than 30 years. Terragri Ltd filed and obtained interim injunctions against all the persons who it believes are involved in the attempt at misappropriation of its lands. Applications to make those interim injunctions interlocutory have also been made; those applications have already been heard before the Judge in Chambers, and the judgments are pending. The main cases linked to those injunctions are following their normal course.

As reported by the Chairman in his message and in line with its vision of "a world where development is sustainable", Terra has engaged into sustainability reporting since 2012. This is aimed at providing all stakeholders with a better monitoring of improvements made to our performance on the economic, social and enviromental fronts. This 2014 Annual Report is the first integrated report to be presented.

Financial summary review

Income Statement G4-9 G4-13

Group revenue was down 4.2% on 2013 at MUR 3,905.04 M while group profit after tax suffered an overall 7.3% drop to MUR 432.2 M. Sugar, suffering from exceptionally low prices in 2014, was by far the main factor.

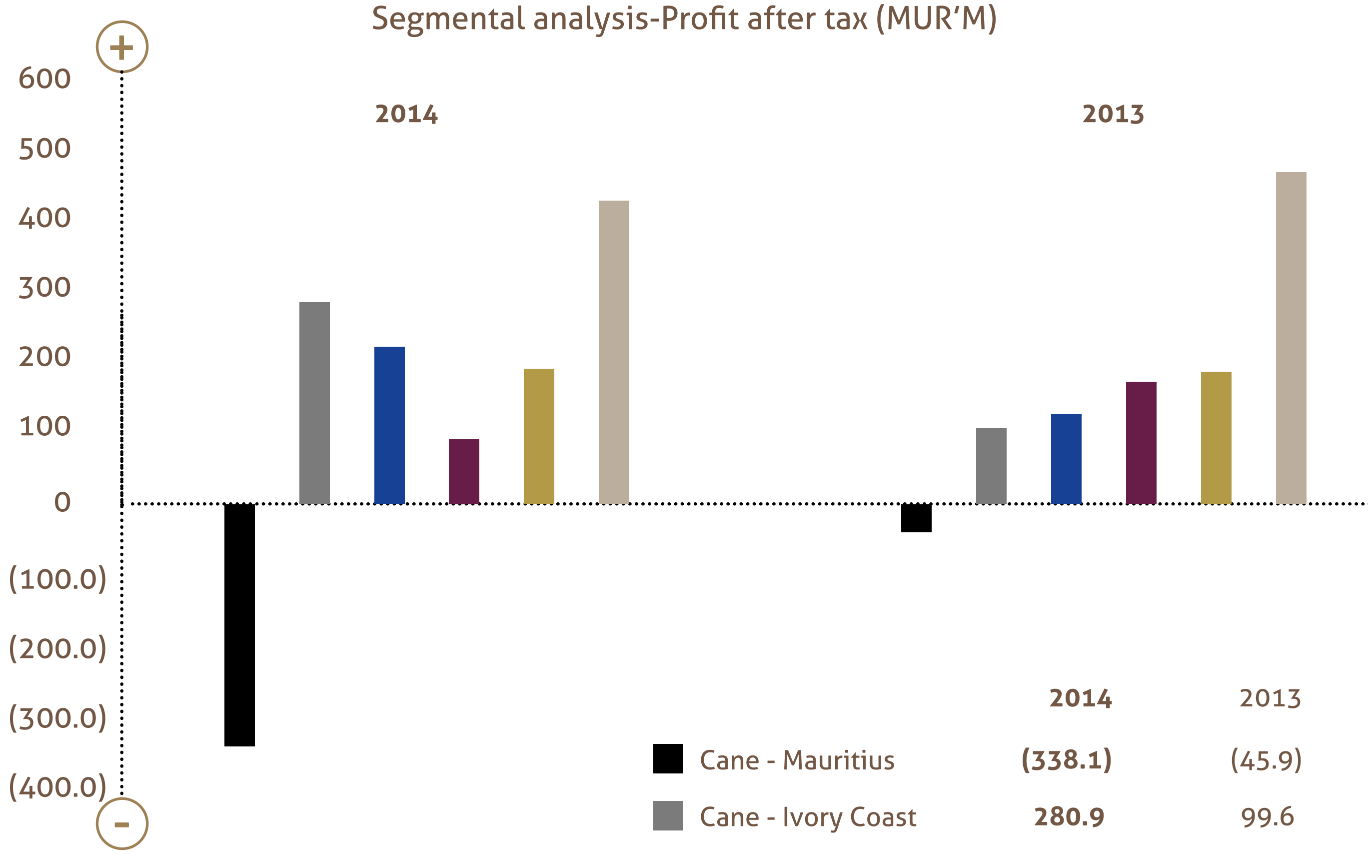
G4-6 G4-8

It is most alarming to note that while our overall sugar results have been favourably impacted by those of our Ivorian operations, the local sugar segment posted a staggering after tax loss of MUR 338.2 M in 2014. Losses of this magnitude are simply unsustainable over any length of time.

While sugar prices are expected to improve modestly in 2015 and thereafter, and every effort is being made to cut down on operating costs, fundamental changes must also be made to the structure of the industry itself for it to be viable in the long term. In this respect, we welcome the study undertaken by LMC and presently under consideration by Government on the long term viability of our sugar industry, in the wake of the forthcoming abolition in 2017 of internal sugar quotas in the EU market. Bold and innovative measures need to be taken to respond to the new competitive market environment already ruling in the EU sugar market and we can not but urge the authorities to address them as a matter of priority, due considaration being given to, *inter alia,* the social repercussions of an ailing sugar industry.

Group segmental results are shown in graphical form below and are more amply explained in the ensuing review of operations.

Segmental analysis-Profit after tax (MUR'M)



	2014	2013
Cane - Mauritius	**(338.1)**	(45.9)
Cane - Ivory Coast	**280.9**	99.6
Power	**212.9**	132.4
Brands	**89.6**	155.0
Others	**186.9**	165.0
Total	**432.2**	466.1

Income Statement (cont'd)

Earnings attributable to equity holders dropped to MUR 317.3 M, MUR 41.5 M shy on 2013 and translated into Earnings per Share of MUR 1.39, compared to MUR 1.58 in 2013.

In line with the group's policy of maintaining a sustainable dividend and in spite of the poor results, the directors decided to declare the same dividend as in 2013. Accordingly, a dividend of MUR 182.0 M (MUR 0.80 per share) was declared and paid in December 2014.

Balance Sheet

The balance sheet nevertheless remains strong. Shareholders' funds stand more or less unchanged at MUR 16,501.9 M and MUR 72.5 when expressed on a per share basis, compared to MUR 16,354.7 M and MUR 71.9 respectively in 2013. Borrowings, both current and non-current, stand at MUR 1,600.0 M (2013: MUR 1,400.1 M), as the group gears up to finance its investment programme. Cash and cash equivalents have dropped from MUR 259.3 M to MUR 115.2 M, while current assets at year-end show a surplus of MUR 213.6 M over current liabilities.

Cash Flow

Net cash flow from group operating activities was in line with its lower performance and dropped by MUR 286.5 M to MUR 212.0 M.

Regarding the group's investing activities, recurrent outflows amounting to MUR 403.1 M were devoted to the purchase of plant and equipment, replantation costs and land development. An aggregate of MUR 94.9 M was invested in new (Terravest) and existing (Swan and United Docks) associates while a final instalment of MUR 8.4 M was expended towards our 2013 investment in BanyanTree. Inflows amounted to a total of MUR 219.8 M and consisted mainly of dividends, interest received and proceeds on disposal of property and non-core investments.

On the financing side, borrowings of MUR 581.6 M were raised during the year. MUR 209.1 M went towards the servicing of loans. Overall cash and cash equivalents increased by MUR 7.9 M during the year, after the payment of MUR 290.0 M as dividends, both to Terra shareholders and minority shareholders in subsidiaries.

Prospects for 2015

In the aftermath of the December elections, much is expected from the newly elected government. In his first Budget speech delivered on March 23, the Minister of Finance laid down the foundations for a near doubling of the GDP growth to 5.7% in 2016/2017, announced public investment in major projects, *inter alia* in the Port area and the creation of eight "Smart City" projects, one of which on our lands at Beau Plan. Red tape was cut with the abolition of some 70 permits and licences, support given to the SME sector. A higher growth rate, lower oil prices and control on spending made a No Tax Budget possible.

Apart from sugar, which has been covered above, our other segments and associates are performing satisfactorily and should bring in good and most probably improved results. We are particularly happy about our recent investments, which are not only performing well, but are also creating innovative synergies and opening up new opportunities for the group.


CANE
12 Specialty SUGARS
SUGAR & SPICE
AND
ALL THINGS
{NICE}
Golden
Bakery
DEMERARA
MOLASSES
DARK
MUSCOVADO
light muscovado

THE CANE REVOLUTION

Once an incredibly valuable and sought-after commodity, it's hard to overstate the role that sugar has played in the history, identity, development and economy of Mauritius, since the first sugar canes were introduced by Dutch settlers in the 1600's up to modern times.

Terra, with its know-how in sugar cane cultivation and sugar manufacturing forged over more than one and a half century has, since the 1970's, through continuous innovation, developed 12 different types of specialty sugars, each *crafted* into valuable ingredients for both industrial use and direct consumption.

The innovative production of specialty sugars has been a path breaking and extraordinary adventure with its trials and troubles, its successes and setbacks. Through thick and thin, Terra has found its way to become the main producer of specialty sugar in Mauritius and a world reference in its sector.

Cane

The international scene

G4-4 G4-8 G4-9 G4-13 G4-DMA

The world sugar market has remained bearish during the year under review, with the price of white sugar varying within the range of USD 380 - 492 per tonne. This is not surprising given that, after three consecutive years of global surplus, 2013/14 (Oct/Sept) was yet another surplus year, resulting in an estimated record global stock of 79.6 M tonnes with stocks/consumption ratio attaining 47.27%, compared with the last 10 years' average of 45.15%. Although 2014/15 is expected to be almost in balance, world prices are expected to remain subdued till stocks return to more reasonable levels. According to market analysts, a new deficit cycle has started in 2015, with estimated consumption increasing by 1.7% in 2015/16 and exceeding production by over 5 M tonnes.

In line with the objective set by the EU Commission under the present sugar regime, the European sugar market did not remain immune from the downward global price trend. It was heavily influenced by additional sugar supplies of 1.2 million tonnes resulting from the declassification of out-of-quota sugar into quota sugar and imports at reduced duty, which caused ex-works prices to decline from Euro 627 per tonne in January 2014 to Euro 433 per tonne by the end of the year. It is believed that such decline was exacerbated by competition for market share among the main EU producers, as they jockey for position for the new market environment which will prevail in 2017, after production quota liberalisation.

Furthermore, given the high proportion of Mauritian sugar exports to the EU market, sugar revenue is heavily influenced by the strength of the Euro, which unfortunately experienced a continuous decline throughout 2014.

As a result of the above, the ex-Syndicate price for the 2014 crop is estimated at MUR 12,500 per tonne, compared to the December 2013 estimate of MUR 16,500.

Commercially, the contract signed between the Syndicate and Suedzucker, for the marketing of the total production of white sugar for Mauritius in the EU market, is expiring in September 2015, after 6 years of a successful partnership, which has managed to position Mauritius as a reliable supplier of white refined sugar to the agro-industrial sector in the EU. New non-exclusive commercial contracts, applicable as from October 2015 for a period of 4 years, are in the process of being finalised. The focus of these new agreements is the development of added value differentiated sugars and packing formats, as well as the branding of Mauritius sugars. The new commercial framework also provides for added flexibility in respect of market destinations for white sugar from Mauritius, whereby sales opportunities in non-EU market destinations can be explored, which, in light of future liberalization of the EU market, might become equally, or even more, remunerative.

The group's sugar interests G4-8

Mauritius

At December 31, 2014, Terragri Ltd cultivated some 5,653 hectares of cane land, some 80% of which fully mechanised and 42% under various forms of irrigation. The area harvested by the company was 4,856 hectares, while the planters harvested, on their part, an area of 6,718 hectares. The total insurable sugar for the group was 56,954 tonnes.

The group also holds an effective 80% stake in Terra Milling Ltd, which owns one of the most modern sugar mills in Mauritius, strategically geared for the production of specialty sugars. The mill imports its energy requirements from the adjacent power plant of Terragen Ltd.

The 2014 crop

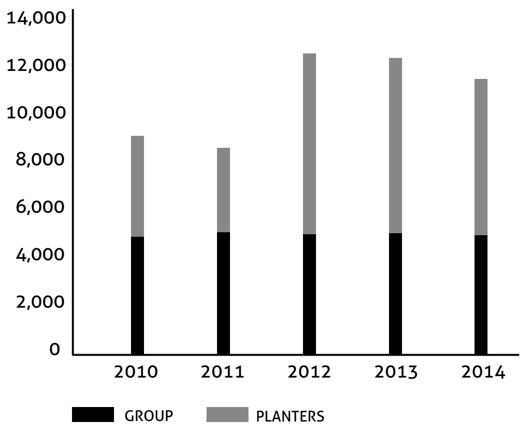
Rainfall recorded during the vegetative season of 2014 was only 93% of the long term mean: effective rainfall was less than 800 mm. This low precipitation, coupled with a very dry winter and drastic reductions in water availability for irrigation, accounted for a poor crop in 2014. Terragri, as a result, harvested some 375,344 tonnes of canes representing an increase of 5% as compared to the 2013 crop. With a sugar recovery of 10.06 %, Terragri produced an average of 7.77 tonnes of sugar per hectare.

Apart from the above, 2014 was a very challenging one on many fronts. First of all, we registered an exceptionally low sugar price of MUR12, 500 per tonne. Such prices date back to year 2000! We also experienced an exceptionally long harvest season of 152 days. This long harvest season was due *inter alia* to an unexpected additional 54,800 tonnes of canes received from Alteo factory area as from September. There was also a general nine day strike in the sugar industry in November during which 275 milling hours were 'lost'. This strike was initiated by a Joint Negotiating Panel (JNP) regrouping three unions (SILU, OUASI and AGWU) who demanded a 38% increase in wages, along with 13 other requests. Such an unreasonable demand could obviously not be met by MSPA members and ultimately led to a strike. On November 28, the strike was ended with an agreement being finally reached between the MSPA and the JNP on a 13% interim increase over 4 years (7%, 3%, 3% and 0%) and the referral to independent arbitration of 13 other unresolved issues.

A consequence of the strike was that the crop could not be completed in December and had to be extended to 2015. Adverse weather conditions experienced in the early part of January 2015 not only impacted negatively the supply of canes to the mill, but were also detrimental to sugar recovery. The crop finally came to an end on January 27, 2015 with all the factory area's canes having been harvested and milled.

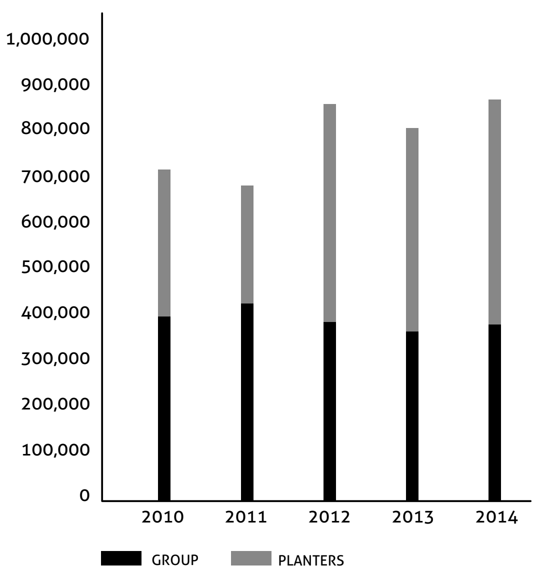
Cane (cont'd)

Harvest area (Hectares)



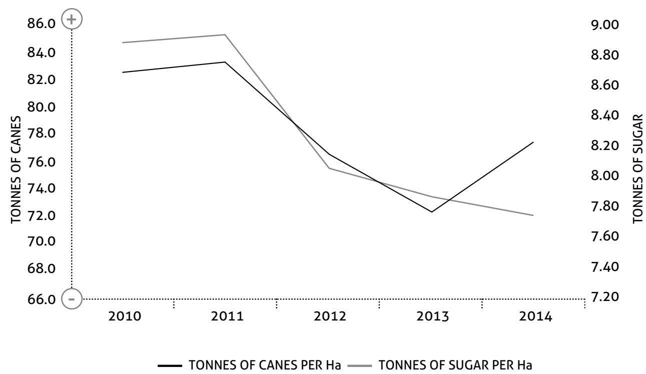
	Group	Planters	Total
2010	4,728	4,241	8,969
2011	4,977	3,537	8,514
2012	4,933	7,539	12,472
2013	4,953	7,341	12,294
2014	4,856	6,718	11,574

Canes harvested in the factory area (Tonnes)



	Group	Planters	Total
2010	389,009	324,042	713,051
2011	414,443	268,029	682,472
2012	377,113	478,725	855,837
2013	357,353	442,792	800,144
2014	375,345	488,830	864,175

Yields per Hectare



	Tonnes of canes per Ha	Tonnes of sugar per Ha
2010	82.3	8.84
2011	83.2	8.91
2010	76.5	8.05
2013	72.2	7.85
2014	77.3	7.77

We also suffered from an unusually high occurrence of cane fires during the crop. 211 cases of (probably) criminal fires were recorded, corresponding to an area of 1,875 Ha and representing a 7% increase over the previous year. These fires, in addition to having a disruptive effect on the harvesting programme, negatively impacted overall performance both at field and milling levels. Some 12,948 tonnes of canes had also to be diverted to other factories to be crushed.

In 2014, our vehicles transported 448,551 tonnes of canes, including 192,281 tonnes from the four platforms of the factory area. Terragri's harvesters cut 306,077 tonnes of sugar cane, comprising 265,044 tonnes for the company and 41,032 tonnes for out-growers. Our lorries transported 78,467 tonnes of sugar for Terra Milling and 182,962 tonnes of coal for Terragen.

The mill was in operation for 152 days. 905,056 tonnes of cane were crushed, out of which 54,804 tonnes came from Alteo Ltd. The factory has produced 71,421 tonnes of specialty sugars. The average hourly rate of crushing was 307.8 and the average daily tonnage was 5,994. The corresponding figures for last year were 800,993 tonnes, 143 days, 297.4 tonnes of canes per hour and 5,601 tonnes respectively.

Cane (cont'd)

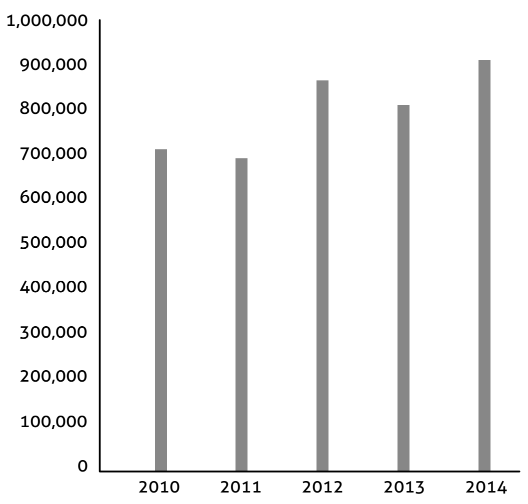
The cane juice had a purity of 86.7 as compared to 87.4 for last year. The sugar recovery was 10.05% compared to 10.82%. The Reduced Mill Extraction and Reduced Overall Recovery were 97.49 and 85.33 respectively. The Fibre % Cane of 16.59 was lower than that of 2013, which was 17.40.

The table below shows various production parameters for this year as compared to the 2013 crop.

		2013	2014
1	Cane crushed (Tonnes)	800,993	905,056
2	Sugar produced (Tonnes)	86,650	90,949
3	Length of crop (days)	143	152
4	No of crushing hours per day	18.83	19.47
5	Mix juice purity	85.6	84.7
6	Sucrose % cane	12.55	11.88
7	Reduced overall recovery	86.29	85.33
8	Fibre % cane	17.40	16.59

Tonnes of canes crushed by the mill

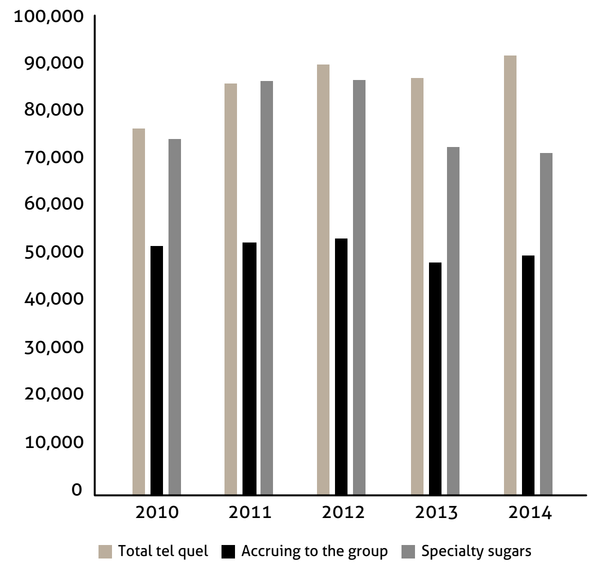
2010	713,051
2011	682,472
2012	854,395
2013	800,993
2014	905,056*



*: Includes 54,804 tonnes from Alteo Ltd.

Sugar produced by the mill (Tonnes)

Year	Total tel quel	Accruing to the group	Specialty sugars
2010	76,144	50,337	74,088
2011	85,366	50,540	85,032
2012	89,810	50,663	85,425
2013	86,650	49,179	72,818
2014	90,949	49,794	71,421



Diversification

1,136 tonnes of potatoes were produced on 49.32 hectares of land in 2014. From this production, 714 tonnes were sold as ware potatoes and 422 tonnes as seed potatoes. Onions were planted on 13.15 hectares and the production amounted to 608 tonnes, while 223 tonnes of pumpkin were produced on 8.00 hectares. On the Mount hunting grounds, 370 deer carcasses produced 13,519 kilos of venison.

Derocking

244,330 tonnes of boulders were sold to stone crushers.

Personnel

At December 31, 2014, 84 staff members and 512 workers were employed on a permanent basis in the group's agricultural activities. Out of these, 199 were employed in the fields, 48 in other non-sugar activities, 125 in the mill and 140 in the transport department. In addition, job contractors and seasonal workers were hired on a temporary basis, as and when required, during both crop and intercrop seasons.

Cane (cont'd)

During the year, MUR 2.1 M was spent on employee training and 111 employees attended about 30 different courses. These included tractor mechanical maintenance (John Deere), sugar cane harvesters, eco-driving techniques, understanding the global standard for food safety (BRCF6), Performance Management System (PMS), Labour Laws and Management.

There has been an increase of 22.8% in accident occurrences compared to 2013. We reported two notifiable accidents under Occupational Safety & Health Act 2005 for Terragri Ltd (Fields & Garage Dept). However, we did not have any notifiable accident for Terra Milling Ltd, compared to three notifiable accidents in 2013. Details on same are available on page 91 of this report.

A health and safety audit was carried out in 2014 for Terra Milling Ltd and Terragri Ltd (Fields & Garage Department) by international consultants specialised in the management of industrial risks. An action plan has been prepared to implement the consultant's recommendations in 2015, so far as is reasonably practicable and a special budget of MUR 2 M has been allocated respectively to Terra Milling Ltd and Terragri Ltd (Garage Department) for improvements in the safety and health environment.

Capital expenditure

Overall, 2014 capital expenditure for the sugar activity amounted to MUR 244.1 M and represented a reduction of 15.8 % on 2013 figures. MUR 110.1 M were spent on replantation costs, some MUR 35.9 M were spent on the renewal of transport and agricultural equipment, MUR 60.6 M on upgrading of the mill and MUR 5.1 M on furniture and office equipment. Renovations to industrial and residential buildings amounted to MUR 8.0 M, while some MUR 24.4 M were spent during the year on the building of a new filling station rented to Engen at Beau Plan.

Results G4-9

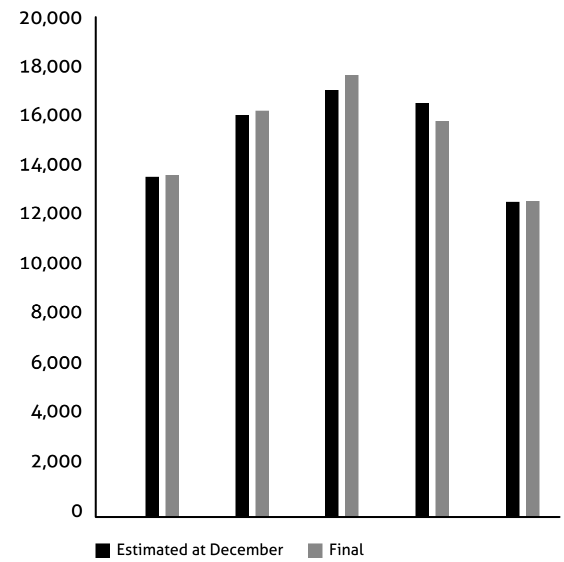
The 2014 results for the group's local sugar activities were appalling, showing a staggering loss of MUR 338.1 M, as compared to a loss of MUR 34.9 M in 2013.

This negative turnaround is mainly attributable to a sharp drop of 24.2% in sugar prices (MUR 12,500 per tonne v/s MUR 16,500 at December 2013) and lower specialty sugar premiums received from the Mauritius Sugar Syndicate (MSS). Also, the labour strike disturbed our sugar operations, resulting in an extended sugar campaign which impacted negatively on our sugar cane yield. On the other hand, production costs increased on account of higher labour costs while the standing crop valuation at year end suffered a marked reduction of MUR 103.7 M as a result of the sluggish sugar price trends.

Sugar accruing to the group, at 49,794 tonnes, was more or less the same as 2013, while production of specialty sugars dropped slightly from 72,818 tonnes in 2013 to 71,403 tonnes for the year under review.

It must further be mentioned that the sugar price for crop 2013, accounted for at MUR 16,500 per tonne at December 2013, was reviewed downwards by the MSS to MUR 15,830 on account of adverse price trends in our export markets. This negative price variance amounting to MUR 32.5 M was accounted for in the financial year ending December 2014.

Sugar price - Ex Mauritius Sugar Syndicate (MUR PER TONNE)

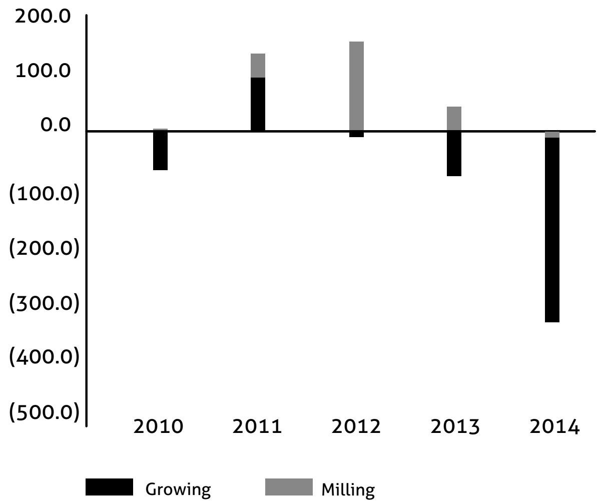


	Estimated at December	Final
2010	13,500	13,536
2011	16,000	16,020
2012	17,000	17,573
2013	16,500	15,830
2014	12,500	12,500*

*: Estimated as at date of writing.

Cane (cont'd)

Profit after tax (MUR'M)



	Growing	Milling	Total
2010	(65.6)	1.7	(63.9)
2011	83.9	57.9	141.8
2012	(21.2)	149.5	128.3
2013	(75.6)	40.7	(34.9)
2014	(326.9)	(11.2)	(338.1)

Prospects for 2015

As mentioned earlier, the last canes of the 2014 crop were harvested on January 27, 2015, which thus reduces the 2015 growing season by a month for part of the harvest. At the time of writing, whereas we had registered sufficient rainfall during the first three months of the year, followed by a very dry month of April, cane height was slightly below the two preceding years. Should the end of the growing season be close to normal, we could expect Terragri to harvest some 360,000 tonnes of cane.

Terra Milling should mill about 800,000 tonnes of cane from its factory area. It is not possible at this stage to forecast the recovery rate for 2015, which will depend mostly on the climate that will prevail.

The low price of sugar on the world market and in European Union combined with a very weak Euro is a major cause of concern for the producers in Mauritius.

Côte d'Ivoire G4-6 G4-8 G4-9 G4-13

In 1997, the group acquired a 25.5% stake in Sucrivoire, an Ivorian company which owns two sugar estates with factories, namely Borotou and Zouenoula, which themselves comprise some 12,500 hectares of land in aggregate. The company is co-managed by Terra and its Ivorian partner, SIFCA and supplies about half the local sugar consumption.

Overall situation

The democratically elected President, Mr Ouattara has been in office since April 2011 and will be standing at the Presidential elections due to take place in November 2015. Much has been achieved over the last five years by way of political reconciliation and restoration of social cohesion.

On the economic front, the government has taken significant measures aimed at improving the business environment and enhancing productivity in all sectors of activity, resulting in an 8.5% GDP growth rate in 2014. Aid and financing have also been forthcoming from a number of countries and international institutions.

The major events of the year have been the implementation of a new mining code, the finalisation of the Economic Partnership Agreement with the European Union, the finalisation of the ECOWAS common market tariff, the continued improvement of business facilitation as well as the move of the African development bank back to Abidjan.

Operations

The inter-ministerial order of June 04, 2010 prohibiting all imports of sugar in Côte d'Ivoire until further notice continues to be in force, pending a new prohibitive decree of the President of the Republic.

Thanks to the steps taken by Government in collaboration with the sugar industry to combat fraud, sales on the domestic market were satisfactory. Sucrivoire's sales amounted to 100,037 tonnes in 2014, compared to 99,184 tonnes in 2013.

Sucrivoire's sugar production on the sites of Borotou and Zuenoula reached 92,240 tonnes in total during the 2013/2014 crop, against 90,900 tonnes in the previous season.

Sucrivoire's turnover decreased by CFA Francs 3.9 billion (Euro 5.9 M) from CFA Francs 53.1 billion in 2013 (Euro 81 M) to CFA Francs 49.2 billion (Euro 75 M) in 2014.

This drop in turnover was due to the average selling price of sugar for the year 2014 on the local market dropping to CFA Francs 477 (Euro 0.73) per kilo from last year's average of CFA Francs 487 (Euro 0.74) per kilo, as a result of a 2% discount awarded to larger clients.

It will be recalled that the total cost of the three-year (2012 to 2014) investment programme for the rehabilitation and modernisation of both factories was CFA Francs 37.2 billion (Euro 56.7 M), out

Cane (cont'd)

of which CFA Francs 36.6 billion (98%) had been disbursed by December 31, 2014. In accordance with the implementation schedule of the investment plan, all required agricultural, irrigation and mill equipment were delivered in time before year end. It should be noticed that the refurbishment of one pumping station in Borotou was postponed to 2015 in order to avoid the risk of rehabilitating two stations in the same year.

Now that near full potential has been achieved at field level within the harvest area, operational objectives for 2015 concern mainly the mills, the priority being a substantial cut in industrial losses and an improvement in mill extraction.

A production of some 97,834 tonnes of sugar has thus been forecasted for the 2014/2015 crop.

Financial results

With the political situation in Côte d'Ivoire having been normalised and Sucrivoire's Board having regained full operational control of the company, the group has reclassified Sucrivoire as an associate since 2011. Its results are accordingly equity accounted in those of Terra.

Sucrivoire posted a net profit of CFA Francs 5.9 Billion (Euro 9.0 M) for 2014, compared to CFA Francs 4.1 Billion (Euro 6.3 M) in 2013. Based on these results, the Board of directors declared a first ever dividend of CFA Francs 4 billion (Euro 6.1 M) in March 2015. In view of (a) the country's newly found political stability – Presidential elections will be held later in the year – (b) the fact that Sucrivoire has been consistently and meaningfully profitable over the last five years – (c) the company's ability to service dividends in the medium to long term and (d) the development of a strategic plan described below, Terra's Board has decided to reverse 50% of the impairment on this investment at December 2014.

Prospects

2015 has started well, with above budget sales for the first quarter. The 2014/2015 crop season is proceeding normally and the production target of 97,000 tonnes of sugar is likely to be met. Profitability for the year should be at least at par with that of last year.

Strategically, Sucrivoire is addressing its medium to long term competitiveness in the perspective of the Ivorian market opening up to imports as from 2020. Investment plans are being considered whereby the company would, on the one hand, substantially increase its production levels to meet growing local demand and, on the other, cut down on its production costs so as to be competitive against imports, within the framework of the newly promulgated ECOWAS common market tariff. Should the forthcoming elections take place peacefully and Sucrivoire start executing its strategic plan in 2015, the balance of the impairment should be reversed at the end of the current year.

Product responsibility G4-DMA G4-PR1 G4-SO8

Terra Milling Ltd produces specialty sugars, which are exported to international markets in packages of 25 kg, 50 kg and 1-tonne bags. It is committed to provide safe products that meet the needs of its customers, while complying with all applicable legal requirements. Terra Milling Ltd, which has been BRC Global Standards certified since 2007, applies the HACCP Codex Alimentarius methodology throughout its sugar manufacturing processes. It is also equipped with an in-house fully equipped laboratory to ensure that its sugars are produced to the highest standard of food-safety.

Terra Milling Ltd has also been registered as a B member of the Supplier Ethical Data Exchange (SEDEX) since September 2012. Regular social audits by an accredited third party are carried out on a yearly basis to assure its customers that its specialty sugars are compliant with local and international labour laws, health and safety regulations, environment requirements and business ethics.

In June 2014, Terra Milling Ltd was C-TPAT certified by the U.S. Customs after a thorough audit of its supply chain from the factory, through the Mauritius Sugar Syndicate and its storage units, up to shipping point to the USA. The objective of the C-TPAT program is to ensure the safeguard of the US market against terrorism.

G4-DMA G4-PR3

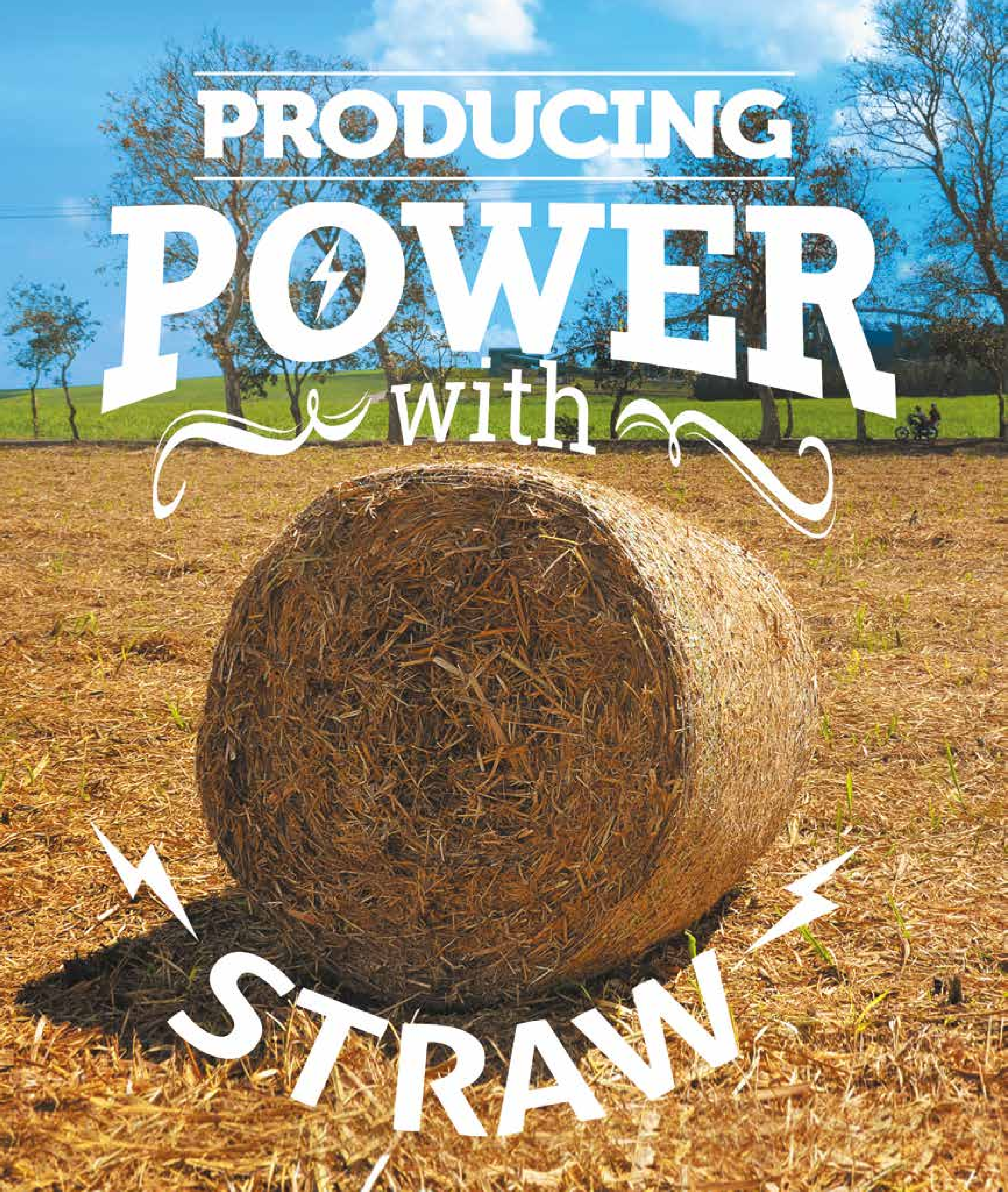
Customer's satisfaction is assessed and maintained through continual feedback from the customers through the Mauritius Sugar Syndicate (MSS). Some customers also request second-party audits through the MSS. The specialty sugar bags are date-coded and labelled to ensure traceability and are always accompanied by a Product Release Certificate signed by the Factory Manager, which certifies that the sugar meets the customer's specifications. This is mandatory as per the Memorandum of Understanding between the MSS and Terra Milling Ltd.

G4-DMA G4-PR7 G4-PR9

Continual effort is made to ensure appropriate marketing communications by complying with applicable legislations. There were no incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship in 2014. Terra Milling Ltd did not pay any fines in 2014 with regards to compliance with applicable legal requirements concerning the provision and use of products.

G4-EN33

Terra Milling Ltd understands that the contribution of all its suppliers is essential to the success of its business. It is thus working on a method for evaluating the environmental impacts all along its supply chain. It will first evaluate its key suppliers on specific environmental criteria in 2015 and the outcome of the exercise will be provided in the next reporting cycle.


PRODUCING
POWER
with
STRAW

GREEN POWER PRODUCTION

A renewable energy par excellence, biomass is the oldest source of power used by humans. Thanks to innovation and technology improvement, waste known as biomass is put to valuable use for the production of clean and sustainable energy.

Terragen, in association with its partner Albioma, has foreseen the increasing importance of delivering effective long term biomass combustible and has implemented a project to that effect.

The exploitation of uncollected cane straw in the fields to produce renewable energy opens up a host of possibilities for generating electricity while optimising the use of this natural by-product.

This project has allowed Terragen to assemble knowledge, innovation and best practice for the supply of green power both on the technological and business sides.

Power

G4-4 G4-8 G4-13 G4-DMA

The group, through its wholly-owned subsidiary Terragri Ltd, had at year end a 51% effective interest in Terragen Ltd (Terragen). Other shareholders include a strategic partner, Albioma (27%), the Sugar Investment Trust (14%) and the State Investment Corporation (8%).

Terragen owns a 70 MW *bagasse*/coal fired power plant situated in Belle Vue, adjacent to the sugar mill, which provides the latter with *bagasse* in exchange for the supply of its energy requirements. It has signed a long term Power Purchase Agreement with the Central Electricity Board under the terms of which it supplies electrical power to the grid throughout the year.

Management G4-9

The day-to-day operation of Terragen is entrusted to Terragen Management Ltd (Terragen Management), which employs around 45 staff. Overall management of Terragen is jointly assumed by Albioma and Terra. The former is responsible for technical support with a view to optimising plant efficiency, both in terms of operation and energy production, while Terra has an administrative responsibility.

Terragen Management is controlled by Terragri Ltd which holds a 61.75% interest, the other main shareholder being Albioma with a 28.25% holding.

With regard to the handling and stocking of coal, a separate entity, Coal Terminal (Management) Co Ltd (CTMC), in which Terragen holds a 30.26% interest, runs these operations from the company's depot, situated in the port area. Coal is jointly imported by Terragen and other energy producers and stocked at the depot, from where it is dispatched to users.

Performance and operations

The power plant performed satisfactorily during the year, with an excellent availability level of 99.4%, well above minimum contractual obligations.
For the first time, CEB's electricity off-take attained the 400 GWh mark and energy exported to the grid rose to 400.8 GWh as compared to 393.7 GWh in 2013.

However, owing to the crop not being completed by year end, *bagasse* supply for 2014 dropped to 269,298 tonnes from 274,028 tonnes in 2013. Consequently, energy produced from *bagasse* fell to 103.4 GWh as compared to 107.5 GWh in 2013.

During the year under review, the plant burnt 188,415 tonnes of coal, thus improving its coal usage ratio from 663 g per kWh in 2013 to 634 g per KWh.

Once again, the company met its supply commitments to the CEB for the contractual year, which ended in June 2014. In addition, it generated some 76.4 GWh at the Excess Fee, over and above the minimum off-take.

Excluding a strategic buffer stock of 7,888 tonnes of coal, Terragen had 11,489 tonnes of coal in storage at December 31 2014, which represents about 17 production days during the intercrop.

Terragen is conscious of the energy challenges facing Mauritius and of the wish expressed by a number of NGO's to substitute biomass for coal for electricity production. In that respect, the project 'Sugarcane Trash to Energy' was submitted for consideration to the Mauritius Research Council under the Collaborative Research and Innovation Grant Scheme (CRIGS) and was approved during the year. Experiments conducted on the combustion of cane trash in our boilers gave encouraging results and Terragen will, under the CRIGS, invest in the appropriate resources to implement this project.

With a view to improving the plant's operational efficiency, Terragen acquired, during the year under review, a new herringbone gearbox at a cost of MUR 14.4 M, which will be installed during 2015 annual shutdown.

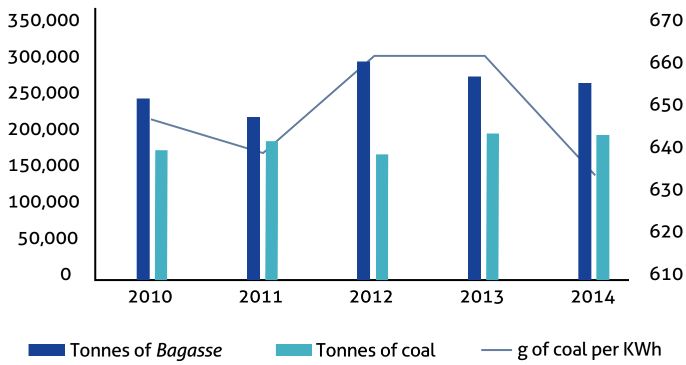
Furthermore, Terragen is also engaged in a project with Albioma and another local IPP for the setting up of a Carbon Burn Out (CBO) plant which will convert coal fly ash into cement additive by exhausting residual carbon content to levels acceptable to cement manufacturers. A new company named Thermal Valorisation Co. Ltd, in which Terragen holds a 35% stake, has been incorporated for that purpose but is not yet operational.

G4-SO8

Terragen also recognises that the effective management of quality, environmental and health and safety issues is fundamental to its operations. Indeed, the company has, during the year under review, validated its triple certification from AFNOR: ISO 9001:2008 (Quality Management System), ISO 14001:2004 (Environmental Management System) and ILO OSH 2001 (Occupational Safety & Health Management System).

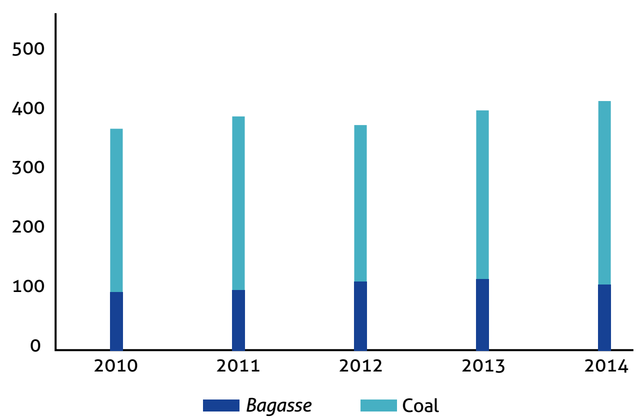
Power (cont'd)

Consumption



	Tonnes of *bagasse*	Tonnes of coal	g of coal per KWh
2010	239,038	171,295	646
2011	215,826	179,591	638
2012	290,819	165,899	663
2013	274,028	189,759	663
2014	269,298	188,415	634

Energy produced (GWh)

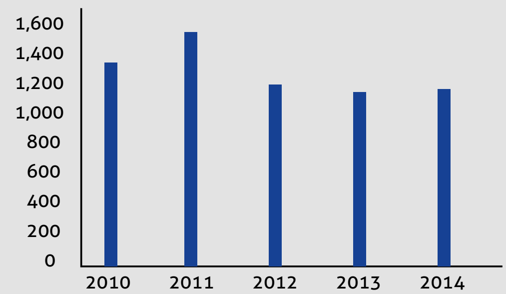


	Bagasse	Coal	Total
2010	88.1	265.2	353.3
2011	89.9	281.4	371.3
2012	106.6	250.1	356.7
2013	107.5	286.2	393.7
2014	103.4	297.4	400.8

Financial G4-9

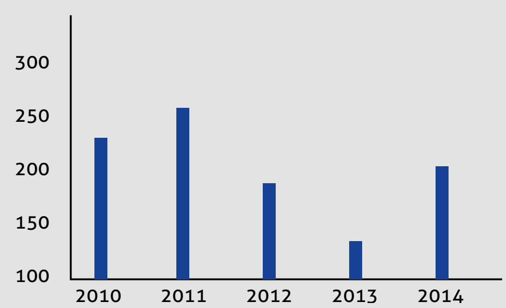
The energy segment posted a profit after tax of MUR 212.9 M for the year under review, compared to MUR 132.4 M in 2013. This improvement in financial results is attributed to a better off-take level, as mentioned above, and enhanced coal usage efficiency coupled with a reduction in maintenance costs.

Turnover (MUR' M)



	MUR'M
2010	1,318
2011	1,463
2012	1,181
2013	1,116
2014	1,120

Profit after tax (MUR' M)



	MUR'M
2010	227
2011	253
2012	185
2013	132
2014	213


AWARD WINNING
New Brands
New Flavours
NEW GROVE
VANILLA
NEW GROVE
PLANTATION RUM
MAURITIUS ISLAND
NEW GROVE
HONEY
KGB
VODKA
OAK AGED
LIQUOR
PLANTATION
New taste
KGB
VODKA
KGB
VODKA
CLASSIC
blackcurrant
lime
vanilla
choc mint
caramel
apple

NEW BRANDS NEW TASTE

A pioneer of the distillation industry in Mauritius, Grays continually strives to be more efficient and keeps innovating and moving towards the international market.
In the world of commerce, the concept of innovation is a linear process, which starts from research and development, to product in the market.
New Grove, an old rum made from cane molasses and aged in oak, showcases the rich heritage and excellence of the island's rum-making tradition. Its range comes in different flavours, namely *Café*, Honey and Vanilla. The other old rums elaborated by Grays, which reaped numerous gold awards, mesmerize the connoisseur and reflect the prestige and tradition of Mauritian rum.
Another object of pride for Grays is KGB vodka, born in April 2009. It is a vodka with attitude, being a premium triple-distilled cane-based vodka embodied in a world-class aluminium bottle. KGB vodka is available in many flavours and varieties, such as blackcurrant, lime, vanilla, apple, choc mint, cassis, citron and caramel.

Brands

G4-4 G4-13 G4-DMA

Structure

Terra Brands Ltd, a wholly-owned subsidiary of Terra Mauricia Ltd, controls the main commercial and alcohol production activities of the group and holds a 74% stake in Grays Inc. Ltd, its operating arm, to which it leases office and industrial space.

In addition, it owns a two third stake in Grays Distilling Ltd, as well as a 33.3% share in New Goodwill & Co Ltd and related companies, which are involved in the production, bottling and distribution of spirits.

Through Grays Distilling Ltd, it invested into Topterra Ltd, a 50:50 joint venture with Island Liquid Fertilizer Ltd, which produces a liquid fertilizer known as Concentrated Molasses Stillage (CMS) from *vinasse*, itself a residue from distillation.

G4-8

Moreover, Terra Brands Ltd, through its wholly-owned subsidiary, *Les Chais de l'Isle de France Ltée,* specialises in the ageing of rum for export and owns the brand *New Grove*. Besides, it owns a 50% stake in *Les Domaines de Mauricia Limitée*.

Commercial G4-8 G4-9

Performance

All our business units performed significantly better than in 2013, except for our cane spirits, which again lost market share due to repeated duty increases in the past few years. The market seems to have now stabilised. Confidence was restored late last year and the market regained its buoyancy, which indicates good prospects for 2015.

The turnover for the reporting year was MUR 1.59 billion, an increase of 6.7% compared with 2013 (MUR 1.49 billion). The shortfall in cane spirits turnover was more than compensated by the healthy growth in the other segments. Consumer spending was rather cautious throughout the year, caused by increased pressure on prices. Our long term focus remains beyond our borders, where sensible growth lies. Our export team has been strengthened and prospects are encouraging.

Wine and spirits

We have curtailed volume losses on cane spirits with new brands which have promising prospects. Existing brands have performed well and we remain confident.

Our efforts on wines were focused, inducing better sales (+14%), led by entry level wines (+22%). Our *20/vin* shop in Grand Baie was totally renovated, with twice the surface area, allowing us to offer a more comprehensive range.

Whiskies in general renewed with a healthy growth. We launched our own brand, Cambridge, whose market acceptance has outgrown our expectations.

Others

Aggressive marketing strategies and line extensions in cosmetics, household products, perfumes and pharmacy resulted in double digit growth in all of these segments. Snacks, with a wider offering, outperformed all business units with a 28% growth over 2013.

Export markets G4-6

East Indies Company, our subsidiary in Madagascar, had a 27% growth in sales, from a small base and renewed with profitability. Providence Warehouse Co Ltd, our 25% held associate in Seychelles, also performed well.

New Grove kept its healthy growth in our export markets, mainly Europe. A limiting factor to export volume is however the availability of old aged rums. Since we abide strictly by European laws and ethics, the range has been extended to increase sales through blended products.

Bottling activity

We have commissioned a new bottling line that has allowed us to increase our efficiency through automatic bottling and labelling of wines, whisky, as well as New Grove and KGB. This equipment handles complex labelling and capping for our upmarket range of products.

Personnel

Our HR team maintained its efforts in promoting the strong values of Grays to all staff. A culture change campaign named *'Ki Mo Kapav Fer Pou Ou'* was proposed in June, with the objective of creating a customer oriented culture within the company. This is an ongoing project which we aim to complete by mid-2016. Staff turnover improved in 2014 compared to 2013, with turnover rates of 12% for staff and 23% for operators.

The incentive scheme (attitude allowance & performance allowance) that was implemented in both our Production & Warehousing departments had mixed results. The amount spent on both these incentives was much less than budgeted. In 2015, we will be fine tuning these schemes with the ultimate aim of increasing productivity, staff motivation and reduce downtime and absenteeism, whilst respecting our Health and Safety procedures.

Approximately MUR 1.32 M was spent on training and development in 2014; this is equal to an average spending of MUR 9,140 per employee. Most of the budget was spent on capacity building courses for various departments as well as on management and leadership skills.

Production of alcohol and liquid fertilizer

The 2014 distillation campaign has been below expectations due to yields and efficiencies issues. The yield dropped to 196 litres of alcohol produced per ton of molasses used, compared to some 235-240 litres in 2012 and 2013. The fermentation process was greatly affected by recurring problems caused by the operation of the boiler, which could no longer cope with the steam requirements of both Grays' distillation plant and Topterra's evaporation plant. Furthermore, an insufficient water supply from the feeder canal jeopardised the proper cooling of the fermentation cycles and resulted in further losses of fermentation yields. These issues have been addressed and production efficiency is expected to greatly improve in 2015.

The number of production days was reduced to 159, from 171 in 2013, due to the installation of additional new distillation equipment aiming for reducing steam consumption and improving the alcohol quality. The production of absolute alcohol and *vinasse* amounted to 4,368,697 litres and 69,908 tons respectively.

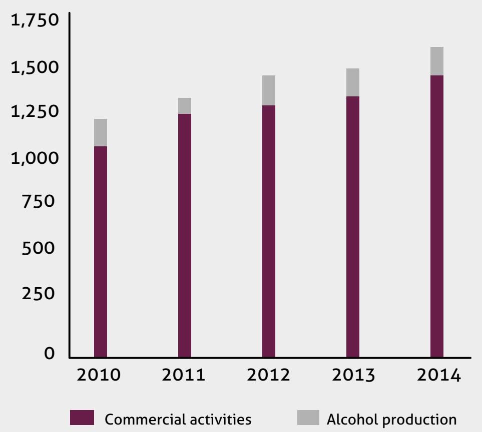
G4-EC9

The proportion of spending on local suppliers at significant locations of operation by Topterra Ltd (within a radius of 20 km) amounted to 70% in 2014.

BRANDS

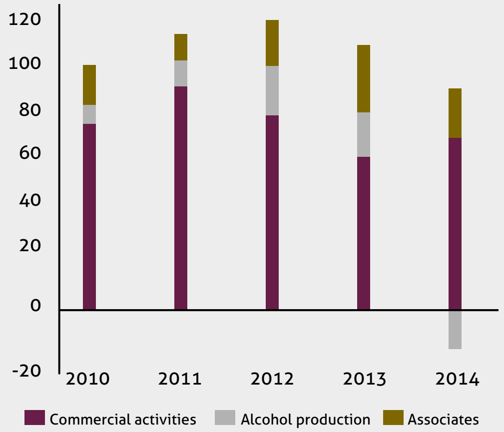
Brands (cont'd)

Turnover (MUR 'M)



	Commercial activities	Alcohol production	Total
2010	1,066.9	113.0	1,179.9
2011	1,217.0	132.0	1,349.0
2012	1,257.5	165.1	1,422.6
2013	1,340.0	152.5	1,492.5
2014	1,432.3	160.7	1,593.0

Profit after tax (MUR 'M)



	Commercial activities	Alcohol production	Associates	Total
2010	70.8	11.0	15.8	97.6
2011	86.9	16.7	9.5	113.1
2012	76.7	21.7	20.1	118.5
2013	59.7	19.6	29.6	108.9
2014	67.6	(11.6)	33.6	89.6

Results G4-9

The "brands" segment turnover increased by 6.7% to MUR 1,593 M for the year while profit after tax decreased to MUR 89.6 M compared to MUR 115 M in 2013. This drop in profitability is mainly attibutable to the lack lustre performance of the distilling operations, which suffered a loss on account of low sales locally, a weak export market and abnormally low distilling yields and efficiencies.

Product responsibility G4-DMA G4-PR1 G4-SO8

We are committed to provide safe products that meet the requirements of our customers, whilecomplying with applicable legal requirements. Both Grays Inc. Ltd and Grays Distilling Ltd are governed by specific legal requirements related to their activities before they sell their products:

- Alcohol production through distillation process for the local market is controlled by the Ministry of Health and Quality of Life; while for the international market, the quality of alcohol is controlled by Grays' laboratory in accordance with the requirements of its customers.
- All alcoholic products for sale are required to display a 'Health Warning' in accordance with the Public Health Act 2009.
- A pre-market approval is mandatory for food products before marketing the product, as stipulated in the Food Act 1999. This is done by sending a sample to the Ministry of Health and Quality of Life which verifies that all ingredients are within acceptable nutritional criteria.
- The active ingredients of the pharmaceutical and para-pharmaceutical products must be communicated to the Pharmacy Board of Mauritius which gives its approval before their sale.
- As far as cosmetic products are concerned, there is currently no legislation governing them.

The authorities also ensure that all products are imported and stored in special storage facilities and under specific conditions. For instance, wine is imported in refrigerated containers to maintain its quality. Regular meetings on 'New product development' are held, in the course of which product formulations are reviewed to minimise their risks for customers. These measures clearly show the continual improvement methods for addressing health and safety impacts of products products throughout the production and storage processes. G4-DMA G4-PR3

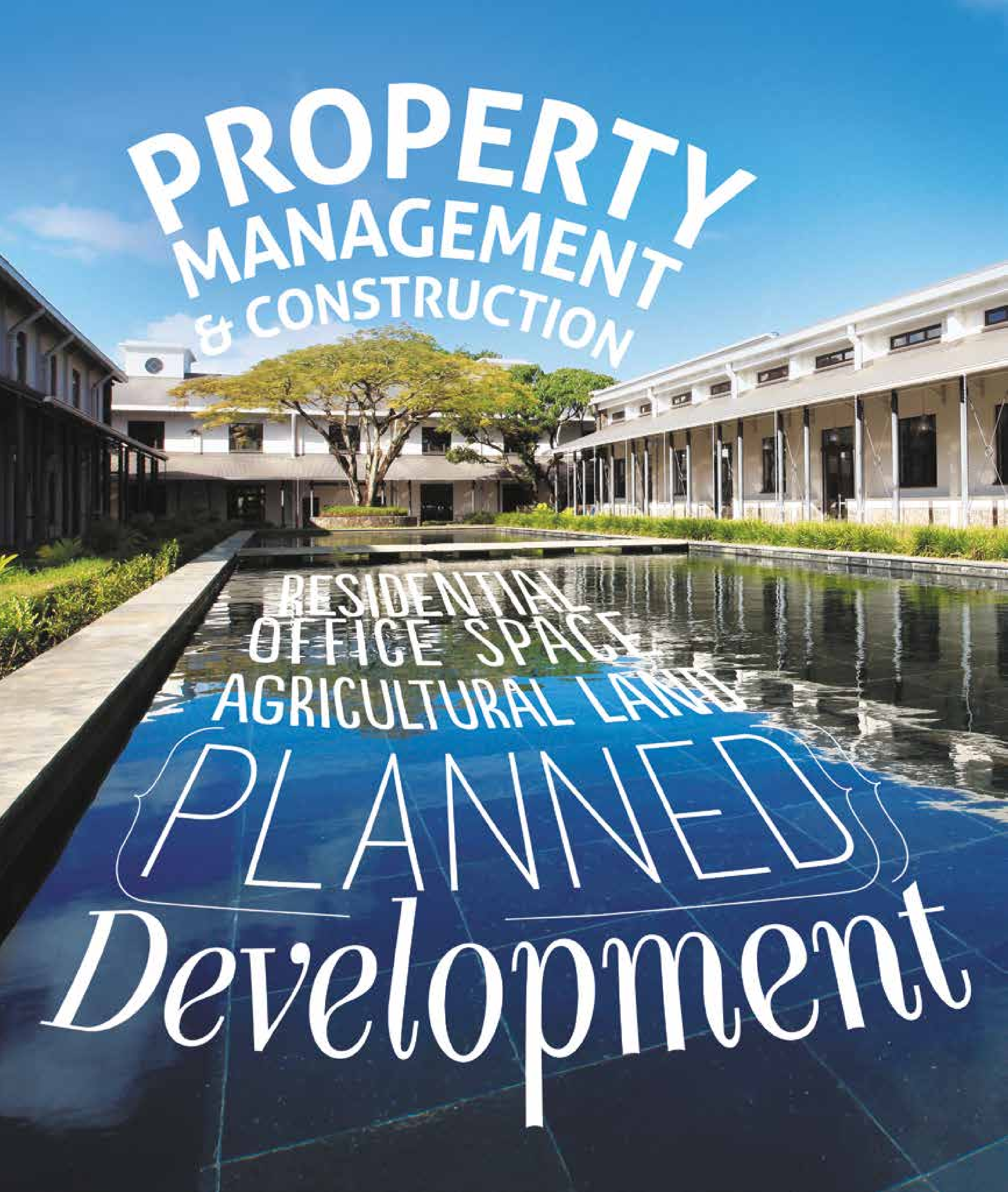
Grays Inc. Ltd uses two means to assess and maintain customer satisfaction: the service level satisfaction by the call centre and the brand audit by Brand Managers. The call centre constantly transmits the list of customers' comments to judge the level of service provided by the Sales department. Secondly, the Brand Managers conduct an exercise on brands to understand the shifts in patterns of consumption and to identify problems before they become unmanageable. Moreover, 'mystery shoppers' sent by Grays also visit the shops to make incognito checks.

Labelling of spirits is governed by the Excise Act 1994 or the Custom Act 1988, depending on the type of product. Before marketing spirits, Grays Inc. Ltd is required to send every new label details together with the manufacturing data for validation by the Customs Department. At present, most of the products' labels contain the cautionary for pregnant women and for the recycling of bottles. Exportation of food products to Europe must comply with a new directive "Food allergen and information requirements under the EU Food Information for Consumers Regulation No. 1169/2011", which has been applicable since December 2014. Grays Inc. Ltd is working on the label design to meet this new requirement.

G4-DMA G4-PR7 G4-PR8 G4-PR9

Terra Brands Ltd fully complies with the Public Health (Prohibition on Advertisement, Sponsorship and Restriction on Sale and Consumption in Public Places, of Alcohol Drinks) Regulations 2008. Continual effort is made to ensure compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, sponsorship and provision and use of products and services. There were no incidents and fines paid in 2014 in that respect. Similarly, there were no complaints regarding breaches of customer privacy and losses of data.

BRANDS


PROPERTY
MANAGEMENT
& CONSTRUCTION
RESIDENTIAL
OFFICE SPACE
AGRICULTURAL LAND
PLANNED
Development

PLANNED
RESIDENTIAL
DEVELOPMENT

One of the leading land and property development companies in Mauritius, Sagiterra prides itself of having an in-depth expertise of the local market and a wide range of land and property development related skills. Adopting a need-to-basis approach, Sagiterra has been the initiator of one of the first residential projects with uniform fences, security gates, a comprehensive *cahier des charges* and a *syndic* in Mauritius.

Being a firm supporter of sustainable practice, Sagiterra also integrates green concepts, both through awareness of customers and design of products, in all its projects.

Property management & construction

Property development G4-4 G4-8 G4-13

Property development and management is a group activity carried out by Sagiterra Ltd, a wholly owned subsidiary of Terra. It is specialized in property promotion and development and provides services to the group, as well as to external clients.

Sagiterra, as a member of the Real Estate Association (Mauritius) Ltd (REAM), regularly engages in constructive dialogue with the authorities regarding business facilitation and processing of permits. Proper vetting of proposed property development projects and the timely issue of permits is essential to the success of property development in Mauritius.

Infrastructure works of "Harmony", a gated residential development situated at Pointe aux Piments, were completed in the last quarter of 2014 and the *morcellement* permit obtained in early 2015. The project was marketed in two phases. The first one was launched in 2013 and sold well. Phase 2 was launched in February 2015 and has obtained a fairly positive response from the investing public.

As mentioned in previous reports, the low to middle income segment of the market is of interest to us. To this end, a small experimental housing complex known as "Serenity Lifestyle Residences" and aimed at that segment is being implemented in the same region as our Harmony project. It will consist of twelve units, out of which two have been built and are used as show houses.

Some 230 Hectares of long outstanding land conversion permits were obtained by Terragri Ltd in 2014. We have since been working on a number of new projects, ranging from affordable residential units for young professionals to well situated and designed apartments for the middle income market and up-market properties for the more affluent.

Our Beau Plan Master Plan, which encompasses some 90 hectares, received a "large scale project" certificate from the Board of Investment in 2014. More recently, the Beau Plan project was one of the sites identified by the Minister of Finance in his 2015 budget speech, as a "Smart City". This new concept is designed to bring about a profound change in the way our fellow countrymen will work, live and play in the future. It dovetails extremely well with our own Tropical Urban Excellence (TRUE) concept, which aims at providing an excellent quality of life for all, while minimising impact on the environment and integrating the community.

G4-9

Proceeds on land disposals of MUR 52.6 M (2013: MUR 98.8 M) were received by the group in the course of the year and a profit of MUR 17.4 M was recognised thereon (2013: MUR 25.9 M).

As for Sagiterra, it earned fee and commission income of MUR 26.0 M during the year (2013: MUR 13.8 M) and recorded a profit of MUR 4.2 M (2013: loss of MUR 7.7 M).

G4-DMA G4-PR8 G4-PR9 G4-SO8

Sagiterra Ltd fully complies with the Data Protection Act 2004 regarding protection of personal data owing to the nature of its activities. Hence, no complaints were recorded in 2013 on breaches of customer privacy and losses of customer data. Since it also complies with applicable laws and regulations concerning the provision and use of products and services, no fines were paid in 2014.

Construction G4-4 G4-8 G4-9 G4-13

The group's interests in the construction industry are vested in two companies, namely Terrarock Ltd, in which the group owns a 54% stake, and Rehm Grinaker Construction Co. Ltd (RGC) in which it holds 35.5%.

Terrarock, incorporated in 1990 to improve our policy of field derocking, is involved in the manufacturing and sale of building materials, consisting mainly of hollow concrete blocks, aggregates and rock sand. Management of operations is entrusted to the United Basalt Products Ltd.

Property management & construction (cont'd)

Construction (cont'd)

Terrarock turnover for 2014 decreased by 14.4% to MUR 131.0 M in line with the contraction suffered by the construction industry. Despite a slight improvement in the gross profit percentage compared with last year, profit after tax decreased by MUR 7.3 M to MUR 18.0 M, mainly due to lower sales volume.

G4-DMA G4-PR9 G4-PR7 G4-PR8 G4-SO8

Terrarock Ltd complies with applicable laws and regulations concerning marketing communications, including advertising, promotion, sponsorship and the provision and use of products and services. Thus there were no incidents and fines paid in that respect in 2014. Terrarock also guarantees the privacy of its customers by complying with the Data Protection Act 2004. There were no breaches of customer privacy and losses of data in 2014.

RGC is one of the leading multi-disciplinary construction companies in Mauritius and is managed by Grinaker-LTA South Africa under a management contract.

For the financial year ended June 2014, the company increased its turnover by 2% to reach MUR 1,819.0 M and succeeded in posting an after tax profit of MUR 17.5 M, as opposed to the heavy loss of MUR 123.2 M which it suffered in the previous year.

The group's share of profit for 2014 amounted to MUR 4.2 M. Market conditions in the industry remain very tough and highly competitive, with thin margins on jobs secured. It is hoped that the market will respond positively to the measures announced in the last budget. In the meantime, RGC remains lean, focused and job-hungry so as to improve on its 2014 performance.

Leisure

FINANCE AND INVESTMENTS

Diversification

Banking • offshore • insurance

audio guide
5 translations
5 languages

SUGAR CANE HISTORY

UNIQUE MUSEUM WITH AN AUDIO GUIDE IN 5 LANGUAGES

Within the walls of the former Beau Plan's sugar mill, a precious legacy of Mauritius' historical events, lies a voice which reaches out to us from the past and recounts the diverse experiences of its human occupation. To be able to hear the voice of history loud and clear, *L'Aventure du Sucre* innovated once again by creating a mobile application in 5 languages.

The application, available on smartphones, allows the German, Chinese, Russian, Italian and Spanish visitors to find out more about the history of Mauritius and its people, so intimately tied to the story of sugar.

It provides translations of relevant information on the main themes of the museum, the specialty sugars and rum tastings in the craft shop, as well as the restaurant, *Le Fangourin*, which offers an authentic Mauritian cuisine full of flavours and savours.

Leisure, finance and investments

LEISURE G4-4 G4-8 G4-9 G4-13

Sugarworld

The group owns 95.2% of Sugarworld Ltd, a company trading under the name *L'Aventure du Sucre*. It consists of a cultural and heritage site which comprises an eco-museum, a museum-boutique and a restaurant. Set in the old factory of Beau Plan, where all equipment have been preserved and restored, the museum is fully educational and attempts to reveal the very heart and soul of Mauritius through the story of sugar, for long the main industry of the country.

In 2014, the site was honoured by the TripAdvisor Travelers' Choice Awards in the category of the best museums in Africa, a distinction obtained for the second time consecutively, while the restaurant was awarded the Certificate of Excellence for the third time in a row.

Although there were fewer local patrons, the museum welcomed more than 70,000 visitors in 2014, an 11% increase on the previous year. Overall turnover improved by 7.5%, driven by the museum and the boutique, reaching MUR 61.5 M for the reporting period.

Operating margins suffered as the effect of inflation could not be fully offset by price increases, due to fierce competition in the market. As a result, profit after tax for 2014 amounted to MUR 2.6 M compared to MUR 3.3 M in 2013.

Product responsibility G4-DMA G4-PR1

Customer health and safety is highly regarded by Sugarworld owing to the nature of its activities: museum, restaurant and boutique. This is achieved through compliance with applicable legal requirements and procedures to provide safe and hygienic food at the restaurant and safe visits to the museum. Sugarworld Ltd also guarantees that its employees have a Food handler certificate issued by the Ministry of Health and Quality of Life under the Food Regulations 1999. In addition to this, a health and safety committee has been established to prevent and solve issues related to the health and safety of employees and visitors. The maintenance department contributes to the safety commitment through daily site inspections. It also filters and selects suitable suppliers for the sourcing of food & other products used in food preparation and in the "*boutique*". Some of these suppliers have also adopted the HACCP methodology. Tour operators conduct impromptu inspection to ensure the safety of visitors, be it in the museum or restaurant.

G4-DMA G4-PR3

Customer satisfaction is the driving factor for the success of this business. Sugarworld Ltd has two methods of monitoring customer satisfaction: Guest Comment Book and TripAdvisor. The Guest Comment Book records the positive and negative feedbacks of customers; this is similar to TripAdvisor, which is a popular site that collects the opinions and recommendations of travellers worldwide. Both tools enhance the performance and quality of service towards the visitors. As mentioned above, Sugarworld Ltd received the Certificate of Excellence award from TripAdvisor in 2014. This award, which recognises 10% of the best institutions in the world, is attributed to organisations that regularly receive high marks on TripAdvisor from travellers. The measures that were implemented following the last customer satisfaction survey helped the visitors during their visit. Some of them are: the display of essential information at the visitor's corner; the training of guides; the explanation of the difference between residents and non-resident tariff. Moreover, the 'Frequently Asked Questions' document which is used to better attend to the queries of visitors is being updated regularly.

G4-DMA G4-PR7 G4-PR8 G4-SO8

Sugarworld Ltd always complies with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by ensuring the use of copyrighted materials in any advertisement. It is also governed by the Data Protection Act 2004 that ensures compliance with protection of personal data. There were no incidents of non-compliance with regards to the above in 2014.

G4-PR9 G4-SO8

Nevertheless, Sugarworld was found to contravene some specific regulations in 2012: failing to display a copy of the tourist enterprise licence at a conspicuous place (The Tourism Act 2004), to display a 'No Smoking Notice' on its premises (Public Health - Restrictions on Tobacco Products Regulations 2008), and to post a message on the sale of alcoholic drink being prohibited to minors and that excess consumption of alcohol causes health problems (Public Health - Prohibition on Advertisement, Sponsorship and Restriction on Sale and Consumption in Public Places, of Alcoholic Drinks Regulations 2008). These issues, which were promptly addressed, were due for review when the corresponding laws were promulgated. Sugarworld has admitted responsibility and accepted to pay the corresponding fines amounting to MUR 5,000.

G4-DMA G4-EC9 G4-EN33

It is worth noting that Sugarworld Ltd aims, as far as possible, at local sourcing of its products to promote job creation along the supply chain. It uses environmental friendly products such as Forest Stewardship Council certified paper for production of packaging, labels, posters and flyers, that are also recyclable at the end of their life. It has been using Forest Stewardship Controlled certified paper and vegetable oil based inks for printing its museum booklet and recipe book since 2013. The proportion of spending on local suppliers at significant locations of operation for Sugarworld Ltd was 65% in 2014. Sugarworld Ltd is working on a method for evaluating the environmental impacts along the supply chain. More information will be available in the next report.

Leisure, finance and investments (cont'd)

FINANCE

AceTer Global G4-4 G4-8 G4-9 G4-13

Since the granting of its licence as a global business management company 2013, AceTer has grown and presently has under its administration and management a portfolio of around 50 institutional clients (including GBC1, GBC2, Trusts and others types of structures). The strategy of the company is not only to increase its portfolio of clients organically, but also to grow through mergers and acquisitions.

During the year, AceTer has grown its clients' base which now ranges from small private companies and trusts, to listed companies on the Stock Exchange of Mauritius and asset managers. This is in line with management's strategy to move from low margin to high margin services. The company has also built a team of young professionals to support management in the servicing of those clients. During its first full year of operations in 2014, AceTer achieved a turnover of MUR 4.5 M. It has forecasted a turnover growth of 100% in 2015.

G4-DMA G4-PR8 G4-SO8

Due to the confidential nature of the services provided, AceTer Global Ltd measures and maintains customer satisfaction through meetings with customers and exchanging emails, where the latter can express their concerns or provide positive feedback as well. As a service provider, AceTer Global Ltd has the onus to disclose information to protect the interests of its clients in order to minimise the inherent risks (legal or regulatory, compliance, financial and reputational) to which they may be exposed, as well as to protect its own interests. Disclosure of the products and services is also a mandatory requirement in accordance with the Financial Services Act (FSA), Financial Intelligence and Anti Money Laundering Act (FIAMLA) and the FSC Code. In so doing, AceTer Global Ltd provides information to its clients related to:

- The nature of the activities they are allowed to engage in under their licence;
- The nature of the products and services; and
- The different options provided to the clients in order to use Mauritius as a financial hub.

In reciprocity, AceTer Global Ltd needs, pursuant to section 17 of the FIAMLA, to verify the true identity of all customers and other persons with whom they conduct transactions. Besides, it must establish and verify the identity and the current address of the client, as well as the nature of the client's business, his financial status and the capacity in which he is entering into business relationship with AceTer Global Ltd.

G4-PR9 G4-SO8

AceTer Global Ltd complies with the Financial Services (Consolidated Licensing and Fees) Rules 2008 and Section 77 of the Financial Services Act 2007 regulated by the Financial Services Commission. It therefore did not pay any fines with regards to any form of non-compliance.

Terra Finance G4-4 G4-8 G4-9 G4-13

Terra Finance Limited was incorporated in 2011 and obtained its Treasury Management Licence from the FSC in November 2012.
It is a profit oriented business unit which provides treasury management solutions and assistance to fellow subsidiaries and associated companies for the optimal utilisation of their financial resources.
Its activities have grown significantly since inception and it presently has funds of around MUR 900.0 M under its administration and management. It also trades in foreign exchange and derivatives with banking counterparties on behalf of group companies in its quest to provide efficient treasury assistance.
The long term objective of Terra Finance is to grow organically as well as to provide corporate treasury management solutions and consultancy services to third parties.

The Swan Group G4-4 G4-8 G4-9 G4-13

Terra's effective holding in Swan Insurance Company Ltd stands at 34.03%.
Long term operations "surplus for the year" has increased by 10%, driven mainly by improved contributions from investment and other income. Both the local and international stock markets performed well and investments income rose, supported by a diversified and sound investing strategy. Life assurance remains a competitive activity, in spite of the persisting tough economic environment and the reduction of disposable income, as well as the attraction of more tangible assets. Net earned premium remained stable at MUR 2.4 billion and the life assurance fund rose by 9% to reach MUR 30.9 billion.

The Group's profit for the year "attributable to the owners of the parent" increased by MUR 17.5 M to MUR 242.0 M, despite the soft market conditions, which prevailed in 2014. Swan's prudent underwriting approach and efficient claims management strategy contributed to achieve sustainable growth and profitability. Underwriting surplus thus reached MUR 485.9 M in 2014, an 8% increase compared to MUR 451.2 M for 2013. This improvement in overall results is also attributable to a more favourable claim experience during 2014, the previous year having been materially affected by flooding and fire claims.

The contribution of Swan to the Group's after tax profit amounted to MUR 82.4 M (2013 MUR 75.9 M).

Leisure, finance and investments (cont'd)

FINANCE (cont'd)

Banyan Tree Bank G4-4 G4-8 G4-9 G4-13

During its second year of operations ending December 31, 2014, BanyanTree Bank in which Terra holds a 10% stake accelerated attempts to reach its objective of achieving profitable growth and continued its focus on risk management, while continuing to invest in growing its roots in Mauritius. The bank clearly demonstrated its success in short term strategy execution.

As at December 31, 2014, the bank successfully raised total deposits and inter-bank placements of USD 50.15 M (including USD and MUR deposits), thereby registering a five time growth in deposit base over last year. The Bank made a focused effort to reach out to various government agencies, institutional investors and parastatal bodies. It made a concerted effort to grow its loan book, by initiating bilateral loans that grew by 15% during the year and has also seen a steady pipeline of such loans through affiliate and direct solicitation / intermediaries.

The bank has done extremely well on all financial parameters during the financial year ended 2014. It has registered a profit after tax of MUR 113.5 M in 2014, against a loss of MUR 7.7 M last year. The total asset base grew to MUR 3,166.0 M, registering a growth of 489%. Average Net Interest margin stood at 5%, with a very healthy average Return On Equity of 36%. Net Interest Income has grown by 444%. The bank's capital adequacy ratio was very respectable at 14%.

INVESTMENTS

United Investments Limited (UIL) G4-4 G4-8 G4-13

The group holds 29.03% of UIL's capital. UIL is an investment holding company with investments in financial services and hospitality through AXYS and Attitude Resorts, as well as in Island Fertilizer Ltd and Mecom, subsidiaries active in agriculture related fields.

During the year, UIL completed the acquisition of Caversham SA, which has been amalgamated into its Swiss subsidiary, NWT. AXYS extended its footprint to Africa, as planned, through the acquisition of Cogito Capital and Four Oaks Advisors, specialised asset managers in Johannesburg, and is in the process of acquiring a stockbroking operation in Kenya and a corporate advisory firm in Dubai.
AXYS has also applied for a banking licence locally. The licence has been granted subject to certain conditions which have to be fulfilled. It is anticipated that the bank will start operations in October 2015 and that this should give AXYS a significant advantage in the capture of investments flows, using both its regional reach and its current clients' base.
The following developments are also worthy of note:

- UIL's 40% associate, Attitude Hotels, has increased its capacity through the purchase of *La Plantation*, a 275 room beach hotel.
- Mecom is performing to budget and is expected to expand into new areas.
- Quantilab Ltd, which is the first sub-Saharan's multi-disciplinary laboratory and in which UIL has an effective stake of 35%, is now fully operational.
- A new management has been put in place for the seafood operations regrouped in Pelagic Process and indications are promising at time of writing.
- UIL has also purchased a 25% stake in Emineo, an experienced Africa focused agriculture engineering firm, which has itself signed a strategic partnership with De Smet Engineering, of Belgium, one of the world's leading sugar engineering firms, following which De Smet purchased a 20% stake in the company.

During the course of 2015, it is intended that UIL be reorganised in two separate structures, one holding its financial services investments and the other its unregulated investments.

Terravest Limited (Terravest) G4-4 G4-6 G4-8 G4-9 G4-13

In October 2014, as part of its strategic initiatives to expand into the African market, Terra acquired a 26.7% interest in Terravest, which will be fully subscribed in the course of 2015. Terravest is a GBC 1 company based in Mauritius, with investments in five underlying companies in East Africa. It is driven by a vision that aims to uplift incomes of households in the region by offering long lasting solutions in the area of water, sanitation, energy, food security and productivity.

The company has four manufacturing facilities covering Kenya, Uganda, Rwanda and Burundi and a trading company based in South Sudan. The primary products produced are water tanks, water pipes, well liners, sanitation slabs, septic tanks, household biogas and bio slurry units and grain silos.

With the investment of Terra, the Terravest group expects to improve its operational and financial efficiency and is expanding its operation in other East African countries, namely Zambia and Congo. The group is also preparing to diversify its product offer to include gutters, bigger pipes and solar energy equipment in 2015.

Leisure, finance and investments (cont'd)

INVESTMENTS (cont'd)

Harel Mallac & Co Ltd (HMC) G4-4 G4-9 G4-13

HMC is a publicly quoted conglomerate mainly involved, either directly or through its subsidiaries and associates, in the following business segments: Chemicals, Technology, Engineering, Distribution, Services and Property.

Terra holds directly and through holding entities over 26% of HMC's capital. However, it is not represented on HMC's Board. Consequently, it does not exercise significant influence on the company and is unable to equity account HMC's results.

HMC has published a profit after tax of MUR 73.4 M for the year to December 2014, after recording a profit on disposal of investments of MUR 150.9 and a post-tax profit from discontinued operations of MUR 6.3 M (2013: Loss of MUR 42.7 M). A dividend of MUR 1.9 M was received during the year (2013: MUR 2.4 M).

Alcohol & Molasses Export Ltd (AMCO) G4-4 G4-8 G4-9 G4-13

The group owns a 41.9% interest in AMCO, a company whose main activity is to trade in molasses.

The Company performed consistently throughout the period with turnover amounting to MUR 286 M almost at par with last year. AMCO managed to improve gross profit margins through close monitoring of the molasses, freight and currency markets. As a result, the group's share of after tax profit of AMCO for the period under review increased to MUR 18.9 M (2013: MUR 15.5 M).

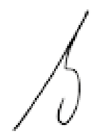
Based on the positive trend encountered so far, the 2015 results are expected to be better than those of 2014.

Orange Madagascar (OMA) G4-4 G4-6 G4-9 G4-13

The group's effective interest in OMA is 5%. At Euro 67.5 M, OMA's revenue for the year ended December 2014 showed a 10% growth on 2013. This growth was noted on all revenue lines.
Growth in outgoing revenue, which represents 61.5% of total revenue, was driven essentially by a 40% increase in the number of active subscribers. OMA remains a major player in the voice market in Madagascar as well as the number one player in data services, with its superior network and better quality of service.

Orange Money has also been performing well, with an increase of 65% in the number of active clients.

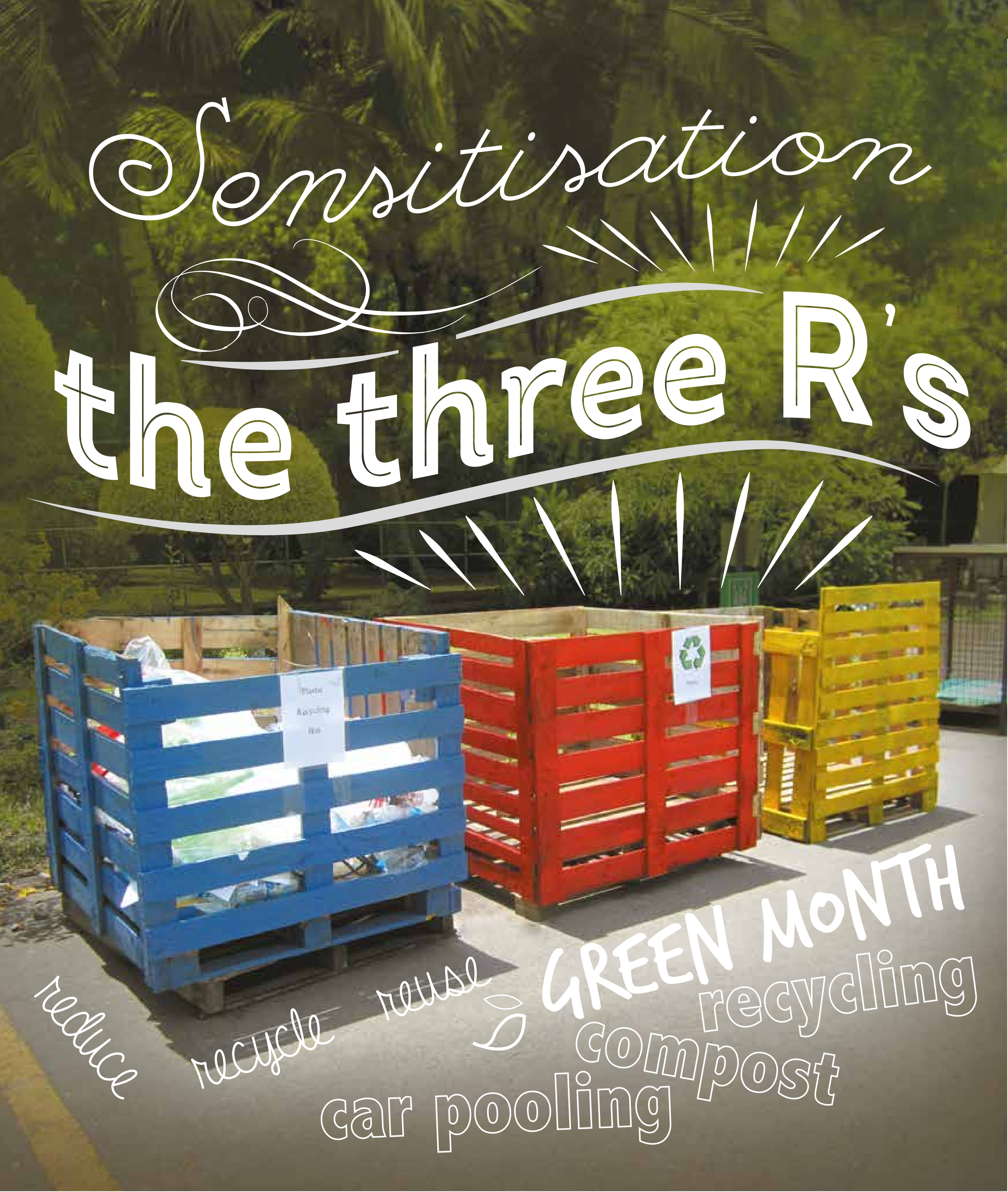
Net profit for the year ended December 31, 2014 stood at Euro 6.3 M and was 16% down on last year, owing to increases in financial charges and to the impact of accelerated depreciation and amortisation charges, in line with the capital expenditure plan. The gearing ratio (debt to equity) of OMA has decreased from 55% in 2013 to 35% at December 2014.



Cyril Mayer
Managing Director
May 13, 2015

Sensitisation

the three R's



THE TERRA WAY TO CARE

"When we look to the future, we see a world in which Development is Sustainable. Where every individual has the opportunity to succeed, without compromising the needs of the next generation. Where natural resources are used responsibly and efficiently and the ongoing development of society and the environment are kept in balance."

In order to share and apply this vision, adopted by Terra since its rebranding, employee training and communication are essential. Through the Green Month initiative, awareness was raised on environmental issues and the right behaviour and gestures to adopt through the 3R's: Reduce, Recycle, Reuse. Information sessions have been organised on composting and recycling, as well as on how to reduce water, electricity, fuel and food consumption.

Through appealing slogans such as "Ready, Get set, Green", "*Zero Gaspiyaz*" or "*J'agis, je trie*", Terra Foundation and the Group HR Department aimed at providing the right tools and the right habits to the employees who will, in turn, educate their families in their home environment. This is how mentalities change!

Terra Foundation

G4-4 G4-8 G4-25 G4-DMA

Terra Foundation was created as an exclusively Corporate Social Responsibility (CSR) dedicated entity in December 2009 to ensure better coordination and sustainability for the group's CSR initiatives, at a regional and national level, in favour of the development of the community, according to the National CSR Guidelines. Although these guidelines were abolished by the recent Finance Act 2015, Terra Foundation still operates in accordance with its own terms of reference, which have remained unchanged since its inception.

The group's social responsiveness therefore comes principally via Terra Foundation which finances projects initiated by non-governmental organisations (NGOs) and local grassroots associations. In effect, this approach addresses the issue of inter-generational equity that is central to sustainable development.

In accordance with the group's vision, Terra Foundation commits itself to manage its operations in a socially responsible and sustainable manner, in order to contribute more significantly to the development of the communities or to prepare upcoming generations for future challenges.

The CSR Manager, who manages the foundation's activities under the stewardship of the CSR Committee, has the core responsibility of pre-selecting, appraising, supporting and following-up the projects sponsored in the Mauritian community. Two yearly monitoring meetings with the NGOs or responsible people implementing the projects are organised to ensure their smooth running and progress and to show the commitment of the group.

CORPORATE PROGRAMME

In 2014, Terra Foundation started its activities with another "Green Month" aiming at sustaining the employees efforts regarding the good habits introduced in 2013 on the 3 "R"s - Reduce, Re-use and Recycle and regarding paper reduction. The major focus however was the recycling of the companies' e-wastes according to international norms through an external service provider. A total of 5.7 tonnes of e-waste accumulated over past years was collected in the group and recycled.

The activities proposed during this "Green Month" were:

- Tips, posters and reminders on notice boards and the intranet;
- Cleaning days in the group encouraging the employees to put into practice the 3 "R"s, focussing on the reuse of paper and recycling;
- E-waste survey and recycling.

Since 2013, the group has started sorting its wastes and hired the services of an NGO and of a recycling plant to regularly collect the wastes and this was continued in 2014 for most of the companies of the group. The reduction of paper consumption was also encouraged since 2012 and targets were set accordingly. In 2014, five companies within the group achieved their targets, including three which succeeded in further reducing their consumption.

OPERATIONS WITH IMPLEMENTED LOCAL COMMUNITY ENGAGEMENT AND DEVELOPMENT PROGRAMS

G4-24 G4-26 G4-SO1

In 2014, the community days involving the staff of the group were dedicated to the organisation of the birthdays of the kids of an NGO, the welcome at Belle Vue of Rodriguan students from four schools during their educational tour in Mauritius and for an outing at Casela Nature and Leisure Park organised for the 30 children of a shelter in the north. Other projects with local community engagement and development programs were supported as further detailed below:

- The ZEP (Education Priority Zone) school H. Ramnarain in Terre Rouge (+/- 746 students)

The ZEP project is a partnership between the private sector and the Ministry of Education, through which private sector companies contribute voluntarily a sum of money every month to various projects and activities to promote the well-being of students of underprivileged schools.

Owing to the high rate of absenteeism, the low pass rate at the end of the primary cycle and the illiteracy rate after 6 years schooling, the sugar factory of Belle Vue (now Terra Milling) decided ten years ago to contribute to this ZEP project which is found in a pocket of poverty within its factory area.

To address the problem of absenteeism, an 'Assistant School Community Facilitator' was thus sponsored by the group and the foundation later further strengthened its partnership by sponsoring other projects such as:

- remedial teachers to help the borderline pupils to catch-up and gradually improve their performance;
- rewards for the regular children and for the best performers at the national end-of-primary cycle examinations known as the CPE examinations;
- a 'parent's club' for better communication, sharing of information and increased involvement of parents in school activities;
- pedagogical outings.

In 2014, one remedial teacher was sponsored for the Standard VI classes for some 25 students experiencing academic difficulties. The school facilities could not accomodate more remedial teachers. The CPE pass rate was 48.8%.

The foundation is also invited to the School Improvement Unit (SIU) meetings, where the progress and difficulties of the school are discussed with other stakeholders and sponsors.

OPERATIONS WITH IMPLEMENTED LOCAL COMMUNITY ENGAGEMENT AND DEVELOPMENT PROGRAMS (cont'd)

• Support to SAFIRE for the rehabilitation of children in difficulty at '*Cité Mère Teresa*', a pocket of poverty in Triolet

The foundation sponsored a social worker of the NGO SAFIRE *(Service d'Accompagnement, de Formation, d'Intégration et de Réhabilitation de l'Enfant)* for the daily monitoring and follow-up of some 25 vulnerable children in difficulty and for training sessions of unemployed women. Statistics concerning the children followed by SAFIRE in Triolet are available in Annex 5.

• Support to the new branch of '*Autisme Maurice*' in the north

'Autisme Maurice' was founded in November 2009 and created a Special Needs School to welcome their first 10 autistic students and a documentation centre in Rose-Hill.

As there was a waiting list from various areas of the islands, it was important for the NGO to extend its services geographically and when a location was found in the north, Terra Foundation was approached for the sponsorship of this branch and of its running costs.

The Foundation organised a community day with the help of the staff, volunteers and the employees of the NGO for the painting and renovation of the classroom and also sponsored the equipment.

The new branch has been operational since January 2014 and can accommodate up to 5 children. As they need a constant supervision, the class can only cater for a limited number of children.

In 2014, Terra Foundation maintained its support for the sponsorship of the educators and of the running cost of the school (consisting of one classroom). Three children attended the school regularly and are gradually progressing towards more independence in certain fields.

• The organisation of a recreational day and Christmas gifts for children residing in a Government shelter* '*L'oiseau du Paradis*' managed by the NGO Human Service Trust

The foundation, with the assistance of the employees of Terra, organised an outing at the 'Casela World of Adventures' leisure park for some 30 boys residing in the shelter, as they had been taken away from their families because they were living in difficult circumstances.

This outing enabled them to get out of their usual environment, visit another place far from their shelter and experience activities they had never tried before. The employees accompanied them in their activities all through the day and they were offered a lunch at the restaurant.

*Government's residential care for children in distress, abandoned and at risk.

DEVELOPMENT PROGRAMS G4-SO1

A number of ongoing projects were renewed in 2014. Details thereon are available in Annex 5.

Listed below are new projects supported by the foundation in 2014 according to its respective areas of intervention:

1. Education and Training

- ***Roman Catholic Diocese of Port Louis CSR for BPS Fatima school in Goodlands***, In line with Terra's Vision which is 'A world where development is sustainable', the foundation supported a new educational project for a school found in its factory area in the north, where 'sustainable development' was introduced in the curriculum including training in various fields related to this subject such as organic agriculture. It is a long term project where Terra is investing in the education and development of a future generation of students who will be better prepared to cope with and take decisions on sustainability issues. In 2014 some 56 students were reached.
- ***Association d'Alphabetisation de Fatima*** for the sponsorship of one vulnerable student.
- ***Association de développement de Pamplemousses*** (ADP) for the sponsorship of the studies of a person coming from a low-income family.
- ***Comité Quartier Cité de Pamplemousses*** for the sponsorship of the studies of a person coming from a low-income family.

2. Poverty Alleviation and Health Care

Poverty Alleviation

- ***APEA***, for the printing of brochures for awareness campaigns against indebtedness.
- ***Pointe aux Sables Mates Sports Club***, for the Christmas gifts of vulnerable kids of the area.
- ***ARISE***, for the birthdays and for the Christmas gifts of the kids residing at the NGO.
- ***LIONS Club de Pamplemousses*** for the sanitary wares of one vulnerable family.

Health Care

- ***CEDEM***, for the therapy of vulnerable children traumatised in their childhood because of abuse and difficult living conditions.

Terra Foundation (cont'd)

DEVELOPMENT PROGRAMS (cont'd)

3. Environment

- *Mission Verte*: Environment being one of the five areas of intervention of Terra Foundation and in line with the '*Maurice Ile Durable*' national project, the foundation sponsored a second lorry for the NGO '*Mission Verte*' for the collection of sorted waste for recycling. The NGO now has two lorries and can offer their services to more companies and also provide a more regular collection where the sorted bins are located through-out the island.

4. Projects sponsored in Rodrigues

Rodrigues island forms part of the Mauritian territory and is considered as a pocket of poverty. Since the creation of the foundation, it was decided that a yearly budget would be earmarked for Rodrigues projects. In 2014, the main projects funded for the development of the beneficiaries were:

- ***The educational tour of Rodriguan students in Mauritius***
  This project aims at familiarising the students of the standard V at primary level with the important physical features of Mauritius and at organising visits to places of great historical and pedagogical value, in order to raise their awareness and better prepare them for the CPE examination held in Standard VI. The foundation contributed for their transport fees, lunch, as well as the entrance fees for the sugar museum for one day of the tour.

- ***Meal allowance***
  This project of Caritas aims at providing a meal to the students coming from extremely poor families or more often from single headed families. The foundation contributed for some 135 students.

- ***University courses for vulnerable students***
  One of the major areas of intervention of the foundation is education and training and one of its objectives is to prepare the actual generation to face future challenges. The foundation is thus sponsoring the university studies of 3 vulnerable students at the University of Mauritius.

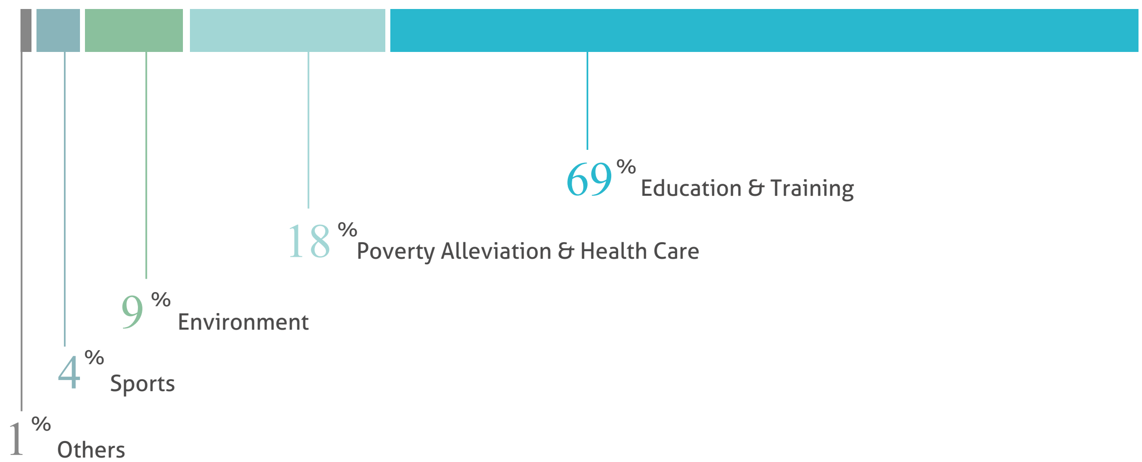
- ***Support to the 'Association des Écoles Ménagères de Rodrigues'***
  Five years ago, the foundation was approached with a view to sponsoring a project aiming at promoting food self-sufficiency in an innovative way. A group of women had decided to try new and more attractive recipes with the Rodriguan traditional vegetables and fruits. After a practice period, all the successful recipes were collated and the foundation sponsored the printing of a recipe book. The sale of the books for a token price enabled the association to be known and to start another service aimed at providing practical sessions to students and women around the community centres through-out the island. The association later started to prepare cakes for special occasions and, owing to their success, needed to equip themselves with professional equipments. This was done with the help of Terra Foundation two years ago. In 2014, the foundation maintained its support for more equipment.

- ***Partial sponsorship for the construction of a kindergarten for extremely vulnerable children***
  In 2014, the foundation received a request for sponsorship for the completion of the construction of a new and modern kindergarten of two classrooms at Creve Coeur. There was an existing kindergarten providing the basic services in a very restricted space. With the increasing number of children, most of them coming from extremely vulnerable families, it was imperative to offer adequate and appropriate infrastructure to the children. The foundation thus contributed towards the constructions of the flat concrete roof of the building. The school can now accommodate some 52 children as compared to 40 before.

In 2014, the foundation sponsored some 51 projects via NGOs and corporate programmes. Out of these 51 projects, 23 were located in the regions of the north and 7 in Port-Louis, being the localities where the companies of the group are located. Some 5,107 vulnerable children and youths and some 294 vulnerable adults were directly reached via these programmes.

PERCENTAGE OF CONTRIBUTIONS G4-EC1

The foundation received a total of MUR 9.4 M, including contributions from non-group entities. After deduction of administrative expenses, the funds were allotted to NGOs and projects as follows per area of intervention:



G4-DMA G4-SO11

Terra monitors any grievance related to impacts on society through the media and the social networking websites. It has also hired the services of a private Public Relation and Communication firm that closely follows issues that impact on society. In case of major issues the crisis management team at Terra meets and proposes remedial solutions. No such grievance was reported in 2014. Terra is working on a method to address such grievances. More information will be available the next reporting cycle.

Louis Denis Koenig
Chairman, CSR Committee

Human resources

Mission statement G4-DMA G4-26

The Group Human Resources (HR) department strives to adopt more proactive approaches in order to meet the group's strategic objectives. During our Strategic Planning session with the entire HR team in early 2014, we coined our HR motto, being "we nurture and develop our employees to help them achieve their potential" by which all our actions are governed.

We believe that our employees are key to our success and thus we continue to strive to give them opportunities to learn and develop themselves within our group. We ensure that our values are put into practice by all our employees and have, since 2014, dedicated a value for each year. We are fully committed to providing an environment that promotes Terra's values, namely: Respect, Tenacity, Integrity, Passion and Innovation.

G4-SO8

As regards the legal framework governing employment in Mauritius, we comply with the Employment Rights Act 2008 and Employment Relations Act 2008 to ensure that our employees are adequately remunerated, and are provided with a respectful working environment that is free from any form of inappropriate or unprofessional behaviour such as harassment and discrimination based on gender, age, race, colour, caste, creed, sex, sexual orientation, HIV status, religion, political opinion, place of origin, national extraction or social origin. Each entity through the HR department takes care of the welfare facilities of the employees. All employees irrespective of gender are rewarded for their contribution to the group's operating and financial performance, in accordance with the remuneration policy of the group. Our management approach is also aligned on the Constitution of Mauritius and the Equal Opportunities Act 2008.

Terra recognises the right of every employee to freedom of association. The Sugar Industry Remuneration Orders for Agricultural and Non Agricultural Workers lay down the minimum wages and conditions of employment for those two categories of workers in the sugar industry. However Terragri Ltd and Terra Milling Ltd being members of the Mauritius Sugar Producers Association (MSPA) apply the terms and conditions of employment as per the Collective Agreement signed by the latter with the recognized trade unions. The Collective Agreement currently in force covers a period of 4 years extending from January 01, 2014 to December 31, 2017.

As far as the other companies of the group are concerned, continual efforts are made to work in collaboration with duly chosen employee representatives in the common pursuit of the interests of the employees and the Company's mission. The workers councils at both Terragri Ltd and Terra Milling Ltd remain effective platforms for communication between employees and management. In 2014, the same policy was implemented at Grays Inc. Ltd and Grays Distilling Ltd with satisfactory results. Moreover, with the open door policy being practised, employees are able to voice out their concerns to their supervisor or can also appeal to a higher level if the grievance is not resolved.

Terra values G4-56 G4-SO4

2014 was decreed "Year of Integrity", and was celebrated with the launch of our new Code of Ethics in April 2014. Awareness sessions with all the Group's employees were facilitated by our Ethics Officer and our partner, Transparency Mauritius. A whistle-blowing policy was also put in place to enable our employees to make disclosures when the normal channels for airing grievances or concerns are unavailable or inappropriate.

Welfare activities

2014 marked the launch of our first Terra Trail, a 6km fun run and 12km trail race, which was held at *Le Domaine de Rambouillet*. Over 800 employees participated in this event which was enjoyed by one and all. Various other activities included Group Happy Hours and our annual Children's party.

2014 in review

Terra's HR teams continued to live up to their motto in their respective companies, as well as to provide efficient service level support to all these companies.

Strike

Negotiations between the MSPA and the JNP reached a deadlock in February 2014 when both of them reported a labour dispute to the Commission for Conciliation and Mediation (CCM). Following the failure of the services provided by the CCM, the JNP refused to refer the matter for joint voluntary arbitration but opted for a general strike in the industry that lasted a full nine days, from November 19 to 27, 2014. The strike was ended following the conclusion of an agreement under the aegis of the Minister of Labour, Industrial Relations and Employment providing, inter alia, for a 13% salary increase and the appointment of an Arbitrator to look into the unresolved issues.

Job evaluation

The Group HR Department launched a Job Evaluation Project with the purpose of determining the value of a specific job in relation to the other jobs within our organisation. The second phase will consist in broad banding these grades to create "Terra levels" which will be associated to establishing a rational pay and benefit structure. This second phase will be completed in 2015. This exercise was conducted only for our managerial positions within the group, using the Hay Group methodology.

Group induction

A new Group Induction Programme was created and carried out in August 2014. All new recruits were invited to attend a half-day session whereby the heads of all our group companies were invited to explain the operations of their respective companies. Mini workshops were conducted to illustrate our values and help our new recruits not only understand their meaning, but how to implement these values in their workplace and everyday lives. This induction exercise is now being conducted twice yearly.

Performance Management

The introduction of a Performance Management System has been completed for all companies at Terra in 2014. In 2015 we will be seeing the results of the first appraisals conducted at Terragri Ltd, Terra Milling Ltd and Terragen Ltd. This initiative brings us one step further to becoming a performance Ltd oriented organisation.

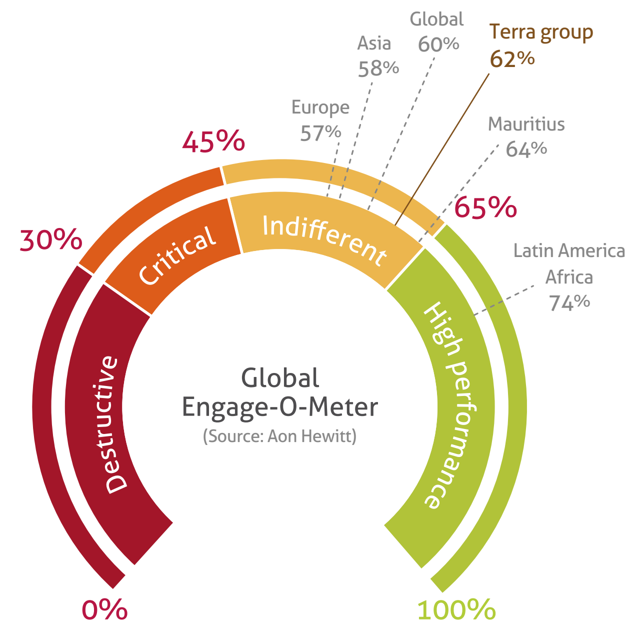
Communication

At Terra, we believe that effective internal and external communication is vital to enhance the transparency of our activities to all our stakeholders. Our group's intranet *(Interraction)* platform underwent minor enhancements in 2014, including setting *Interraction* as the default browser for all employees and inserting shortcuts to access our main software programmes.

Employee Engagement Survey

In 2014, Terra conducted its first Employee Engagement Survey, named "*mo commenterre*", in association with Aon Hewitt and took part in the National Engagement Survey for Mauritius. Terra's overall results were very promising, standing at 62%. Focus groups within each sector were organised and actions plans were put into place with the aim of increasing our engagement score over the next few years, to reach and remain in the "high performance" bracket. This survey will be conducted every year.

The results of the Employee Engagement Survey are shown below.



62% = 155 employees engaged out of 251 respondants

Training G4-DMA G4-LA9

At Terra, we strongly encourage our employees to participate in training courses that will help them achieve their developmental goals, which in turn provides us with a higher skilled workforce. In depth training needs analysis is done within each company and training plans are elaborated as a result. In 2014, a total of MUR 4.2 M was spent at group level in training, which represents an average of some MUR 3,215 per employee.

Average hours of training per year per employee by gender and by employee category

Employee category	Gender	Grays Inc. Ltd	Grays Distilling Ltd	Terra Milling Ltd	Terragri Ltd	Terragen Ltd	Sagiterra Ltd	Sugarworld Ltd	Terra Services Ltd	Terragri Ltd Head Office	AceTer Global Ltd	Terra Finance Ltd	Terrarock Ltd
Staff	Male	6.00	24.00	29.60	30.50	34.00	0.00	7.00	8.50	24.00	0.00	0.00	0.00
	Female	6.00	0.00	0.00	34.00	8.00	0.00	4.00	16.00	11.50	0.00	0.00	0.00
Operators	Male	0.33	0.00	12.00	26.50	27.00	0.00	6.00	0.00	0.00	0.00	0.00	3.97
	Female	0.34	0.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00
Management	Male	22.00	0.00	23.30	22.90	11.00	9.00	4.00	23.00	41.38	0.00	0.00	0.00
	Female	26.00	0.00	0.00	19.00	0.00	0.00	5.00	0.00	18.00	0.00	0.00	0.00

Human resources (cont'd)

Action plan 2015

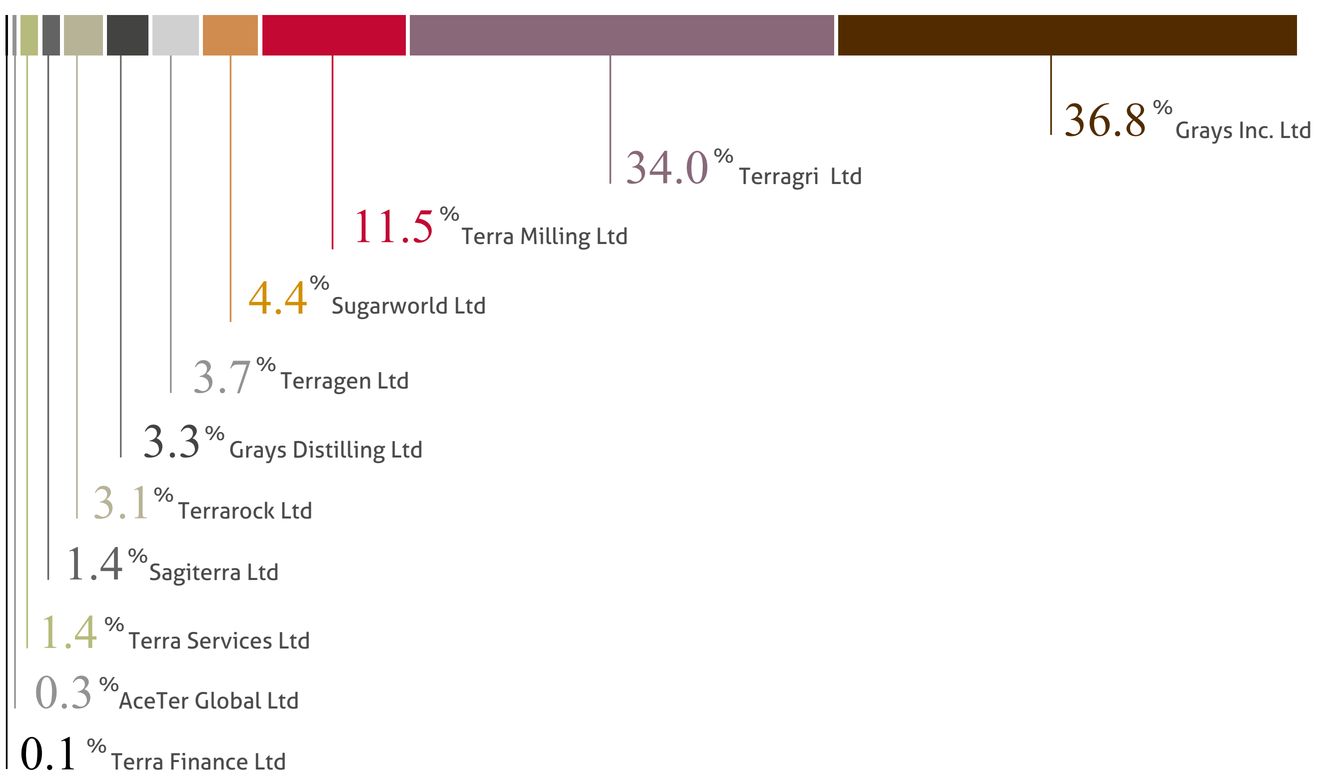
The focus in 2015 will be on: -developing our staff to become leaders; -maintaining and further reinforcing the group culture; - and getting employees to not only understand our values, but make them a part of their lives in both their work and family environment. 2015 has been decreed Year of Innovation, where several activities will be organised, including a training session for all employees and an internal innovation competition. We are looking to further improve our Succession Planning and Talent Management initiatives, and have recruited a Talent & Training Coordinator to join the Group HR team. Because of the prevailing precarious economic conditions, we are looking at ensuring operational efficiency in all our clusters and further strengthening our Employer Brand and Employee Value Proposition.

Employees in each company represented as a % G4-9 G4-LA1

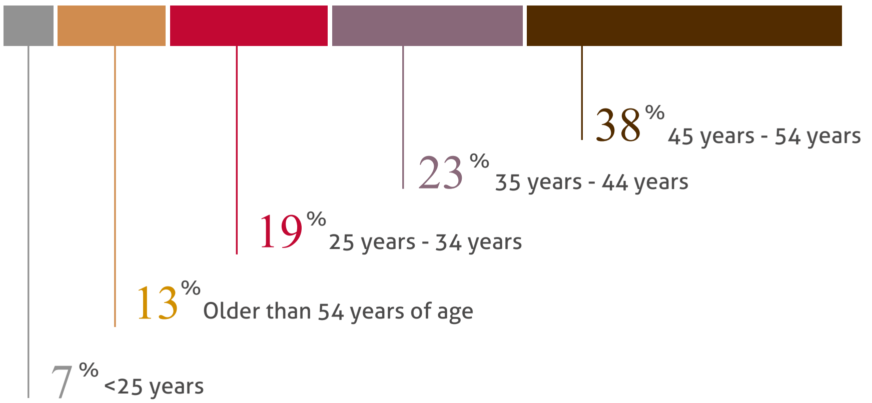
The total number of permanent employees as at December 31, 2014 was 1,308, split as follows.

Company	Headcount as at end of year	Headcount as % of total
AceTer Global Ltd	4	0.3%
Grays Distilling Ltd	43	3.3%
Grays Inc. Ltd	481	36.8%
Sagiterra Ltd	18	1.4%
Sugarworld Ltd	57	4.4%
Terra Finance Ltd	2	0.1%
Terra Milling Ltd	151	11.5%
Terra Services Ltd	18	1.4%
Terragen Ltd	48	3.7%
Terragri Ltd	445	34.0%
Terrarock Ltd	41	3.1%
	1,308	100.0%

Total number of permanent employees as at December 31, 2014



Age groups of employees as at December 31, 2014



<25 years	7%
25 years - 34 years	19%
35 years - 44 years	23%
45 years - 54 years	38%
Older than 54 years of age	13%
	100%

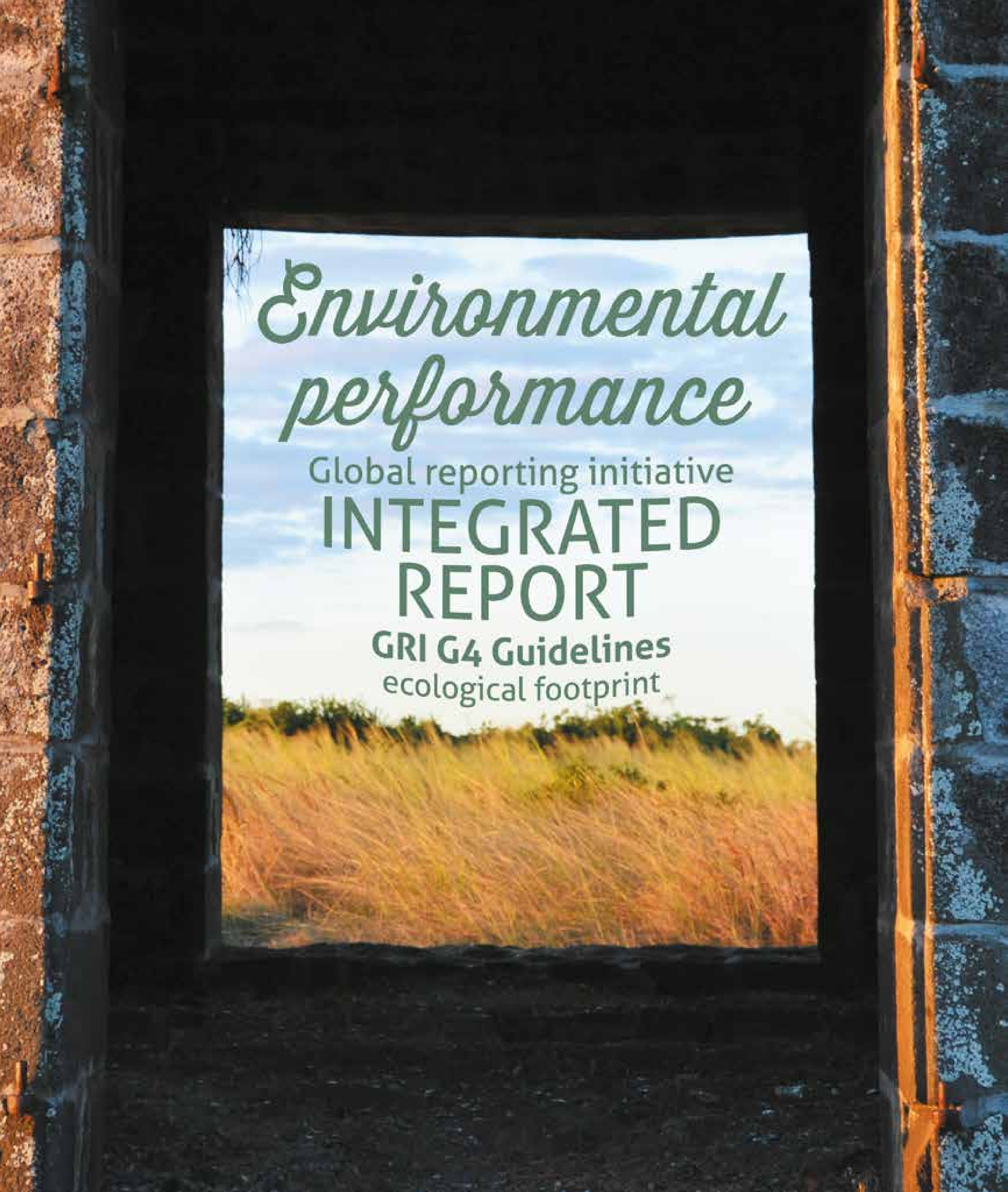
G4-DMA G4-LA4

Although there are no legally defined notice periods regarding operational changes in Mauritius, we allow around 1-2 weeks' notice period depending on the changes. We believe in constructive communication between employees and management, as discussed earlier. The Code of Practice of the Employment Relations Act 2008 serves as a guidance to promote good employment relations. This act emphasises communication and consultation particularly in times of change and collective bargaining as well.

G4-HR4

The group had neither operations nor suppliers in which employees' rights to exercise freedom of association and collective bargaining was violated or was at significant risk. As stated earlier, we respect our employees' right to freely join a trade union and we guarantee that no discriminating action will be taken against them.

Terra views ethical conduct as vital to its operations so as to maintain its market position and to earn the trust of its stakeholders. That is why it has adopted 'Integrity' as one of its five values. After the rebranding of the group in 2011, all the employees were trained in 2012 on the importance of each of the values of Terra so that they can apply them in their day-to-day activities. Induction sessions for new recruits are also conducted yearly to spread the values of Terra. In 2014, the updated Code of Ethics was communicated and training sessions for all employees were conducted.


Environmental performance
Global reporting initiative
INTEGRATED REPORT
GRI G4 Guidelines
ecological footprint

THE INTEGRATED REPORT

At Terra, we have placed sustainability at the centre of our vision: "a world where development is sustainable".

Terra strives to make sustainable use of the natural resources at its disposal responsibly and efficiently. We consider sustainability as an integral aspect of our decision-making process and of the way we do business on the economic, social and environmental fronts. This year, we are proud to publish our first Integrated Report, which comprises our financial results along with our environmental and social performances.

Based on the Global Reporting Initiative (GRI) G4 guidelines, this report reinforces our commitment to transparency and the pursuance of continual improvement. It also reflects our philosophy and commitment to sustainability in the form of the Triple Bottom Line.

Environmental performance

G4-DMA G4-EN29 G4-SO8

Terra understands the challenges facing Mauritius and is therefore committed to adopt an environmentally and socially responsive approach by developing sustainable practices across the group's operations. Since Terra is a highly diversified group in terms of its operations, each cluster monitors closely its environmental impacts to prevent any type of pollution by complying with applicable environmental legislations (Environment Protection Act 2002) and where appropriate by implementing effective environmental management plan.

The operations of Terra, as illustrated in chart on page 93, spring for the most part from sugarcane cultivation. They follow the principle of a closed loop industrial ecological system, whereby waste produced from individual activities is recovered and used as a valuable input for other processes. The chart shows the flow of materials, products, by-products, energy, emissions and waste of each cluster. An important principle that Terra strives to adhere to is the precautionary principle, which is reflected in its adoption of an industrial ecosystem approach. Water circulation and effluents produced are not included in the chart in order to limit the level of complexity.

G4-1

In line with the vision of Terra, which is 'to create a world where development is sustainable', it is setting up a framework to have its entities certified based on the internationally recognised standards: Quality Management System (ISO 9001), Environmental Management System (ISO 14001) and Safety and Health Management System (OHSAS 18001 or ISO 45001). The table below shows the roadmap for certification of the major entities. Tools and methodologies for improving the environmental performance of the remaining entities will be investigated and applied as far as practicable.

G4-EN29 G4-SO8

Environmental grievance is closely followed at the level of the entities. The Police of the Environment, with the assistance of the Ministry of Environment, Sustainable Development, Disaster and Beach Management, look after the grievance of the public with regards to environmental problems. Any grievance is either reported through the Police of the Environment or directly to the concerned entity. When complaints are raised at the level of the authorities, the latter verify the compliance of the liable company and inform it of the action to be taken. Terra did not receive any such grievance in 2014 except for Terra Milling Ltd. None of the entities paid any fine and there were also no non-monetary sanctions for non-compliance with environmental laws and regulations in 2014.

G4-EN34

In December 2014, some neighbouring residents complained about an odour that was emanating from the effluent pond of Terra Milling. This was resolved through a meeting with the officers of the Ministry of Environment, the residents' representatives and personnel of Terra Milling: it was fully explained that the situation prevailed owing to exceptional circumstances caused by prolonged closure during the strike and heavy rains. The impacts were mitigated by increasing the dose of odour inhibitor around the pond and through intensive irrigation.

Entity	Standards
Terra Milling Ltd	BRC Global Standards for Food Safety certified since 2007 OHSAS 18001:2007 (In progress)
Terragen Ltd	ISO 9001:2008 certified since 2013 ILO OSH 2001 certified since 2013 ISO 14001:2004 certified since 2013
Grays Inc. Ltd & Grays Distilling Ltd (starting in 2015)	ISO 9001:2015 OHSAS 18001:2007 ISO 14001:2015
Terragri Ltd (to be initiated in 2016)	ISO 9001:2015 OHSAS 18001:2007 ISO 14001:2015

Materials G4-DMA G4-EN1

The entities of Terra manage their raw materials and natural resources efficiently according to their specific operational needs to minimise waste generation. Terra Milling processed 905,056 tonnes of cane in 2014, which is more than the 2013 figures owing in part to the additional cane intake from Alteo. *Bagasse,* which represents around 30% of cane, is an important renewable material in Mauritius as it reduces the dependence on fossil fuels for electricity generation.

		2013	2014
Renewable materials			
Terra Milling Ltd	Sugar cane, tonnes	800,993	905,056
Terragen Ltd	*Bagasse*, tonnes	274,028	293,918
Grays Distilling Ltd	Molasses, tonnes	20,286	30,617
Grays Inc. Ltd	Alcohol (100%), m^3	867	764
	Bulk wines and spirits, m^3	290	355
Topterra Ltd	*Vinasse*, m^3	60,088	53,034
Non-renewable materials			
Terragri Ltd	Liquid and solid fertilisers, tonnes	6,667	9,920
	Diesel, m^3	1,482	1,164
Terragen Ltd	Coal, tonnes	189,759	188,425
Terrarock Ltd	Boulders, tonnes	278,810	233,444

G4-EN2

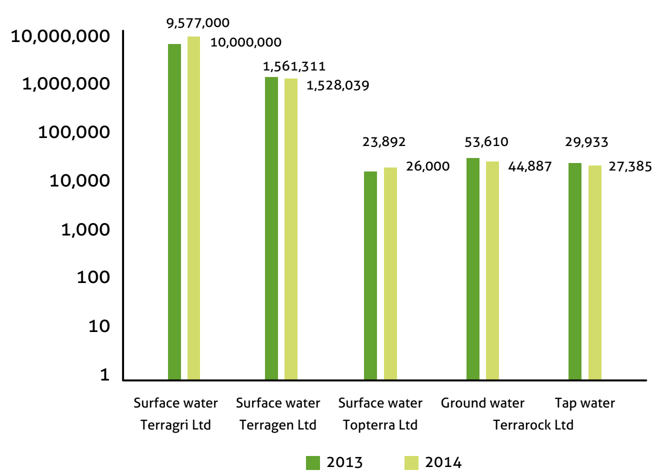
There are other non-renewable process materials that have a small share in total raw materials (see Annex 2). Grays Inc. Ltd recovers and recycles some specific used bottles from its customers who are then remunerated on the basis of the quantity of bottles collected. Around 80.3% of input bottles used by Grays Inc. Ltd in 2014 were those that had been recycled.

Water G4-DMA G4-EN8

Water, a key resource for our operations, is used efficiently by all clusters, especially in our climatic conditions and geographical location, where it is already scarce. Consumption is monitored daily and water is reused or recycled as far as possible. Striving towards better water productivity is one way in which Terra is contributing to alleviating the conditions of water scarcity in Mauritius. The water intake for Terragri Ltd, Terragen Ltd and Terrarock Ltd is from La Nicolière reservoir, while Topterra Ltd uses water from its adjacent irrigation canal.

Terragri Ltd uses significant amount of water for irrigation, owing to the large area under sugar cane cultivation. The sugar cane plant has a distinct characteristic because of its high water requirement coupled with its drought tolerance. Terragen Ltd has a closed water cycle process and monitors its specific water consumption in line with ISO 14001 standards. A study was carried out to investigate the possibility of reducing water losses from its cooling towers. In 2014, the replacement of the drift eliminator in one cooling tower resulted in a significant decrease in water consumption of around 4.4% per MW of electricity generated. Consequently, the same practice will be adopted for the other cooling tower in 2015. At Terrarock Ltd, the water used for the washing of rocksand is decanted and then reused for the same process. Topterra Ltd, on the other hand, returns around 99% of its water intake that is used for cooling purposes to the same canal, in accordance with applicable regulations, without impacting on the ecosystem.

Total water withdrawal by source (m^3)



Environmental performance (cont'd)

Energy G4-DMA G4-EN3

Energy consumption influences the operational costs of an organisation, as well as its environmental impacts. Electricity, steam, *bagasse*, coal and diesel are the principal energy sources used by the entities of Terra. Terragen Ltd, the cogeneration power plant, meets the electricity and steam requirements of Terra Milling Ltd in exchange for *bagasse*. The former sells electricity to the grid over the year and accounted for 15.5% in total electricity consumption in Mauritius in 2014. The electricity supply for the other entities is provided by the national grid operated by the Central Electricity Board (CEB). The table below shows the energy consumption within the entities for their operations in 2014. Terra is not subject to any regulations and policies for energy in the national or industrial context.

	Renewable source, GJ		Non-renewable source, GJ	
	2013	**2014**	**2013**	**2014**
Terragen Ltd	48,208	52,616	144,479	139,316
Topterra Ltd	683	567	31,754	25,643
Terrarock Ltd	1,008	1,302	3,791	4,899

Emissions G4-DMA

Mauritius, as a signatory party to the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol, is expected to gather information on greenhouse gases (GHG), and to develop national strategies to address climate change. The country, which is a non-Annex 1 country, does not have any mandatory GHG emission reduction target in accordance with the Protocol. Some of the key deliverables at the national level are:

- National Climate Change Adaptation Policy Framework;
- Disaster Risk Reduction and Management Strategic Framework and Action Plan;
- Technology Action Plan for an enhanced Climate Change Adaptation and Mitigation.

Direct greenhouse gas (GHG) emissions (Scope 1) G4-EN15

The process of steam and electricity generation at Terragen Ltd through the combustion of coal generated 419,550 tonnes of CO_2 equivalent of GHG in 2014, particularly carbon dioxide, methane and nitrous oxide. The methodology adopted to calculate the GHG was revised in 2014 to produce more accurate data. It was also extended to other GHG such as methane and nitrous oxide compared to 2013. It is based on the IPCC 2006 guidelines and coal composition analysis.

Terragen monitors closely the parameters that influence its combustion efficiency and impact on the environment as well, through an automatic online stack monitoring station: oxygen, carbon monoxide, solid particles, sulphur dioxide and nitrogen dioxide. Stack emission and ambient air measurement are conducted on a quarterly basis by MCIA. The ambient air monitoring will be extended to a weekly basis in 2015, thus enforcing compliance with its Environment Impact Assessment (EIA) licence. In 2014, Terragen carried out a complete analysis of its stack emission to be fully compliant with Environment Protection Act 2002 – standards for air regulations. SOCOR AIR, which is an accredited laboratory in France, was hired to conduct the measurement of parameters such as hydrogen chloride, chlorine, hydrogen sulphide, dioxins and furans.

Moreover, Terragen Ltd is the only entity that generates biogenic carbon dioxide, through the combustion of *bagasse* during the crop season. It has a positive impact on the environment as it offsets the utilisation of coal corresponding CO_2 emissions. It is to be noted that biogenic CO_2 emissions refer to CO_2 emissions from combustion or biodegradation of biomass only. In 2014, 226,469 tonnes of biogenic CO_2 were emitted into the atmosphere based on the composition analysis of *bagasse*. The Scope 1 CO_2 emissions resulting from the transportation of coal were around 255.61 tonnes in 2014.

An innovative study was conducted by Albioma (partner of Terragen Ltd) jointly with Terragri Ltd to investigate the possibility of burning other types of biomass like Arundo Donax or Miscanthus, and sugar cane tops and leaves in the power plant. The results of the study showed that sugar cane straw is most suitable for combustion in the spreader stoker furnace at Terragen Ltd. In 2014, around 79 tonnes of straw were collected on a pilot scale and combusted with *bagasse*. The pilot tests proved to be helpful in clarifying the methodology for the collection and handling of straw from cane fields and for the combustion process as well. It will be extended to an industrial scale during the crop season 2015, with supplementary investments such as the purchase of adequate equipment for the collection and handling of straw.

NO_x, SO_2 and solid particles emissions G4-EN21

NO_x, SO_2 and particulate matter are among the parameters that are monitored at Terragen Ltd at the exit of the stacks as well as in the ambient air. The presence of highly efficient (99.9%) electrostatic precipitators, results in very low emission of solid particles released to the environment. The average annual values for NO_x, SO_2 and particulate matter that were measured on its online analyser are well below the applicable air standards regulations.

Emissions (cont'd)

Parameter (mg/Nm^3) at 6% O_2	2013	2014
NO_x	691	670
SO_2	834	986
Particulate matter (PM10) - *bagasse*	19	55
Particulate matter (PM10) - coal	61	74

Terrarock Ltd, on the other hand, will measure the level of particulate matter on its premises in 2015.

Effluents & waste G4-DMA G4-EN23

The entities of Terra are actively working towards optimising the consumption of raw materials to minimise waste generation. As illustrated in Terra's industrial ecological system (see page 93), waste produced from one entity is valorised as an input to the operations of another entity, as far as practicable. Waste generated by the entities comprises a considerable amount of non-hazardous and only some hazardous waste, as classified by the EPA Hazardous waste regulations 2001. It is worth noting that any hazardous waste generated on site such as used oil or waste electrical and electronic equipment is disposed of by authorised recycling facilities.

On the effluents front, a comprehensive study was conducted in 2014 by a specialised consulting firm to identify, quantify and analyse the water intake and effluent streams and thereafter recommend measures for the following entities: Terragri Ltd, Terra Milling Ltd, Terragen Ltd, Grays Inc. Ltd, Grays Distilling Ltd, Topterra Ltd and Terrarock Ltd. Each entity had different findings owing to its nature of operations; for some entities almost no further significant improvement is required, while others are expected to monitor closely their effluent flows and review the process design in order to achieve efficient effluent management and mitigate their impact on the environment.

The waste produced by type is illustrated below only for those entities where waste is material.

Entity	Waste category	Weight of waste generated in 2014 and disposal method
Terragen Ltd	Non-hazardous	*Bagasse* fly ash: 12,773 tonnes Coal fly ash: 16,583 tonnes Coal bottom ash: 32,236 tonnes As illustrated in the ecosystem of Terra, *bagasse* fly ash is mixed with filter cake (also known as scum) from Terragri Ltd and applied in sugarcane fields as a soil conditioner. Coal ash is currently being used as filler in derocking process of sugar cane fields. As soon as Thermal Valorisation Co. Ltd will be operational, coal ash will be transported and burnt to reduce its carbon content and used as a cement additive.
	Non-hazardous	Other wastes such as paper, cardboard, plastic, domestic solid waste, scrap metal and industrial waste represented around 0.13% of the total weight of waste generated. They are recycled by authorised facilities, while domestic and industrial wastes are disposed of in landfill.
	Hazardous	Used oil, alkaline batteries, fluorescent tubes and waste electrical and electronic equipment represents 0.005% of the total weight of waste generated. They are collected, processed and disposed of by authorised companies.
Terra Milling Ltd	Non-hazardous	Organic waste, which was around 834 tonnes in 2014, is disposed in Terragri's solid waste disposal site.
	Hazardous	Terra Milling Ltd has been in the forefront of the struggle to phase out the use of lead acetate in the sugar industry. Its use has been significantly reduced over the years to an insignificant level through the adoption of new methodologies of analysis using pressure filtration and Near Infrared Red analysis. It expects to be able to phase out completely the use of lead acetate in 2016. Complete data for other hazardous waste will be available as from 2016.

Environmental performance (cont'd)

Effluents & waste (cont'd)

Entity	Waste category	Weight of waste generated in 2014 and disposal method
Topterra Ltd	Non-hazardous	1,425 tonnes of liquid waste which is generated from washing of the facility is carted away to Roche Bois treatment facility.
	Hazardous	Acid condensate (on-site treatment): 12,165 tonnes Acid condensate (carted away): 19,804 tonnes There is an on-site treatment of some of the acid condensate that produces an effluent in conformity with 'effluent for use in irrigation standards 2003' before being released into the nearby irrigation canal. The remaining acid condensate is carted away to Roche Bois treatment facility.
	Hazardous	Around 8,959 tonnes of *vinasse* was disposed of to Roche Bois treatment facility.
Terrarock Ltd	Non-hazardous	The wastewater from the processes at Terrarock Ltd is sent to an effluent pond where mud is solidified and is then used as filler in fields. The clean water from the effluent pond is recirculated in the industrial process. Solidified mud: 21,024 tonnes in 2014.

Products & services G4-DMA

G4-EN27

Sugarworld Ltd is actively working to minimise the environmental impacts of its products and services by first carrying out an assessment of the impacts; it will then adopt adequate mitigating measures. More information will be available in the next reporting period. However, efforts are made to recycle 100% of waste plastic bottles and dispose of used kitchen oil by an authorised facility.

G4-EN28

Packaging is an important factor for both Terra Milling Ltd and Topterra Ltd as these entities are aware of its potential detrimental environmental impacts. At Terra Milling Ltd, sugar is transported in polypropylene bags of 25 kg, 50 kg and one tonne, which are provided by the Mauritius Sugar Syndicate. The bags are thereafter reused or recycled by the latter.

Topterra Ltd has an advantage regarding delivery of its final product (CMS) to its customer. Since both Topterra Ltd and its only customer, Island Renewable Fertiliser Ltd (IRFL), are located on the same premises, CMS is delivered in bulk through a pipe, resulting in the non-utilisation of packaging. The fertiliser, which is in liquid form, is spread in sugar cane fields by IRFL, again avoiding the use of packaging.

Transport G4-DMA G4-EN30

Terragri Ltd plays an important role, not only in the growth and supply of sugar cane, but also in the transport system of the industrial ecosystem of Terra. Around 80% of the cane land under cultivation is fully mechanised as regards the growing, harvesting and transport of cane to the milling factory. Terragri Ltd is also a carrier of sugar, coal and *bagasse* fly ash for Terra Milling Ltd and Terragen Ltd, respectively.

The main significant impact of transport identified is GHG emissions, produced by heavy machinery and vehicles involved in the growing and harvesting of sugar cane, the transport of sugar cane, sugar and coal. The fleet of machinery and vehicles allocated for carrying these tasks are serviced in accordance with the manufacturers' specifications. In addition, repairs are carried out as and when required to maintain efficiency. Noise linked to the harvest, which was a nuisance to inhabitants in the past, especially during harvesting of cane at night, is no more a problem. Terragri Ltd has now scheduled its operations in a more convenient way for the community. Cane cutting in residential areas is presently done during the day, while the non-residential areas are harvested at night.

The table below shows the Scope 1 carbon dioxide emissions from the fleet of vehicles operated by Terragri Ltd.

CO_2 emissions (tonnes)	2013	2014
Terragri Ltd	4,039.96	4,342.37
Terra Milling Ltd	714.71	620.11
Terragen Ltd	400.29	255.61

Environmental protection expenditures and investments G4-DMA G4-EN31

The entities of Terra adopt a precautionary approach to promote environment protection, while reducing negative environmental impacts. The expenditure and investment for environmental protection differ for each entity, due to their specific characteristics. For some entities, and in some areas, expenditure for environmental protection are embedded in operation costs. Some of the expenditure, such as waste and effluent disposal and control of atmospheric emissions, are done so as to comply with EPA 2002 and associated regulations. The goals and targets for setting expenditure on environmental protection are dictated by the EPA. In some cases, the entities go beyond the applicable regulations to continually enhance their environmental performance.

Entity	Type of expenditure	2013 (MUR)	2014 (MUR)
Terragen Ltd	Environmental management programme - actions	639,840	95,571
	Waste management & disposal	338,118	161,919
	Control of effluent & spills	687,848	597,420
	Control of atmospheric emissions	1,090,684	2,460,664
Topterra Ltd	Effluent disposal	235,585	4,865,333
	Operation costs of acid condensate treatment plant	2,773,906	1,816,575
Terrarock Ltd	Control of solid particles emissions – maintenance costs of dedusting system by water atomisation and effluent management	165,200	80,700
Sugarworld Ltd	Kitchen used oil disposal	Free of charge	Free of charge

BOARD OF DIRECTORS

From left to right
Alain Vallet
Margaret Wong
Nikhil Treebhoohun
Hubert Harel
Maurice de Marassé Enouf
Daniel Nairac
Henri Harel
Cyril Mayer
Alexis Harel
François Montocchio
Dominique de Froberville

Board profile

DANIEL NAIRAC (71)

BA Honours (Classics and PPE) (Oxford)
Nonexecutive Chairman – First appointed to the Board 2012

Daniel Nairac started his career as economist with the Charter Consolidated Anglo-American Group in London in 1968. He stayed with that group up to 1976, as a member of the management team in Paris and as Administration Manager of a copper-cobalt project in Zaire. After a brief stay in Mauritius between 1976 and 1979, where he worked for the Espitalier-Noël group, he again left for Europe, first working as an advisor to diamond companies in Antwerp, and then, as from 1981 until his retirement in 2005 as Divisional Manager and Senior Advisor to the directorate, for the ACP-EU Centre for the Development of Enterprise in Brussels. Now based in Mauritius, he continues to collaborate with a mining company in Africa and is the director of a mining exploration offshore company based in Mauritius.

HENRI HAREL (54)

ACIS (South Africa)
Executive director – First appointed to the Board 1996

Henri Harel first worked in South Africa as an auditor with De Ravel, Boulle, Saad & Wyman (Chartered Accountants). He then occupied the post of Internal Auditor with Toyota S.A. Manufacturing and that of Financial Accountant at Amalgamated Beverage Industries Ltd (Coca-Cola). Upon his return to Mauritius in 1991, he worked for *Société de Gérance de Mon Loisir* as Financial Controller until 1996, when he joined Harel Frères Limited in a similar capacity. He is at present the group's Chief Finance Officer and a Management Committee member. He has also been the Chairman of the Sugar Industry Pension Fund and of its Finance and Investment Committee.

Directorships of listed companies:
- Swan Insurance Co Ltd

DOMINIQUE DE FROBERVILLE (55)

Maîtrise en Chimie Industrielle (France); MBA (England)
Nonexecutive director - First appointed to the Board 2003 and reappointed in 2010

Dominique de Froberville started his career as Production Manager in the paint and optical industries before being appointed to managerial positions in the operational divisions of two textile groups. He joined Mauritius Freeport Development Co Ltd in 2001 as Director of Operations and has since been promoted to the post of Chief Executive Officer. He served as a Board member of the company from 2003 to 2006 and as Audit Committee member between 2003 and 2005. He has been a council member of the Mauritius Employers Federation and is a council member of the Mauritius Exporters Association.

ALEXIS HAREL (52)

BSc (Bus. Admin) (USA)
Executive director – First appointed to the Board 1999

Having started a career in auditing with De Chazal Du Mée (Chartered Accountants), Alexis Harel then occupied managerial positions in the industrial and IT sectors before joining Grays as Commercial Executive in 1992. He is a member of the Terra's Management Committee.

Directorships of listed companies:
- Lux Island Resorts Limited
- United Docks Ltd

MAURICE DE MARASSÉ ENOUF (69)

Nonexecutive director – First appointed to the Board 2007

Maurice Enouf started his career at De Chazal Du Mée (Chartered Accountants) in 1963 and briefly worked for the Rogers group. He then joined Flacq United Estates Ltd as Group Internal Audit Manager in 1973. He was appointed Group Accountant for Medine S.E. in 1983 and, soon after, was promoted Chief Accountant and Finance Manager of the WEAL Group, a post that he occupied until his retirement in 2001. He is at the moment self-employed.

Directorships of listed companies:
- Innodis Ltd
- Mauritus Oil Refineries Ltd

HUBERT HAREL (50)

National Diploma in Management, Technikon, Natal (South Africa)
Nonexecutive director – First appointed to the Board 2012

Hubert Harel started his career in South Africa in 1988 with South African Clothing (Seardel group). Upon his return to Mauritius in 1991, he occupied managerial positions in the operations division of two textile groups. From 2005 to date he has been the Managing Director of Standard Labels Limited. He was a director of The Mount Sugar Estates Company Limited from 2008 until the amalgamation of that company with Harel Frères Limited on January 01, 2010. He currently serves as director on several domestic and off-shore companies.

CYRIL MAYER (63)

BCom, Chartered Accountant (South Africa)
Managing Director – First appointed to the Board 1992

Cyril Mayer joined the group as a management executive in 1988. He served as Executive Chairman from 1992 to 2003, when he stepped down and was appointed Group Managing Director. As such, he has overall responsibility for group activities and heads the Management Committee. He has served on most of the sugar sector institutions, the Mauritius Employers Federation and the Joint Economic Council.

Directorships of listed companies:
- Swan Insurance Co Ltd (Nonexecutive chairman)
- United Docks Ltd

FRANÇOIS MONTOCCHIO (69)

Fellow of the Association of International Accountants (UK)
Independent nonexecutive director – First appointed to the Board 2010

François Montocchio was an Executive Director of Harel Mallac & Co Ltd between 1967 and 1982. He then left for South Africa where he held financial and administrative positions. On his return to Mauritius in 1994, he was appointed Financial Manager of *Compagnie des Grandes Surfaces Limitée*. He became thereafter the General Manager of Standard Continuous Stationery Ltd in 1995 and created Standards Labels Limited in 1997. He was the Chief Executive Officer of Harel Mallac & Co Ltd from 2005 to 2007 and a member of its board of directors between 2005 and 2010. He was also the Chairman of The Mauritius Chemical and Fertilizer Industry Limited up to September 2007 and the Chairman of The Mount Sugar Estates Company Limited from July 2007 until its amalgamation with Harel Frères Limited on January 01, 2010.

Directorship of listed companies:
- The Mauritius Development Investment Trust Company Ltd

NIKHIL TREEBHOOHUN (60)

BSc. (Hons) Economy, Industry and Trade (London School of Economics) (UK)
Postgraduate Diploma in Financial Management, University of New England (Australia)
Postgraduate Diploma in Development Planning Techniques (Netherlands)
Fellow of the World Academy of Productivity Science
Independent nonexecutive director – First appointed to the Board 2014

Upon his return to Mauritius in 1978, after his studies in London, Nikhil Treebhoohun started his career as a teacher in economics at secondary level. He then joined the civil service in 1981 as economist at the then Ministry of Economic Planning and Development and was appointed as Senior Industrial Development Officer at the Ministry of Industry between 1986 and 1987. After being a lecturer in Economics at the University of Mauritius from 1987 to 1989, he was the first Projects Manager at the Industrial and Vocational Training Board (IVTB) between 1989 and 1992. He then set up the Export Processing Zone Development Authority (EPZDA) and was its director from 1992 up to 2000. He acted as the first Executive Director of the National Productivity and Competitiveness Council (NPCC) from 2000 to 2005, when he joined the Trade Section of the Commonwealth Secretariat as its Adviser and Head. In 2011 he was appointed as Chairman of Oxford International Consultants (Mauritius) Ltd and he has been, between 2011 and 2014, the Chief Executive Officer of Global Finance Mauritius.

ALAIN VALLET (60)

Advanced Certificate in Business Studies (London)
Executive director – First appointed to the Board 1992

Alain Vallet joined the group in 1979 as marketing executive for wine and spirits. He actively participated in the re-engineering of the Grays cluster in the early eighties and was appointed Chief Executive Officer in 1989 and a Grays director in 1993. He is a member of Terra's Management Committee. He has served on a number of private sector institutions, such as The Mauritius Chamber of Commerce and Industry, the Association of Mauritian Manufacturers and the Mauritius Employers Federation.

Directorship of listed companies:
- Compagnie des Magasins Populaires Ltée

MARGARET CHUI PUING WONG PING LUN (61)

Fellow of the Institute of Chartered Accountants in England and Wales - FCA
BA Honours (Business Studies) (London)
Independent nonexecutive director – First appointed to the Board 2012

Margaret Wong worked as Manager of the Consultancy Department of De Chazal Du Mée, Chartered Accountants, between 1985 and 1990, when she joined the University of Mauritius as Lecturer in Accounting and Finance. She is a member of the Listing Executive Committee of the Stock Exchange of Mauritius and serves as an independent director on the Board of MCB Group Limited.

Directorship of listed companies:
- MCB Group Limited

LOUIS DENIS KOENIG (48)

Maîtrise es Sciences Economiques (Economie d'Entreprise)
Diplôme d'Etudes Supérieures Spécialisées (Finance) – (France)
Management and Administrative Executive

Louis Denis Koenig worked as a Statistician at The Anglo-Mauritius Assurance Society Limited before joining the group in 1990 as Assistant Secretary. He is at present a member of the group's Management Committee and chairs the CSR committee of Terra Foundation. He held a Dealers Representative licence from the Financial Services Commission and has acted in such capacity for Cavell Securities Ltd, from 1992 up to October 2006. He was also a director of The Stock Exchange of Mauritius Ltd and of The Central Depository & Settlement Co Ltd and a member of the Index Management Committee (SEM 7) of the Stock Exchange until October 2006.

From left to right, standing
Alain Vallet, Steeve Lareine, John Laguette, Alexis Harel, Joël Villeneuve Anaudin, Cyril Mayer
From left to right, sitting
Henri Harel, Sébastien Mamet, Jean Arthur Pilot Lagesse

From left to right, standing
Patrice Gourel de St Pern, Marie-Annick Auguste, Bernard Desvaux de Marigny, Reynolds Laguette, Jean-Michel Gérard
From left to right, sitting
Christopher Park, Louis Denis Koenig, Edwige Gufflet, Noufail Manjoo

Management information

G4-EC6

Group functions:

Management Committee

Cyril Mayer	Managing Director
Alexis Harel	Executive Director
Henri Harel	Group Chief Finance Officer
Louis Denis Koenig*	Administrative Executive
Sébastien Mamet	Strategic Development Executive
Alain Vallet	Executive Director

* Also serves as Secretary to the Committee

Profiles of Management Committee members are set out on pages 74,75 and 79.

Accounts

Steeve Lareine	Group Accountant

Human Resources

Gilbert Bouic	Group HR Manager (Sugar Operations) up to 30.06.2014
Christopher Park	Group HR Manager

Information Technology

John Laguette	Group IT Manager

Corporate Social Responsibility

Marie-Annick Auguste	CSR Manager

Cane:

Mauritius

Jean Arthur Pilot Lagesse	General Manager
Reynolds Laguette	Factory Manager

Côte d'Ivoire

Michel Akpangni	General Manager

Power:

Terragen Management Ltd	Managers
Jean-Michel Gérard	Plant Manager

Brands:

Bottling and distribution

Alain Vallet	Managing Director
Alexis Harel	Commercial Director

Distillery

Patrice Gourel de St Pern	Plant Manager

Property management:

Bernard Desvaux de Marigny	Managing Director

Stone crushing and block making:

The United Basalt Products Limited	Managers

Leisure:

Edwige Gufflet	Managing Director

Offshore management:

Noufail Manjoo	Executive Director

Treasury management:

Joël Villeneuve Anaudin	General Manager

Profiles of Managers are set out below and on the following page.

Management profile

MICHEL AKPANGNI (47)

Financial Framework (Côte d'Ivoire)

Upon graduating from business school in 1994, Michel Akpangni started his career as a Management Controller at Unilever in Côte d'Ivoire and subsequently joined Sucrivoire in 1998.

He first held the position of Management Controller before being promoted to that of Director of Sucrivoire's production site of Zuenoula in 2009. In December 2014, he was appointed General Manager of Sucrivoire.

MARIE-ANNICK AUGUSTE (44)

BA Degree in Psychology and Communication (South Africa)

Marie-Annick Auguste started her career at the South African High Commission in 1991, working as confidential secretary in the political section. From 2001 to mid 2002, she worked at Desbro International Ltd in the Rogers Group. From 2002 to 2009, she was Head of the Sponsorship, Fundraising & Public Relations Department of SOS Children's Villages Mauritius. She was appointed CSR Officer of the Terra Foundation in May 2010.

GILBERT BOUIC (62)

Dip. in Occupational Safety & Health (Australia)

Advance certificate in HR Management (Mauritius Employers Federation/University of Surrey)

Certified Ethics Officer (Ethics Institute of South Africa)

Gilbert Bouic joined the Group in 1973. He occupied various positions from Assistant Accountant, PRO to HR Manager in the sugar companies of the group and has been, up to June 30, 2014, Group HR Manager at Terragri Ltd (Agriculture). He is an Associate member of the Chartered Institute of Management (ACMI). In 2013, Gilbert Bouic has successfully completed a course and a Practicum under the aegis of the Mauritius Institute of Directors and the Ethics Institute of South Africa to become a Certified Ethics Officer.

BERNARD DESVAUX DE MARIGNY (58)

Member of the Mauritius Institute of Surveyors (MMIS)

After qualifying as a Land Surveyor in 1981 and being in practice until 1987, Bernard Desvaux de Marigny set up the partnership "Desmarais-Desvaux, Arpenteurs" which he co-managed until 2001, when he joined the group as General Manager of Sagiterre Ltée.

JEAN-MICHEL GÉRARD (56)

After 15 years as a mechanical officer in the French navy, Jean-Michel Gérard joined Séchilienne-SIDEC in 1993 where, for the next 20 years, he held responsibilities as Engineer, then Trainer and finally as Manager. As such, he participated in the setting-up of Compagnie Thermique du Gol, in Reunion, and managed its power plant from 1994 to 1997. He also set-up and managed a power plant in Vietnam before managing that of Compagnie Thermique du Moule between 2001 and 2004. He has managed the Belle Vue power plant since July 2012.

PATRICE GOUREL DE ST PERN (56)
Certificate in Management Development (RASITC)
After working at the St Antoine distillery between 1979 and 1981, Patrice Gourel de St Pern joined the group in 1981 as Shift Supervisor at Grays Refinery Ltd. He was appointed Assistant Plant Manager in 1988 and Plant Manager in 1995. He is a member of the International Institute of Risk and Safety Managers and of the Association of Health and Safety Managers.

EDWIGE GUFFLET (46)
Maitrise es Sciences Economiques (France), MBA (USA)
Holder of an MBA and of a Political Science degree, Edwige Gufflet started her career in the banking sector in 1993 and worked there until 1998. She then moved on to project management at CIEL Textile Ltd in 2003. The same year, she joined *L'Aventure du Sucre* as General Manager and was promoted Managing Director in December 2012.

JOHN LAGUETTE (35)
BSc (Hons) (UK), MSc (UK), MBA (France), MBCS
John Laguette graduated with a first class degree in Business Information Technology and post-graduated with distinction in Internet & Database Systems from London South Bank University, UK. He also holds an MBA from Université Paris 1 Panthéon-Sorbonne and Université Paris Dauphine, France. Upon his return to Mauritius in 2003, John Laguette started his professional career as IT Coordinator for the group. He joined La Sentinelle Ltée in 2004 to act in the capacity of Systems Administrator. He was recruited back by the group in 2005 to serve as Group ICT Manager and was subsequently appointed Chief Information Officer in 2011. John Laguette is a professional member of the British Computer Society.

REYNOLDS LAGUETTE (62)
Member of the Institute of Engineering and Technology (UK), MBA (England)
Reynolds Laguette joined the group in 1974 as Instrumentation Engineer at the Belle Vue sugar factory. He was appointed Factory Assistant in 1983, Plant and Operations Manager in 1993, Deputy Factory Manager in 2004 and Factory Manager in 2006. He is a member of the *Société de Technologie Agricole et Sucrière de Maurice* and of the International Society of Sugar Cane Technologists.

STEEVE LAREINE (50)
Fellow of the Association of Chartered Certified Accountants (UK)
Steeve Lareine has been a Fellow of the Association of Chartered Certified Accountants since 2004 and is a member of the Mauritius Institute of Professional Accountants. He started his professional career with De Chazal du Mée & Co, Chartered Accountants, in the Auditing and, subsequently, in the Consulting Department. Before joining the group, he was in employment as Divisional Accountant at Rey & Lenferna Ltd. Steeve Lareine is also the Finance Manager of Terragen Ltd.

SÉBASTIEN MAMET (39)
Chartered Accountant (UK)
After working in the audit department of Ernst & Young in London and in Mauritius for eight years, Sébastien Mamet joined the Corporate Finance division of PricewaterhouseCoopers Mauritius in 2004. As Senior Manager of the division, he advised clients on mergers and acquisitions, business plans, finance raising and financial restructuring, among others. He joined Harel Frères in 2009 to head its new strategic development function. As a member of the Management Committee, he advises on the strategic orientation of the group and is responsible for implementing new business developments.

NOUFAIL MANJOO (44)
Fellow Chartered Certified Accountant (UK).
Noufail Manjoo is a co-founder of AceTer Global Ltd. He is a specialist in company structuring and taxation. He first started his career in 1991 and has acquired a wide range of experience in auditing, tax, management and financial accounting and family office. He has managed various companies in the past including GE Capital (Mauritius) Ltd. He also serves as director in many offshore companies.

CHRISTOPHER PARK (32)
BCcom (HRM, Management and Business Law) (Australia), MCom HRM and Marketing (Australia)
Christopher Park holds a Master of Commerce Degree in Human Resources & Marketing. He has been working in the HR field for more than seven years. He started his career in Australia in 2006 where he worked for the largest Human Resource Consulting and Recruitment Company of the country, namely Chandler Macleod, as HR & Recruitment Consultant. Upon his return to Mauritius, in 2009, he joined Adecco Mauritius as a Recruitment & HR Consultant. He then joined Enterprise Information Solutions (part of Cim Group) as their HR Manager in 2010. After one year, he was offered the position of Corporate HR Manager for the Group, therefore performing both roles. Following an organisational restructuring exercise within the Rogers group, he was employed by Rogers as Corporate HR Manager as from October 2012 until joining Terra as the Group HR Manager in December 2013.

JEAN ARTHUR PILOT LAGESSE (54)
BSc Agriculture (RSA), MBA (UK)
Jean Arthur Pilot Lagesse started his career as Assistant Agronomist at Belle Vue Sugar Estate in 1983. He left for Constance – La Gaieté S.E. in 1986, where he was promoted to more senior positions until 1998 when he moved to Mon Trésor – Mon Désert S.E. as Field Manager, a position which he held until 2006. He then joined The Mount Sugar Estates Company Limited as Managing Director and became part of the group upon its amalgamation with The Mount on January 01, 2010. He has since been appointed General Manager (Sugar Operations) upon the retirement of Denis Pilot in June 2010.

JOËL VILLENEUVE ANAUDIN (45)
Maîtrise es Sciences Economiques (spécialisation Marchés de capitaux et Risques financiers) (France)
ACI Forex & Money market dealing certification (UK)
Financial Technical Analysis Certification
Joël Villeneuve Anaudin started his career in banking treasury activities at BNP Paribas in 1996 where he served as Head of Sales – Corporate in the Offshore Treasury Business Unit. In 2001, he joined the CIEL group to set up the group corporate treasury unit. He then moved internally to Hedge Forex Ltd, a forex dealer. In 2008, he was appointed Head of Treasury at Bank One and in 2012 joined ABC Banking Corporation as Head of Treasury. Joël was instrumental in the development of Upstage, a business consultancy company offering trading and corporate treasury management advice, which was appointed by Terra to structure Terra Finance Ltd, a subsidiary which provides treasury management solutions and assistance to group companies. In March 2014, Joël joined the group as General Manager of Terra Finance.


Corporate
Governance
report
Whistle
blow
Transparency Mauritius
Ethics
Committee

WHISTLE
BLOW

The first Code of Ethics of the group was published in 2005 as a pro-active move to further good governance and was reviewed in 2013, after the rebranding of Terra, reinforcing the traditional values which had always guided the group since its inception.
In view of introducing a "whistle blowing" mechanism into the Code, Transparency Mauritius (TM) was approached, with the assistance of the Mauritius Institute of Directors (MIoD) and a Memorandum of Understanding signed in December 2013 between Terra and TM.
A balanced and proper mechanism was developed to ensure, on the one hand, that employees would feel secure and "protected" in their whistle blowing about unethical behaviour and practices and, on the other hand, that all necessary safeguards and enquiries were foreseen (as well as eventual penalties) to preclude mischievous and malevolent accusations creating unpleasant situations for innocent persons.
The introduction of the whistle blowing policy underscores Terra's determination for the Code being an effective tool to foster a pervasive atmosphere and practice of ethical behaviour in the group.

Corporate Governance report

Statement of compliance

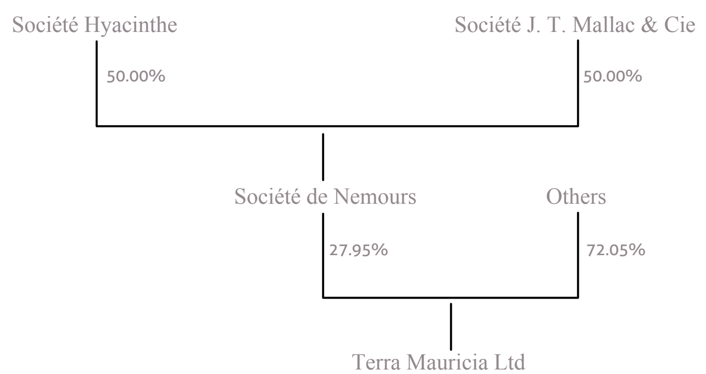
The Report on Corporate Governance for Mauritius, which was published in 2003, provides that all Public Interest Entities must comply with the provisions of the Code of Corporate Governance (the Code).

The Board acknowledges that the Code sets out best practices and this Corporate Governance report details how the principles of the Code have been applied within the group.

Except as specifically set out in this report, the Board considers that the group has complied in all material respects with the provisions of the Code for the reporting year ended December 31, 2014.

Holding structure G4-7 G4-26

As at December 31, 2014 the holding structure of Terra Mauricia Ltd (Terra) was as follows:



Substantial shareholders G4-9

As at April 30, 2015, the following shareholders were directly or indirectly beneficially interested in 5% or more in the share capital of Terra:

	DIRECT	INDIRECT
Mallac Sim Armelle	0.69%	5.57%
Moulin Cassé Ltée	1.09%	9.51%
Société de Nemours	27.95%	-
Société Hyacinthe	-	13.98%
Société J.T. Mallac & Cie	1.09%	13.98%

It should be noted that Moulin Cassé Ltée holds its indirect interest through Société Hyacinthe, which is a member of Société de Nemours.

To date, no other entity or individual has reported an interest of 5% or more in the share capital of the company.

Common directors

A number of directors were, at December 31, 2014, common to Terra and the above-mentioned holding entities. The details are set out in the following table:

	DIRECTORS OF HOLDING ENTITIES		
DIRECTORS OF THE COMPANY	Société de Nemours	Société Hyacinthe	Société J.T. Mallac
Maurice de M. Enouf	x		x
Dominique de Froberville	x		x *
Alexis Harel	x	x	
Henri Harel	x	x	
Daniel Nairac	x *		
Alain Vallet	x	x *	

* : Chairman

Shareholders' agreement

Terra is not a party to any shareholders' agreement and, to the best of its knowledge, there is no shareholders' agreement between its direct shareholders.

Constitution G4-14

The constitution of Terra is in conformity with the provisions of the Companies Act 2001 and those of the Listing Rules of the Stock Exchange of Mauritius.

The salient features of the constitution are:

- the wide objects and powers conferred on the company;
- the absence of ownership restrictions or pre-emptive rights attached to shares issued by the company;
- the ability of the company to purchase its own shares, to reissue and to sell any of them;
- the retirement by rotation of three directors at every Annual Meeting;
- the procedure for proposing candidates for election to the office of director;
- the ability of shareholders to cast postal votes; and
- the casting vote of the chairman.

On December 28 and 30, 2011, applications under Section 178 of the Companies Act were lodged before the Bankruptcy Division of the Supreme Court by certain dissenting shareholders of Harel Frères Limited (now Terragri Ltd), representing some 6.4% of the share capital, alleging that they had been unfairly prejudiced by the scheme of arrangement approved by a majority of shareholders on November 23, 2011 (the "Scheme"), and requesting the buy back of their shares at "fair value" or the payment of compensation in a sum in excess of MUR 64 per share held by them.

On the same day, the Board of Terragri Ltd, in order to reassure the dissenting shareholders that their rights had not been affected by the Scheme, decided to amend the constitution of Terra, before the effective date of the Scheme, so that any matter that would have required the approval of the shareholders of Terragri Ltd would be submitted for the approval of those of Terra. Corresponding amendments were brought to the constitution of Terragri Ltd after the effective date of the Scheme.
The Board of directors was advised that the above claim is misconceived. Counsel had further opined that the claim amounts to an abuse of the process of the court. The claim was resisted and the matter was heard on May 25, 2012. On February 11, 2014, a judgement has been issued by the Supreme Court, dismissing the applications with costs and confirming that the claim amounted to an abuse of the process of the court. Some of the dissenting shareholders have given notice of appeal, which is being resisted by the group. The appeal is scheduled to be heard on May 25, 2015.

Board of directors

The Board as a whole is ultimately responsible and accountable for the affairs and overall performance of the group. It must ensure that proper systems and controls are in place to protect the group's assets and its good reputation. Having regard to recommendations made by management, the Board makes strategic choices and identifies key risk areas, monitors and evaluates the implementation of policies and business plans, and approves the company's capital expenditure, investments and operating budgets.

The roles of the Chairman and Managing Director are separate and each of them has clearly defined responsibilities. The Chairman's main role is to lead and manage the work of the Board and to ensure that it operates effectively. The Managing Director is responsible for the day-to-day management of the group, leading the executive directors, preparing and submitting development strategies to the Board and making and implementing operational decisions.

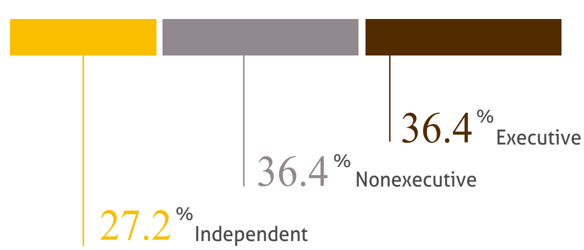
The Board of Terra met seven times during the year and the individual attendance by directors is set out on page 87. Besides, a residential two day seminar led by an overseas consultant was dedicated to the strategy of the group.

Senior group executives are invited, when appropriate, to attend Board meetings and make presentations on the strategies and projects of their business units. The profiles of the senior group executives are set out at pages 78 and 79. Consultants are also invited to attend Board meetings when necessary. During the year, representatives of one of the group's associated companies, of the internal auditors or consultants for the Board evaluation, the whistle blowing mechanism and the sustainability reporting made presentations to the Board.

Other specific responsibilities are delegated to committees established by the Board, namely the Audit and Risk Committee, the Corporate Governance Committee, the Investment Committee and the Ethics Committee, which operate within clearly defined terms of reference and report regularly to the Board. Information on these committees is given on pages 85 to 87.

Board composition

In terms of the constitution, the Board of Terra consists of not more than eleven directors and its composition includes four nonexecutive directors, four executive directors and three independent nonexecutive directors.



Board composition (cont'd)

The following directors held office at December 31, 2014:

Daniel Nairac (*Chairman*)	Nonexecutive
Maurice de Marassé Enouf	Nonexecutive
Dominique de Froberville	Nonexecutive
Alexis Harel	Executive
Henri Harel	Executive
Hubert Harel	Nonexecutive
Cyril Mayer (*Managing Director*)	Executive
François Montocchio	Independent nonexecutive
Nikhil Treebhoohun	Independent nonexecutive
Alain Vallet	Executive
Margaret Wong Ping Lun	Independent nonexecutive

The profiles of the Board members who held office during the financial year under review, as well as the directorships held by them in listed companies, appear on pages 74 and 75.

At the Annual Meeting held in 2014, four directors retired from office, either by rotation or under Section 138 of the Companies Act. Apart from Mr Jean de Fondaumière, who did not offer to be re-elected and was replaced, the other retiring directors were eligible for re-election and were all re-elected.

The Board is aware that the retirement of directors by rotation as provided for in the amended constitution is a departure from section 2.2.6 of the Code, which provides that each director should be elected (or re-elected as the case may be) every year at the Annual Meeting of shareholders.

While remaining committed to sustaining the highest standards of corporate governance, the Board is of the opinion that the standard provision of the Code is inappropriate in the circumstances of the group, given its complexity and the diversity of its activities.

The Board believes that the tenure of office of directors should be of a sufficient duration to allow them, particularly independent directors, and those who are members of the committees established by the Board, to be reasonably conversant with the intricacies of the group's activities so as to exercise the degree of leadership, skill and judgement required to achieve a sustainable degree of prosperity.

Directors' interests in the share capital of Terra Mauricia Ltd

The directors' interests in the company's securities as at December 31, 2014 pursuant to the Listing Rules are as follows:

	ORDINARY SHARES							
	DIRECT				INDIRECT			
DIRECTORS	SHARES	%	USUFRUCT	%	SHARES	%	USUFRUCT	%
Maurice de M. Enouf	-	-	-	-	-	-	-	-
Nikhil Treebhoohun	-	-	-	-	-	-	-	-
Dominique de Froberville	-	-	-	-	266	0.00%	-	-
Alexis Harel	133	0.00%	-	-	17,183	0.01%	-	-
Henri Harel	50,720	0.02%	-	-	1,451,986	0.64%	-	-
Hubert J. Harel	75,000	0.03%	-	-	478,000	0.21%	-	-
Cyril Mayer	325,661	0.14%	-	-	1,139,173	0.50%	136,290	0.06%
François Montocchio	200	0.00%	-	-	2,345,364	1.03%	-	-
Daniel D. L. Nairac	-	-	-	-	-	-	-	-
Alain Vallet	262,490	0.12%	-	-	3	0.00%	1,135,710	0.50%
Margaret Wong Ping Lun	-	-	-	-	1,333	0.00%	-	-
Total	714,204	0.31%	-	-	5,433,308	2.39%	1,272,000	0.56%
Total issued shares	227,545,624							

None of the directors holds any interest in subsidiaries of the company.

The directors abide by the principles enunciated in the Model Code on Securities Transactions by Directors, set out in Appendix 6 of the Mauritius Stock Exchange Listing Rules. During the year under review none of the directors bought or sold shares of Terra.

Group company secretary

Directors have direct access to the advice and services of the secretary, who is responsible for ensuring that Board procedures are followed. He also ensures that newly appointed directors are made aware, within one month of their appointment, of their fiduciary duties and responsibilities and prepares an induction programme, tailored to their individual requirements, in order for them to be immediately familiar with the group's operations, business environment and senior management.

Board Committees G4-16 G4-34

• Audit and Risk Committee G4-14

Members :

Margaret Wong Ping Lun	Chairperson
Maurice de Marassé Enouf	Member
François Montocchio	Member

The three members of the Audit and Risk Committee are nonexecutive directors while the Chairperson is also an independent director.

The Committee operates under formal terms of reference modelled closely on the Code provisions. It is primarily responsible for maintaining an appropriate relationship with the group's external auditors, reviewing internal financial controls and the audit process. Its main objective is to provide the directors with additional assurance regarding the quality and reliability of the financial information used by them and to assist them in properly discharging their duties. The Committee reviews the objectivity and independence of the external auditors and also considers the scope of their work and fees paid for audit and non-audit work. External and internal auditors have unrestricted access to the Committee. The Committee's terms of reference were enlarged in 2013 to encompass the responsibilities of the group's risk management.

Contrary to the provisions of section 3.9.3 of the Code, the Group Managing Director is not a member of the Committee, on account of its dual function in respect of both audit and risk. However, he is invited to attend meetings devoted to risk matters.

No fees were paid either by Terra Mauricia Ltd or the group to BDO & Co for non-audit services. The signing partner has been signing the group accounts since 2009. A change in partner will take place in 2015.

The Audit and Risk Committee met four times and has satisfied its responsibilities for the year, in compliance with its terms of reference. At the first meeting, the audited financial statements were examined and the committee met with the internal auditors to discuss the risk register. The three other meetings were devoted to internal audit reports, management letters, the annual report, the abridged quarterly financial statements and audit planning. Individual attendance by directors is set out on page 87.

The Directors acknowledge the ultimate responsibility of the Board for the risk management process. In order to enhance the existing oversight framework, the Audit and Risk Committee had, in 2013, mandated the current Internal Auditors, Ernst & Young (EY) to put in place a formalised Risk Management Framework together with a risk register.

The formalised Risk Management Framework will allow the company to continuously monitor its risk environment and develop risk mitigating strategies accordingly, as well as assist management to better understand the extent to which risks are properly managed. The risk register will be maintained on an on-going basis and will provide detailed information on risks identified and mitigating controls. It will be updated on a needs basis to capture any emerging risks. The Risk Management Framework has been presented to the Board on September 30, 2014 and a 'Group Risk Champion' has been designated on February 25, 2015 to maintain the risk register and report regularly to the Audit and Risk Committee thereon.

The Risk Management Framework takes into consideration management self-evaluation of controls in place for risks identified and determines where applicable, whether additional controls are required to better mitigate risks. Risks identified relate to the following areas:

> Cost competitiveness – Risks which might prevent the company from sustaining its economic viability;

> Stakeholder confidence – Risks which might prevent the firm from building stronger relationships with stakeholders ;

> Customer reach – Risks which might prevent the company from maximizing its potential market opportunity for products and services; and

> Operational agility – Risks which might affect the company from improving its ability to deliver effectively in a quickly changing market.

Financial risks form part of the Risk Management Framework. These may be defined as the risk that cash flows and financial assets are not managed cost-effectively to:

> maximize cash availability;

> reduce uncertainty of currency, interest rate, credit and other financial assets; and

> move cash funds quickly and without loss of value to wherever they are most needed.

Taking into consideration the fact that 26% of Grays Inc. Ltd is owned by a strategic partner and the complexity of its activities, a separate Audit and Risk Committee has been set up for that company. This committee is at present under the chairmanship of Mr Nardus Oosthuizen, a representative of the strategic partner, with Mr George Schooling and Mr Maurice de Marassé Enouf as members, and reports to the Board of Grays Inc. Ltd. The minutes of its proceedings are circulated to Terra's Audit and Risk Committee and Board. The Grays Inc. Ltd Audit and Risk Committee met on three occasions during the year. The first meeting focused mainly on the audited financial statements and the management letter. The two others reviewed internal audit reports and commissioned Ernst & Young to set up a Risk Management Framework for the Grays cluster.

Board Committees (cont'd)

• Corporate Governance Committee

Members :

Daniel Nairac	Chairman
Jean de Fondaumière (up to June 27, 2014)	Member
François Montocchio (as from July 02, 2014)	Member
Margaret Wong Ping Lun	Member
Cyril Mayer	(In attendance)

The three members of this Committee are nonexecutive directors, and two of them are also independent directors.

The Committee's functions are threefold:

- In its role as Remuneration Committee, its terms of reference include *inter alia* the development of the group's general policy on executive and senior management remuneration as well as the determination of both specific remuneration packages and performance measurement criteria for executive directors. It also makes recommendations concerning the level of directors' fees.
- In its role as Nomination Committee, it regularly reviews Board structure, size and composition and makes recommendations to the Board on Board appointments.
- The Committee has the further responsibility of implementing the Code throughout the group and of ensuring that the reporting requirements on corporate governance are made in accordance with the principles enunciated in it.

The Corporate Governance Committee met six times during the year and the attendance of individual directors at these meetings is detailed in the table set out on page 87. Apart from the second meeting, which was mainly devoted to nomination issues, the preparation of shareholders' meetings and the annual report, the other ones focused essentially on succession planning, Board evaluation, sustainability reporting and remuneration issues.

Upon the recommendation of the Corporate Governance Committee, the Directors and Officers Liability insurance policy was renewed during the year.

Given that the findings of the Board evaluation exercise conducted in 2013 were reviewed by the Board only in early 2014 and the changes in the Board composition which took place at the last Annual meeting, no evaluation was carried in 2014. An evaluation is scheduled for 2015.

The Committee, in consultation with the Managing Director and with the help of specialised consultants and of a selection panel constituted to that effect, has conducted an exercise of head hunting to find the future Chief Executive of the group. This exercise has led to the recruitment of Mr Nicolas Maigrot. Aged 47, Mr Maigrot holds a Bachelor in Business Management from the London School of Economics. He has acquired, during his career, a wide experience, in Mauritius as well as in Africa and Asia, in the management of manufacturing industries or financial and services ventures. He will join Terra as Deputy Chief Executive Officer on October 01, 2015 and will take over from the Managing Director on January 01, 2016.

• Investment Committee

The aim of the Investment Committee is to assist the Board in discharging its duties relating to strategic investment or disinvestment decisions. The Committee therefore reviews, approves and recommends to the Board investment or disinvestment choices based on advice provided by the management team. It has neither managerial nor decisional powers.

The Committee consists of a minimum of three and a maximum of six directors appointed by the Board, at least half of whom shall be nonexecutive directors and preferably independent. The Board appoints a chairman from the nonexecutive members of the Committee.

The members of the Investment Committee are:

Daniel Nairac	Chairman
Jean de Fondaumière (up to June 27, 2014)	Member
Dominique de Froberville	Member
Cyril Mayer	Member
Henri Harel	Member
Alexis Harel	Member
Nikhil Treebhoohun (as from July 02, 2014)	Member
Sébastien Mamet	(In attendance)

The Investment Committee met once in 2014 and made recommendations to the Board in respect of investment policy and of some specific projects, such as the investment made in Terravest Ltd. The attendance of individual directors at this meeting is detailed in the table set out on page 87.

• Ethics Committee G4-56 G4-SO4

The group is fully committed to its Code of Ethics covering ethical standards and inspired by the code of ethics issued by the Mauritius Employers' Federation and the Model Code of Conduct for directors and employees of private sector companies issued by the Joint Economic Council. The group's Code of Ethics is monitored by the Ethics Committee, which has the mandate to receive and deal with any complaint relating to the Code and to ensure that the Code is regularly updated.

Board Committees (cont'd)

• Ethics Committee (cont'd)

The members of the Ethics Committee are:

Daniel Nairac	Chairman
Daniel Capiron (up to June 30, 2014)	Member
Henri Harel (up to July 02, 2014)	Member
Maurice de Marassé Enouf	Member
Nikhil Treebhoohun (as from July 02, 2014)	Member
Louis Denis Koenig	Member
Gilbert Bouic (Group Ethics Officer)	In attendance

The group's Code of Ethics having been adopted since July 2005, a revised version was submitted to and approved by the Board. This new version includes, for the first time, a whistle-blowing policy, which is monitored by Transparency Mauritius, an independent external body. A partnership agreement was signed with the latter in that respect at the end of 2013. Information sessions, which reached almost all the employees of the group, were conducted with the help of Transparency Mauritius in order to introduce the new code, as well as the whistle-blowing procedure. The new code was officially launched during a ceremony held on April 16, 2014 and all Board members, senior executives, staff and employees have been invited to renew their commitment to abide by the code. A Group Ethics Officer function has been designed and Mr Gilbert Bouic, a Certified Ethics Officer, was appointed on July 1st, 2014. In addition to thorough discussions with and explanations to the employees, as well as "coaching" concerning the aims and mechanics of the Code, the Ethics Officer has started devoting time to involve our stakeholders, such as contractors and suppliers, into the logic of our Code and as actors in its success. This effort is on-going. The whistle-blowing policy introduced by the Code, involving Transparency Mauritius as intermediary and guarantor of confidentiality, is operational and has already yielded concrete results. For example, a whistle-blower brought about a reconsideration and subsequent rationalisation of rules for allocating fallow cane land to employees for vegetable cultivation during the intercrop season.

The Committee met once in 2014 to receive the reports of the Ethics Officer on its activities and of Transparency Mauritius on the whistle-blowing cases received and attended to in 2014. The attendance of individual directors to the meeting is detailed in the table set out below.

Board and Committee attendance

Directors are expected to attend, in person or by teleconference, all Board meetings and all Board Committee meetings of which they are a member, unless prevented to do so by exceptional circumstances. Board meeting dates are generally set well in advance to enable directors to manage their other commitments.

The attendance of directors at Board and Committee meetings, as well as at the Annual Meeting of shareholders, is set out below.

	Board	**Corporate Governance**	**Audit and Risk**	**Investment**	**Ethics**	**Annual Meeting of shareholders held on June 27, 2014**
No. of meetings	**7**	**6**	**4**	**1**	**1**	
DIRECTORS						
Maurice de M. Enouf	7/7	-	4/4	-	1/1	Yes
Jean de Fondaumière	3/3	3/3	-	1/1	-	No
Dominique de Froberville	7/7	-	-	1/1	-	Yes
Alexis Harel	7/7	-	-	0/1	-	No
Henri Harel	7/7	-	-	1/1	-	Yes
Hubert Harel	7/7	-	-	-	-	Yes
Cyril Mayer	7/7	5/6	-	1/1	-	Yes
François Montocchio	7/7	3/3	4/4	-	-	Yes
Daniel Nairac	7/7	6/6	-	1/1	1/1	Yes
Nikhil Treebhoohun	4/4	-	-	-	1/1	Yes
Alain Vallet	7/7	-	-	-	-	Yes
Margaret Wong Ping Lun	7/7	6/6	4/4	-	-	Yes

Internal controls

The Board has overall responsibility for the system of internal control. A sound system of internal control is designed to manage the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The system of internal controls put in place by management to respond to the above includes:

- Maintaining proper accounting records to ensure effective operation of the group's business and compliance;
- Implementing the strategies and policies adopted by the Board, and managing all of the group's activities, including the operation of the internal control system.

The Board has also established key processes for monitoring the system of internal control as follows:

- A detailed organisation structure has been established, including the delegation of appropriate responsibilities from the Board to the Board Committees, the Group Managing Director, members of the Senior Management, and to the heads of operating units;
- The effectiveness of internal controls is continually assessed by the Board by considering the recommendations of the Audit and Risk Committee, reports of the internal auditors, feedback from management and the external auditors;
- A proper Enterprise Resource Planning system is in place to provide financial and operational performance data for management accounting purposes;
- Review of the accounting information takes place on a regular basis at Audit and Risk Committee and Board level and remedial action is taken promptly, where necessary;
- A Code of Ethics has been adopted since July 2005 and is monitored by the Ethics Committee to govern the staff's conduct, which sets the standards of integrity and professionalism for the group's operation. The code has been reviewed in 2013 and the new version has been launched in 2014;
- Management has put in place appropriate operational and compliance controls at all operating units.

Internal audit

• Mission and scope of work

The mission of the internal audit is to provide independent, objective assurance services designed to add value and improve the company's operations.

The scope of the internal audit function is to assist the Board of directors and management to maintain and improve the process by which risks are identified and managed and to help the Board to discharge its responsibilities and to maintain and strengthen the internal control framework.

Save for Grays Inc. Ltd, which has its own in-house internal auditor, the internal audit function of the group is performed by Messrs Ernst & Young (EY), Public Accountants.

• Reporting

The internal auditors have a direct reporting line to the Audit and Risk Committee and maintain an open and constructive communication channel with the executive management. They also have direct access to the chairpersons of the Committees and of the Board. This reporting structure allows the internal auditors to remain independent and to report all items of significance to the Board and the Audit and Risk Committee.

• Internal audit coverage

The internal audit plan, which is approved by the Audit and Risk Committee, is based on the principles of risk management to align coverage and effort with the degree of risk attributable to the areas audited.

The internal auditor performed four audit visits for the group during the financial year 2014. The visits were performed according to the audit plan agreed with the Audit and Risk Committee. Proposed recommendations in respect of issues identified were discussed with management and the final internal audit reports were submitted to the Audit and Risk Committee. The internal auditor also monitored the progress in respect of the implementation of previous recommendations. The internal auditor had unrestricted access to the records, management or employees of the group.

A first business risk assessment was performed for the group in October 2005 and the outcome was used as a basis for planning the internal audits performed by EY from 2006 to 2011. A second business risk assessment has been performed by EY in May-June 2012 to assess:

- The change in the risk environment since the previous risk assessment in October 2005;
- The impact of these changes on the risk profile of the group; and
- The current state of the group's risk environment.

Results of this assessment have been used by EY to plan internal audit visits for the 3 year plan (2013-2015) based on the risk areas identified under the following categories:

• Environment and strategy risks

These arise when there are environmental forces that could either put a company out of business or significantly change the fundamentals that drive its overall objectives and strategies.

Internal audit (cont'd)

Internal audit coverage (cont'd)

The assessment of the environment and strategy risks also includes:

- Regulatory risks:
Changes in regulations and actions by the local regulators can result in increased competitive pressures and significantly affect a company's ability to conduct business efficiently.

- Industry risks:
The industry may lose its attractiveness due to changes in:
  - o key factors for competitive success within the industry, including significant opportunities and threats;
  - o capabilities of existing and potential competitors; and
  - o group's strengths and weaknesses relative to present and future competitors.

- Operational risks:
Operational risks are risks of loss resulting from inadequate or failed internal processes and procedures, human error or system failure. They also include legal risk.

• Human resources risks
The personnel responsible for managing and controlling the organisation or a business process may not possess the requisite knowledge, skills and experience needed to ensure that critical business objectives are achieved and significant business risks are reduced to an acceptable level.

• Information Technology risks
The information technologies used in the group's businesses may not be operating as intended, thereby compromising the integrity and reliability of data and information and exposing significant assets to potential loss or misuse, or exposing the group's ability to sustain the operation of critical processes.

Following the second risk assessment exercise, a Risk Management Framework has been designed, which will enable monitoring of the risks identified in each of the areas above. The Risk Management Framework includes compilation of strategic and operational risk registers which detail risks identified and corresponding management actions that are being taken to address the risk areas. A 'Risk Champion' for the group has been nominated who will be responsible for the regular follow-up and reporting on the risk registers to the Audit and Risk Committee.

Dividend policy

No formal dividend policy has been determined by the Board.

However, having regard, *inter alia*, to group performance, capital expenditure and debt servicing requirements, investment needs as well as the uncertainties facing the group, the Board attempts to distribute a yearly dividend which, under normal circumstances, should remain sustainable in the medium to long-term.

Remuneration policy

All directors receive Board remuneration consisting of a fixed fee, as well as an additional fee for each Board meeting attended by them. The Chairman is remunerated in a similar manner, but at higher rates. Changes in remuneration are submitted to the Annual Meeting for approval.

In addition, directors who are Board Committee members receive attendance fees for such meetings, while chairpersons are remunerated at a higher rate. Committee fees are approved by the Board.

As regards executive directors, the remuneration policy aims to:
- align executive remuneration with the group's business objectives and shareholder value,
- attract, retain and motivate high calibre executives capable of achieving the group's objectives,
- motivate executives to achieve ambitious performance levels, and
- recognise both corporate and individual performance.

The overall remuneration of executive directors comprises a base salary, pension and other benefits and a non-pensionable annual performance bonus, in addition to the Board remuneration described above. The proportion of variable pay to fixed pay is significant and aims at better aligning the interests of these directors with those of the group and providing an added incentive to respond to the challenges facing the group.

The Corporate Governance Committee has retained outside consultants to provide independent market information and advice relating to the regular review of executive performance and remuneration.

Remuneration of directors

Directors' remuneration for the year ended December 31, 2014 is set out below.

	Remuneration from Terra Mauricia Ltd MUR '000		Remuneration from subsidiaries MUR '000		Remuneration from companies on which director serves as representative of the group MUR '000	
DIRECTORS	2013	**2014**	2013	**2014**	2013	**2014**
Maurice de Marassé Enouf	580	**545**	311	**345**	-	-
Jean de Fondaumière	630	**320**	-		-	-
Dominique de Froberville	505	**430**	90	**90**	-	-
Alexis Harel	544	**665**	5,270	**5,486**	285	**234**
Henri Harel	405	**420**	6,065	**5,886**	297	**267**
Hubert Harel	405	**420**	-		-	-
Cyril Mayer	405	**420**	17,149	**16,660**	642	**608**
François Montocchio	460	**695**	-		-	-
Daniel Nairac	1,330	**1,360**	-		-	-
Nikhil Treebhoohun	-	**250**	-	-	-	-
Alain Vallet	514	**665**	6,157	**6,564**	209	**194**
Margaret Wong Ping Lun	770	**855**	-		-	-

The remuneration received by directors from Terra Mauricia Ltd varied according to the number of meetings held in 2014, the number of committees on which the members were appointed, or as a result of partial year remuneration for the new director or the one who ceased to hold office.

Regarding executive directors, their remuneration varies with group or company results, as the case may be.

Shareholders' relations and communication G4-26

The group understands the importance of communicating with its shareholders and ensures that shareholders are kept informed on matters affecting Terra. The group communicates to its shareholders through its Annual Report, circulars issued in compliance with the Listing Rules of the Stock Exchange of Mauritius Limited, press announcements, publication of unaudited quarterly and audited abridged financial statements of the group, dividend declaration and the Annual Meeting, to which all shareholders are invited.

Moreover, all directors are invited and encouraged to attend the Annual Meeting and be available to answer shareholders' questions. As in 2013, 9 directors out of 11 attended the meeting in 2014, as well as the director who was appointed on that occasion. It has been the practice since 2003 to allow for the postal vote of shareholders at the Annual Meeting. Immediately after the Annual Meeting, the main institutional investors and investment managers are invited to attend a presentation of the Annual Report and to put questions to management. This exercise has taken place for a number of years and is well attended and welcomed by the investing community. As in 2013, a meeting with the press was also organised in 2014 and was well appreciated by the journalists.

Share option plan

The group has no share option plan.

Share information

Information relating to share distribution and Stock Exchange performance is set out on pages 10 to 15. Dates of important events are also noted.

Related party transactions

Related party transactions are disclosed in aggregate in Note 39 to the Financial Statements.

However, during the year, there were no material transactions between the company or any of its subsidiaries or associates and a director, chief executive, controlling shareholder or companies owned or controlled by a director, chief executive or controlling shareholder.

Management agreements

Except for the management agreement between Ivoirel Limitée and Sucrivoire, there are no management agreements with third parties to which the company or a subsidiary is a party.

Health and safety G4-DMA

Terra is committed to provide a healthy and safe working environment to all its employees, sub-contractors and visitors by complying with the Occupational Safety & Health Act 2005 and associated regulations. The group adopts a continual improvement approach to prevent any work-related incidents and ill-health.

Accident statistics show that there has been an increase of 22.8% in accident occurrences in 2014 compared to 2013 for Terra Milling Ltd and Terragri Ltd. We reported two notifiable accidents under Occupational Safety & Health Act 2005 for Terragri Ltd (Fields & Garage Department). However, we did not have any notifiable accidents for Terra Milling Ltd compared to three notifiable accidents in 2013. It is good to note that for the period 2010 to 2014, there were no court cases against Terra with regards to health & safety compliance and accidents at work.

Following the fatal accident which occurred at Terra Milling Ltd on the December 06, 2013, a health & safety audit was carried out by a specialised institution (Apave) in April 2014 for Terra Milling Ltd and Terragri Ltd (Fields & Garage Department). The Final Reports of this comprehensive health & safety audit were received in September 2014 and an Action Plan has been prepared for the implementation of proposed recommendations. A special budget of MUR 2 M has been allocated respectively to Terra Milling Ltd and Terragri Ltd (Garage Department) for safety and health improvements in 2015.

Concerning safety & health compliance, fire certificates were obtained for Terragri Ltd (Garage Departments & Filling Station at Belle Vue), Terra Milling Ltd (Alcohol Store) and for the Office Block at Belle Vue. Fire certificates, which are statutory requirements, were also obtained for Block B Building at Grays Inc. Ltd and for the new alcohol store of Grays Distilling Ltd at Beau Plan. Electrical Inspections were carried out by a specialized institution at Grays Inc. Ltd, Grays Distilling Ltd and Terragri Ltd (Garage Department) as a pro-active measure with regard to fire safety and insurance requirements.

In 2014, Terra Milling Ltd embarked on the process of implementation of OHSAS 18001:2007, which is a Health & Safety Management System. Its objective is to fully adopt the health and safety culture and to be certified hopefully by the end of 2015.

With regard to health at work, the Group HR Department issued a Non-Smoking Policy which is being complied with within the group. OS & H training sessions on various important topics namely Food Hygiene, Road Safety and Safety at Work were also organised across the group.

Terragen Ltd, on its part is striving to maintain its integrated management system (QSE). Thanks to the continual effort of its personnel, it passed its QSE surveillance audit in December 2014, conducted by AFNOR. Terragen Ltd has established a monitoring programme to ensure that rules including procedures, work-permit system and instructions are continuously being complied with, along with regular awareness sessions to employees and sub-contractors. There are regular meetings to discuss any deviation and propose corrective and preventive measures, which keep the system 'alive'.

Environment

The environmental performance of the group is explained on pages 66 to 71 of this report and Terra's industrial ecosystem chart can be found on page 93.

The group is also sensitive to the promotion and awareness of good environmental practices amongst its staff and stakeholders and has, for example, decided to use recycled paper to publish its Annual Report. There is, at the end of this Annual Report, an interesting FAQ explaining the benefits of using recycled paper. Furthermore, the Board has decided as from this year to propose to the shareholders to receive the Annual Report in electronic format, as per the Practice Directions issued by the Registrar of Companies on 30 May 2014 and Febuary 26, 2015, and to seek their consent in that respect.

Donations

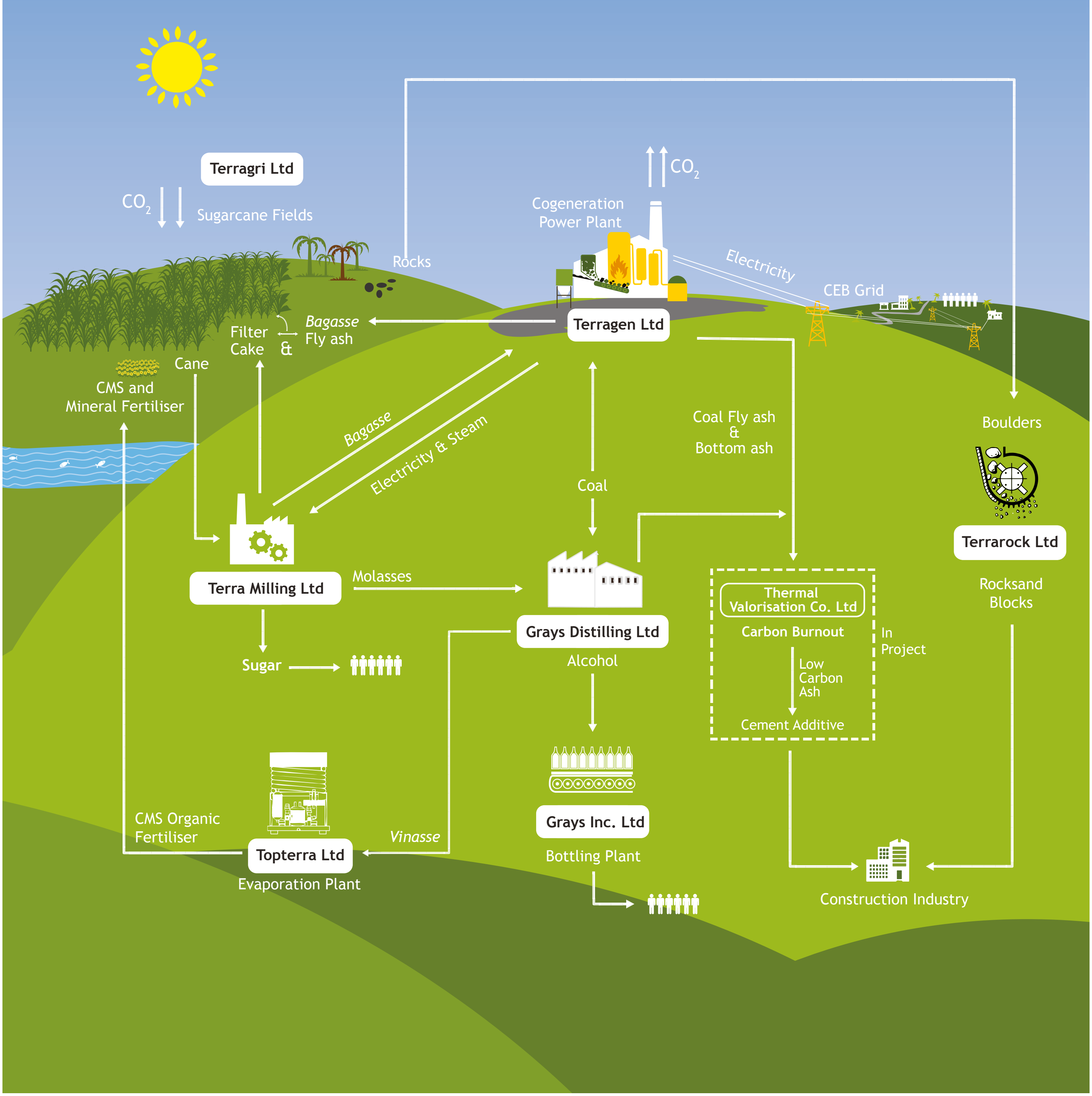
Donations, including political donations made during the year, are shown on page 98.

Corporate social responsibility

The policies and practices of the group regarding social responsibility are detailed under the Terra Foundation section on pages 56 to 59.

For Terra Services Ltd
Secretary
May 13, 2015

Industrial ecosystem chart



Secretary's certificate

(pursuant to Section 166(d) of the Companies Act 2001)

I certify that, to the best of my knowledge and belief, Terra Mauricia Ltd has filed with the Registrar of Companies all such returns as are required under the Companies Act 2001.

M.D. Henri Harel
For Terra Services Ltd
Secretary
April 30, 2015

Statement of compliance

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

Name of Public Interest Entity (PIE): Terra Mauricia Ltd

Reporting period: December 31, 2014

We, the directors of Terra Mauricia Ltd, confirm that, to the best of our knowledge, the PIE has not complied with Sections 2.2.6 and 3.9.3 of the Code of Corporate Governance. Reasons for non-compliance are given on pages 84 and 85 of the Corporate Governance report.

Daniel Nairac
Chairman

Cyril Mayer
Managing Director

May 13, 2015

Corporate information

G4-5

Registered office

18 Edith Cavell Street, P.O. Box 317
Port-Louis 11302 – Republic of Mauritius
Telephone : (230) 208 0808
Telefax : (230) 211 1836
E-mail : terra@terra.co.mu
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Secretary

Terra Services Ltd
18 Edith Cavell Street, P.O. Box 317
Port-Louis 11302 – Republic of Mauritius
Telephone : (230) 208 0808
Telefax : (230) 211 1836
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Auditors

BDO & Co
(Chartered Accountants)

Main bankers

The Mauritius Commercial Bank Limited
The State Bank of Mauritius Limited
Barclays Bank Mauritius Limited
AfrAsia Bank Limited
Banque des Mascareignes Ltée

Cane

Terragri Ltd / Terra Milling Ltd
Mapou 31806 – Republic of Mauritius
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Sucrivoire
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Power

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Brands

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Grays Distilling Ltd
Beau Plan, Pamplemousses 21001
Republic of Mauritius
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Telefax: (230) 243 3733
E-mail: distilling@grays.mu

Property management

Sagiterra Ltd
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Edith Cavell Street,
Port-Louis 11302 – Republic of Mauritius
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Telefax: (230) 211 0484
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Stone crushing and block making

Terrarock Ltd
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Telephone: (230) 266 1355
Telefax: (230) 266 9045
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Corporate Social Responsibility

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Leisure

Sugarworld Ltd – L'Aventure du Sucre
Beau Plan, Pamplemousses 21001
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Telefax: (230) 243 9699
E-mail: aventure.sucre@intnet.mu
Website: www.aventuredusucre.com

Offshore management

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Statement of directors' responsibilities in respect of financial statements

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

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

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

The external auditors are responsible for reporting on whether the financial statements are fairly presented. The report of the external auditors on the financial statements is on pages 100 and 101.

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

The directors report that adequate accounting records and an effective system of internal controls and risk management have been maintained.

Signed on behalf of the Board of directors by

Daniel Nairac
Chairman

Cyril Mayer
Managing Director

May 13, 2015

Statutory disclosures

(pursuant to Section 221 of the Companies Act 2001 and the Securities Act 2005)

Directors

Names

The names of the directors of Terra Mauricia Ltd at December 31, 2014 are given on page 84 of this report. In addition, a list of directors of subsidiary companies at the same date appears on page 171.

Service contracts

Four executive directors, namely Messrs Cyril Mayer, Alexis Harel, Henri Harel and Alain Vallet have at present service contracts without expiry dates with group companies. Other than for the above-mentioned executive directors, none of the directors proposed for election or re-election at the forthcoming Annual Meeting of shareholders has service contracts with the company or the group.

Remuneration & benefits

	THE COMPANY		SUBSIDIARIES	
	2014 MUR'M	2013 MUR'M	**2014 MUR'M**	2013 MUR'M
Emoluments paid by the company and its subsidiaries to:				
- Directors of Terra Mauricia Ltd:				
• Executive				
Full-time	**0.8**	0.8	**22.5**	23.2
Part-time	**1.3**	1.1	**12.1**	11.4
• Nonexecutive	**4.9**	4.7	**0.4**	0.4
	7.0	6.6	**35.0**	35.0

Directors of subsidiary companies (other than those of Terra Mauricia Ltd):

	2014 MUR'M	2013 MUR'M
• 9 Executive (9 in 2013)		
Full-time	**36.6**	37.6
• 15 Nonexecutive (15 in 2013)	**0.7**	0.6
	37.3	38.2

Contracts of significance

During the year under review, there were no contracts of significance to which Terra Mauricia Ltd, or one of its subsidiaries, was a party and in which a director of Terra Mauricia Ltd was materially interested, either directly or indirectly.

Auditor's remuneration

	THE GROUP		THE COMPANY	
	2014 MUR'M	2013 MUR'M	**2014 MUR'M**	2013 MUR'M
Audit fees paid to:				
• BDO & Co	**3.4**	3.1	**0.6**	0.6

The auditors did not receive any fees for other services.

Statutory disclosures (cont'd)

(pursuant to Section 221 of the Companies Act 2001 and the Securities Act 2005)

Donations

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Contributions towards Corporate Social Responsibility	**6.9**	12.3
Number of projects funded: 51. (2013: 62)		
Political	**5.9**	-

Senior officers' interests

The group's senior officers' interests in the company as declared under the Securities Act 2005 as at December 31, 2014 were as follows:

	ORDINARY SHARES							
	DIRECT				INDIRECT			
	Beneficial	**%**	**Non-beneficial**	**%**	**Beneficial**	**%**	**Non-beneficial**	**%**
SENIOR OFFICERS OF THE COMPANY								
Dominique de Froberville	-	-	-	-	266	0.00%	-	-
Alexis Harel	133	0.00%	-	-	17,183	0.01%	-	-
Henri Harel	50,720	0.02%	-	-	621,875	0.27%	4,437,051	1.95%
Cyril Mayer	325,661	0.14%	-	-	976,347	0.43%	-	-
François Montocchio	200	0.00%	-	-	-	-	2,345,364	1.03%
Alain Vallet	262,490	0.12%	-	-	227,143	0.10%	-	-
Hubert Harel	75,000	0.03%	-	-	-	-	156,000	0.07%
Jean Marc Jauffret	1,000	0.00%	-	-	-	-	-	-
Bernard Desvaux de Marigny	1,925	0.00%	-	-	-	-	-	-
Sébastien Mamet	300	0.00%	-	-	-	-	-	-
Noufail Manjoo	235	0.00%	-	-	-	-	-	-
Christopher Park	2,300	0.00%	-	-	-	-	-	-
	719,964	0.32%			1,842,814	0.81%	6,938,415	3.05%

Total issued shares 227,545,624

The above mentioned senior officers have not declared any interest in the subsidiaries.

Independent Auditors' Report to the members

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

Report on the Financial Statements

We have audited the financial statements of Terra Mauricia Ltd and its subsidiaries (the "Group") and the Company's separate financial statements on pages 102 to 170 which comprise the statements of financial position at December 31, 2014, statements of profit or loss, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements on pages 102 to 170 give a true and fair view of the financial position of the Group and of the Company at December 31, 2014, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

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

We have obtained all information and explanations we have required.

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

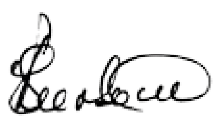
Financial Reporting Act 2004

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

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

BDO & Co

Chartered Accountants



Shabnam Peerbocus, F.C.A
Licensed by FRC

Port-Louis,
Mauritius.
April 30, 2015.

STATEMENTS OF FINANCIAL POSITION - DECEMBER 31, 2014 G4-9

		THE GROUP			THE COMPANY	
				As at January 1,		
			2013	2013		
	Notes	**2014**	Restated	Restated	**2014**	2013
ASSETS		**MUR'M**	MUR'M	MUR'M	**MUR'M**	MUR'M
Non-current assets						
Property, plant and equipment	5	**14,397.0**	14,422.8	14,430.6	**-**	-
Investment properties	6	**221.1**	227.5	233.9	**-**	-
Intangible assets	7	**382.1**	386.7	386.3	**-**	-
Investment in subsidiaries	8	**-**	-	-	**12,424.8**	11,183.8
Investment in associates	9	**2,252.8**	1,872.3	1,156.0	**973.0**	1,772.6
Investment in financial assets	10	**532.5**	477.1	442.8	**547.1**	476.7
Non-current receivables	11	**6.5**	11.9	19.0	**-**	0.1
Bearer biological assets	12	**303.6**	276.8	274.5	**-**	-
Land development expenditure	13	**68.7**	95.9	93.6	**-**	-
Deferred VRS costs	14	**23.1**	46.3	59.7	**-**	-
Deferred tax assets	15	**36.3**	12.2	2.7	**-**	-
		18,223.7	17,829.5	17,099.1	**13,944.9**	13,433.2
Current assets						
Inventories	16	**662.0**	721.7	617.3	**-**	-
Consumable biological assets	17	**153.6**	257.3	253.1	**-**	-
Trade and other receivables	18	**1,163.8**	1,029.3	1,165.4	**42.0**	29.6
Derivative financial instruments	19	**0.8**	-	-	**-**	-
Cash and cash equivalents	34	**115.2**	259.3	159.3	**10.8**	53.1
		2,095.4	2,267.6	2,195.1	**52.8**	82.7
Non-current assets classified as held for sale	20	**146.3**	85.0	22.9	**-**	-
Total assets		**20,465.4**	20,182.1	19,317.1	**13,997.7**	13,515.9
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	21	**11,976.0**	11,976.0	11,976.0	**11,976.0**	11,976.0
Revaluation and other reserves	22	**3,926.4**	3,918.5	4,139.7	**(43.7)**	(481.8)
Retained earnings		**599.5**	460.2	246.1	**1,839.2**	1,792.3
Owners' interest		**16,501.9**	16,354.7	16,361.8	**13,771.5**	13,286.5
Non-controlling interests		**957.5**	945.9	959.2	**-**	-
Total equity		**17,459.4**	17,300.6	17,321.0	**13,771.5**	13,286.5
Non-current liabilities						
Borrowings	23	**411.2**	64.1	70.8	**-**	-
Deferred tax liabilities	15	**214.4**	202.4	231.1	**-**	-
Deferred income	24	**2.1**	4.1	6.1	**-**	-
Retirement benefit obligations	25	**490.1**	512.6	349.0	**-**	-
		1,117.8	783.2	657.0	**-**	-
Current liabilities						
Trade and other payables	26	**675.4**	724.8	717.0	**19.5**	229.1
Current tax liabilities	27	**17.6**	31.1	52.1	**0.1**	0.3
Borrowings	23	**1,188.8**	1,336.0	569.7	**206.6**	-
		1,881.8	2,091.9	1,338.8	**226.2**	229.4
Liabilities directly associated with non-current assets classified as held for sale	20(b)	**6.4**	6.4	0.3	**-**	-
Total liabilities		**3,006.0**	2,881.5	1,996.1	**226.2**	229.4
Total equity and liabilities		**20,465.4**	20,182.1	19,317.1	**13,997.7**	13,515.9

These financial statements have been approved for issue by the Board of Directors on April 30, 2015.

Mrs Margaret WONG PING LUN
Director

Mr Cyril MAYER
Director

The notes on pages 109 to 170 form an integral part of these financial statements.
Auditors' report on pages 100 and 101.

STATEMENTS OF PROFIT OR LOSS - YEAR ENDED DECEMBER 31, 2014 G4-9

		THE GROUP		THE COMPANY	
	Notes	**2014** **MUR'M**	2013 Restated MUR'M	**2014** **MUR'M**	2013 MUR'M
Revenue	2.24, 41(c)	**3,905.4**	4,078.0	**249.9**	902.5
Compensation from the Sugar Insurance Fund Board	42	**100.6**	0.5	**-**	-
(Losses)/gains arising from changes in fair value of consumable biological assets	17	**(103.7)**	4.2	**-**	-
		3,902.3	4,082.7	**249.9**	902.5
Cost of sales		**(3,121.9)**	(3,067.4)	**-**	-
Gross profit		**780.4**	1,015.3	**249.9**	902.5
Other income	28	**120.6**	100.7	**9.4**	-
Administrative expenses		**(393.3)**	(407.5)	**(18.1)**	(17.8)
Distribution costs		**(105.5)**	(96.8)	**-**	-
Other expenses		**(332.0)**	(306.3)	**-**	-
Profit before finance costs	29	**70.2**	305.4	**241.2**	884.7
Finance costs	31	**(66.8)**	(25.0)	**(12.3)**	(13.8)
Share of results of associates	9	**296.5**	232.3	**-**	-
Reversal of impairment of associate	9	**166.3**	-	**-**	-
Profit before taxation		**466.2**	512.7	**228.9**	870.9
Taxation	27	**(34.0)**	(46.6)	**-**	(0.3)
Profit for the year		**432.2**	466.1	**228.9**	870.6
Profit attributable to:					
Owners of the parent		**317.3**	358.8	**228.9**	870.6
Non-controlling interests		**114.9**	107.3	**-**	-
		432.2	466.1	**228.9**	870.6
Earnings per share (MUR)	32	**1.39**	1.58	**1.01**	3.83

The notes on pages 109 to 170 form an integral part of these financial statements.
Auditors' report on pages 100 and 101.

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

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Profit for the year	**432.2**	466.1	**228.9**	870.6
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Remeasurements of post employment benefit obligations	**12.3**	(168.5)	**-**	-
Deferred tax on remeasurements of post employment benefit obligations	**(1.8)**	25.3	**-**	-
Share of other comprehensive income of associates	**(7.1)**	(29.2)	**-**	-
Scrappings of revalued property, plant and equipment	**(0.7)**	(1.2)	**-**	-
Items that may be reclassified subsequently to profit or loss:				
(Decrease)/increase in fair value of investments	**(5.9)**	(6.2)	**437.0**	(309.5)
Fair value movement on disposal of financial assets	**1.1**	-	**1.1**	-
Translation reserve movement	**20.6**	1.0	**-**	-
Other comprehensive income for the year	**18.5**	(180.8)	**438.1**	(309.5)
Total comprehensive income for the year	**450.7**	285.3	**667.0**	561.1
Total comprehensive income attributable to:				
Owners of the parent	**330.8**	192.4	**667.0**	561.1
Non-controlling interests	**119.9**	92.9	**-**	-
	450.7	285.3	**667.0**	561.1

The notes on pages 109 to 170 form an integral part of these financial statements.
Auditors' report on pages 100 and 101.

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

THE GROUP	Notes	Attributable to owners of the parent					
		Share Capital MUR'M	**Revaluation and Other Reserves MUR'M**	**Retained Earnings MUR'M**	**Total MUR'M**	**Non-Controlling Interests MUR'M**	**Total Equity MUR'M**
At January 1, 2014							
- as previously reported		**11,976.0**	**3,945.4**	**542.4**	**16,463.8**	**949.3**	**17,413.1**
- Net SIPF 1 liabilities*		**-**	**(26.9)**	**(82.2)**	**(109.1)**	**(3.4)**	**(112.5)**
- as restated		**11,976.0**	**3,918.5**	**460.2**	**16,354.7**	**945.9**	**17,300.6**
Profit for the year		**-**	**-**	**317.3**	**317.3**	**114.9**	**432.2**
Other comprehensive income for the year		**-**	**13.5**	**-**	**13.5**	**5.0**	**18.5**
Release of deferred tax on excess depreciation over historical cost depreciation		**-**	**2.3**	**-**	**2.3**	**-**	**2.3**
Release on disposal of land		**-**	**(4.0)**	**4.0**	**-**	**-**	**-**
Movement in reserves		**-**	**(3.9)**	**-**	**(3.9)**	**(0.3)**	**(4.2)**
Dividends	33	**-**	**-**	**(182.0)**	**(182.0)**	**(108.0)**	**(290.0)**
Balance at December 31, 2014		**11,976.0**	**3,926.4**	**599.5**	**16,501.9**	**957.5**	**17,459.4**

* Following the unitisation of Sugar Industry Pension Fund 1 (SIPF 1), the assets for each employer within SIPF 1 have been allocated so that it is now possible to compute the net pension liability for each employer in respect of SIPF 1 pension promises. Therefore, the pension provisions have been increased to not only include the pension promises under the MSPA/SISEA agreement but also those under SIPF. Prior years have been amended accordingly.

THE GROUP	Notes	Attributable to owners of the parent					
		Share Capital MUR'M	Revaluation and Other Reserves MUR'M	Retained Earnings MUR'M	Total MUR'M	Non-Controlling Interests MUR'M	Total Equity MUR'M
At January 1, 2013							
- as previously reported		11,976.0	4,139.7	322.0	16,437.7	961.7	17,399.4
- Net SIPF 1 liabilities		-	-	(75.9)	(75.9)	(2.5)	(78.4)
- as restated		11,976.0	4,139.7	246.1	16,361.8	959.2	17,321.0
Profit for the year		-	-	358.8	358.8	107.3	466.1
Other comprehensive income for the year		-	(166.4)	-	(166.4)	(14.4)	(180.8)
Release of deferred tax on excess depreciation over historical cost depreciation		-	3.4	-	3.4	-	3.4
Release on disposal of land		-	(37.3)	37.3	-	-	-
Non-controlling interest arising on acquisition of new subsidiary companies		-	-	-	-	0.8	0.8
Movement in reserves		-	(20.9)	-	(20.9)	1.2	(19.7)
Dividends	33	-	-	(182.0)	(182.0)	(108.2)	(290.2)
Balance at December 31, 2013		11,976.0	3,918.5	460.2	16,354.7	945.9	17,300.6

The notes on pages 109 to 170 form an integral part of these financial statements.
Auditors' report on pages 100 and 101.

STATEMENTS OF CHANGES IN EQUITY (CONT'D) - YEAR ENDED DECEMBER 31, 2014

THE COMPANY	Notes	Share Capital MUR'M	Amalgamation Reserve MUR'M	Fair Value Reserve MUR'M	Retained Earnings MUR'M	Total MUR'M
At January 1, 2014		**11,976.0**	**(172.3)**	**(309.5)**	**1,792.3**	**13,286.5**
Profit for the year		**-**	**-**	**-**	**228.9**	**228.9**
Other comprehensive income for the year		**-**	**-**	**438.1**	**-**	**438.1**
Dividends	33	**-**	**-**	**-**	**(182.0)**	**(182.0)**
At December 31, 2014		**11,976.0**	**(172.3)**	**128.6**	**1,839.2**	**13,771.5**

	Notes	Share Capital MUR'M	Amalgamation Reserve MUR'M	Fair Value Reserve MUR'M	Retained Earnings MUR'M	Total MUR'M
At January 1, 2013		11,976	(172.3)	-	1,103.7	12,907.4
Profit for the year		-	-	-	870.6	870.6
Other comprehensive income for the year		-	-	(309.5)	-	(309.5)
Dividends	33	-	-	-	(182.0)	(182.0)
At December 31, 2013		11,976.0	(172.3)	(309.5)	1,792.3	13,286.5

The notes on pages 109 to 170 form an integral part of these financial statements.
Auditors' report on pages 100 and 101.

STATEMENTS OF CASH FLOWS - YEAR ENDED DECEMBER 31, 2014

		THE GROUP		THE COMPANY	
	Notes	**2014**	2013	**2014**	2013
		MUR'M	MUR'M	**MUR'M**	MUR'M
Operating activities					
Profit before taxation		**466.2**	512.7	**228.9**	870.9
Adjustments for :					
Depreciation	5	**242.2**	235.9	**-**	-
Release of deferred revenue		**(2.0)**	(2.0)	**-**	-
Profit on sale of property, plant and equipment/non current assets classified as held for sale		**(31.5)**	(45.6)	**-**	-
Profit on sale of investments		**(6.7)**	(12.4)	**(6.7)**	-
Retirement benefit obligations		**(10.2)**	(4.8)	**-**	-
Amortisation of bearer biological assets	12	**83.3**	79.5	**-**	-
Amortisation of intangible assets		**5.3**	3.1	**-**	-
Depreciation of investment properties	6	**6.4**	6.4	**-**	-
Amortisation of VRS costs	14	**23.2**	23.0	**-**	-
Reversal of impairment of associate		**(166.3)**	-	**-**	-
Exchange differences		**(1.1)**	(1.0)	**-**	-
Investment income		**(20.7)**	(19.3)	**(249.9)**	(902.5)
Interest expense	31	**68.4**	24.7	**12.1**	13.8
Share of results of associates		**(296.5)**	(232.3)	**-**	-
Changes in working capital:					
- inventories		**59.7**	(104.4)	**-**	-
- consumable biological assets	17	**103.7**	(4.2)	**-**	-
- trade and other receivables		**(134.5)**	136.1	**(12.4)**	127.1
- trade and other payables		**(48.4)**	25.1	**(209.6)**	(114.4)
		340.5	620.5	**(237.6)**	(5.1)
VRS costs paid		**(1.0)**	(21.0)	**-**	-
Interest paid		**(68.4)**	(24.7)	**(12.1)**	(13.8)
Income tax paid		**(59.1)**	(76.3)	**(0.2)**	(0.2)
Net cash from/(used in) operating activities		**212.0**	498.5	**(249.9)**	(19.1)

The notes on pages 109 to 170 form an integral part of these financial statements.
Auditors' report on pages 100 and 101.

STATEMENTS OF CASH FLOWS (CONT'D) - YEAR ENDED DECEMBER 31, 2014

		THE GROUP		THE COMPANY	
	Notes	**2014**	2013	**2014**	2013
		MUR'M	MUR'M	**MUR'M**	MUR'M
Investing activities					
Purchase of property, plant and equipment/investment properties	5,6	**(227.9)**	(310.6)	**-**	-
Intangible assets acquired	7	**(0.7)**	(3.5)	**-**	-
Replantation costs	12	**(110.1)**	(81.8)	**-**	-
Land development expenditure/ non-current assets classified as held for sale		**(64.4)**	(65.0)	**-**	-
Acquisition of additional stake in subsidiary		**-**	-	**-**	-
Purchase of investment in					
- subsidiaries		**-**	-	**-**	(3.2)
- associates	9	**(13.5)**	(557.3)	**-**	(557.3)
- others	10	**(89.8)**	(56.6)	**(103.3)**	(56.4)
Proceeds on sale of property, plant and equipment/non-current assets classified as held for sale		**68.7**	107.9	**-**	-
Proceeds on sale of investments		**36.3**	28.5	**36.4**	-
Non-current receivables		**5.4**	7.1	**-**	3.6
Interest received		**12.6**	9.7	**-**	-
Dividend received		**96.8**	53.7	**249.9**	902.5
Net cash (used in)/from investing activities		**(286.6)**	(867.9)	**183.0**	289.2
Financing activities					
Proceeds from borrowings		**581.6**	973.2	**204.4**	-
Repayment of loans		**(203.0)**	(101.7)	**-**	-
Finance lease principle repayment		**(6.1)**	(3.4)	**-**	-
Dividends paid to shareholders of Terra Mauricia Ltd	33	**(182.0)**	(182.0)	**(182.0)**	(182.0)
Dividends paid to outside shareholders of subsidiaries		**(108.0)**	(108.2)	**-**	-
Net cash from/(used in) financing activities		**82.5**	577.9	**22.4**	(182.0)
Increase/(decrease) in cash and cash equivalents		**7.9**	208.5	**(44.5)**	88.1
Movement in cash and cash equivalents					
At January 1,		**(49.5)**	(258.0)	**53.1**	(35.0)
Increase/(decrease)		**7.9**	208.5	**(44.5)**	88.1
At December 31,	34	**(41.6)**	(49.5)	**8.6**	53.1

The notes on pages 109 to 170 form an integral part of these financial statements.
Auditors' report on pages 100 and 101.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2014

1. GENERAL INFORMATION

Terra Mauricia Ltd is a public limited company incorporated and domiciled in Mauritius and listed on the Official Market of the Stock Exchange of Mauritius Ltd since January 1, 2012. The address of its registered office is 18, Edith Cavell Street, Port Louis.

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

Principal activities

Terra Mauricia Ltd is an investment holding company.

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements of Terra Mauricia Ltd and its subsidiary companies (The Group) comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements include the consolidated financial statements of the parent company and its subsidiary companies (The Group) and the separate financial statements of the parent company (The Company).

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

(i) Land, buildings, power plant, building and civil works and certain factory equipment are carried at revalued amounts;

(ii) Investment in financial assets are stated at their fair value; and

(iii) consumable biological assets are stated at their fair value.

Amendments to published Standards and Interpretations effective in the reporting period

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

Amendments to IFRS 10, IFRS 12 and IAS 27, 'Investment Entities', define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements. Consequential amendments have been made to IFRS 12 and IAS 27 to introduce new disclosure requirements for investment entities. As the Company is not an investment entity, the standard has no impact on the Group's financial statements.

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

Amendments to IAS 36, 'Recoverable Amount Disclosures for Non- financial Assets', remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated. The amendment has no impact on the Group's financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

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

Amendments to IAS 39, 'Novation of Derivatives and Continuation of Hedge Accounting', provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances.

The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness. The amendment has no impact on the Group's financial statements.

Annual Improvements 2010-2012 Cycle

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

Annual Improvements 2011-2013 Cycle

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

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

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2015 or later periods, but which the Group has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:
- IFRS 9 Financial Instruments
- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)
- Annual Improvements to IFRSs 2010-2012 cycle
- Annual Improvements to IFRSs 2011-2013 cycle
- IFRS 14 Regulatory Deferral Accounts
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
- IFRS 15 Revenue from Contract with Customers
- Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)
- Equity Method in Separate Financial Statements (Amendments to IAS 27)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
- Annual Improvements to IFRSs 2012-2014 Cycle
- Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)
- Disclosure Initiative (Amendments to IAS 1)

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

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Property, plant and equipment

Property, plant and equipment is initially recorded at cost. Land and buildings are subsequently shown at their existing use value based on valuations of external independent valuers, less subsequent depreciation for buildings. Power Plant and Building and Civil works and certain factory equipment are shown at their existing use value based on depreciated replacement cost less subsequent depreciation. All other property, plant and equipment is stated at historical cost less depreciation.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will follow to the Group and the cost of the item can be measured reliably.

Increases in the carrying amount arising on revaluation are credited to other comprehensive income and shown as revaluation surplus in shareholders' equity. Decreases that offset previous increases of the same asset are charged against revaluation surplus directly in equity; all other decreases are charged to profit or loss.

Each year the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Depreciation is calculated on the straight line method to write off the cost or the revalued amount of assets, to their residual values over their estimated useful lives as follows:

Buildings on Leasehold Land	2 - 6%
Land improvement	2%
Buildings	2 - 9%
Power Plant	4 - 20%
Building and Civil Works	4 - 10%
Factory Equipment	2 - 10%
Agricultural Equipment	5 - 20%
Motor Vehicles	20 - 25%
Furniture and Office Equipment	5 - 35%

Land is not depreciated.

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

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

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss. On disposal of revalued assets, amounts in revaluation surplus relating to these assets are transferred to retained earnings.

2.3 Investment properties

Investment properties, which are properties held to earn rentals, are initially stated at cost plus transaction costs. Subsequently they are stated at cost less accumulated depreciation and any impairment losses. Depreciation is calculated on the straight line method to write off the cost of the investment properties to their residual value over the estimated useful life.

The principal annual rate is as follows:

Buildings	2 - 8%

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Intangible assets

Intangible assets consist of Land Conversion Rights (closure costs), brands, goodwill, computer software and legal fees in respect of commercial contracts and distribution rights.

(i) Closure costs

Closure costs represents land conversion rights and are shown at cost. These are expected to be recovered from the profit on disposal of earmarked freehold land (note 7(d)) and are tested annually for impairment.

(ii) Brands/distribution rights

Brands/distribution rights are shown at cost and tested annually for impairment.

(iii) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Goodwill is tested annually for impairment. Goodwill is allocated to cash-generating units for the purpose of impairement testing.

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

(iv) Computer software

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives (5 years).

Costs associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software controlled by the Group and that will generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

(v) Legal fees

Legal fees incurred in respect of commercial contracts are capitalised on the basis that future economic benefits are expected to be derived from these contracts and can be reliably measured (10 years).

2.5 Investment in subsidiaries

Separate financial statements of the investor

Investments in subsidiaries are carried at fair value. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Investment in subsidiaries (cont'd)

Consolidated financial statements (cont'd)

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interests' proportionate share of the acquiree's net assets.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree (if any) over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly to profit or loss as a bargain purchase gain.

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

Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.6 Investment in associates

Separate financial statements of the investor

Investments in associates are carried at fair value. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

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

Investments in associates are accounted for using the equity method except when classified as held-for-sale. Investments in associates are initially recognised at cost as adjusted by post acquisition changes in the Group's share of the net assets of the associate less any impairment in the value of individual investments.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Investment in associates (cont'd)

Consolidated financial statements (cont'd)

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Dilution gains and losses arising in investments in associates are recognised in profit or loss.

Any excess of the cost of acquisition and the Group's share of the net fair value of the associate's identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group's share of the associate's profit or loss.

When the Group's share of losses exceeds its interest in an associate, the Group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

2.7 Financial assets

(a) Categories of financial assets

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets.

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

(i) Loans and receivables

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

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

(ii) Available-for-sale financial assets

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

(b) Recognition and measurement

Purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Available for sale financial assets are initially measured at fair value plus transaction costs.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at their fair values. Loans and receivables are carried at amortised cost using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Financial assets (cont'd)

(b) Recognition and measurement (cont'd)

Unrealised gains and losses arising from changes in the fair value of financial assets classified as available-for-sale are recognised in other comprehensive income. When financial assets classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in profit or loss as gains and losses on financial assets.

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

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

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

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

2.8 Long term receivables

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

2.9 Biological assets

Bearer biological assets are valued at cost less amortisation. Consumable biological assets are stated at their fair value.

(i) Bearer biological assets

These relate to cane replantation costs and are amortised over a period of 8 years.

(ii) Consumable biological assets

Standing canes are measured at their fair value. The fair value of standing canes is the present value of expected net cash flows from the standing canes discounted at the relevant market determined pre-tax rate.

2.10 Sugar Industry Voluntary Retirement Scheme (VRS)

VRS costs (net of refunds under the Multi Annual Adaptation Scheme and pension obligations previously provided for) are carried forward on the basis that under the Scheme, land of the Company can now be sold without payment of any land conversion taxes. These amounts are amortised over a period of 8 years. The amortisation is reviewed and reassessed yearly to ascertain the adequacy of the yearly charge taking into account the right exercised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Current and deferred income tax

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profir or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

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

Deferred tax

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

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, but excludes interest expense. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

2.13 Trade receivables

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

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

2.14 Derivative financial instrument

Derivative financial instruments relate to currency swaps. These are initially recognised at cost on the date a derivative contract is entered into and subsequently remeasured at their fair value. Fair values of derivatives between two external currencies are based on interest rate differential between the two currencies. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Transaction costs are charged immediately through profit or loss. The fair values of derivative financial instruments held for trading are disclosed in note 19.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, cash at bank and bank overdraft. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to any insignificant risk of change in value. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 Non-current assets classified as held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use. This condition is regarded as met only, when the sale is highly probable and the asset is available for immediate sale in its present condition.

2.17 Stated capital

Ordinary shares are classified as equity.

2.18 Hedging activities

Cash flow hedge

A subsidiary has its loans denominated in Euro and has a revenue stream in Euro. The subsidiary has recognised a cash flow hedge whereby the foreign exchange exposure arising from translation of the loans is hedged against the revenue stream.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When a hedging instrument expires, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to statement of profit and loss.

2.19 Borrowings

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

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

2.20 Trade and other payables

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

2.21 Retirement benefit obligations G4-EC3

Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Payments to defined contribution plans are recognised as an expense when employees have rendered service that entitle them to the contributions.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.21 Retirement benefit obligations (cont'd)

Defined benefit plans

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

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

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent period.

The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss.

Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pension plans), the net present value of gratuity on retirement payable under the Emploment Rights Act 2008 is calculated by qualified actuaries and provided for. The obligations arising under this item are not funded.

2.22 Foreign currencies

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when deferred in equity as qualifying as cash flow hedges.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 Foreign currencies (cont'd)

(ii) Transactions and balances (cont'd)

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

Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

(iii) Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
(b) income and expenses for each income statement representing profit or loss and other comprehensive income are translated at average exchange rates; and
(c) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in profit or loss as part of the gain or loss on sale.

2.23 Impairment of non-financial assets

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

2.24 Revenue recognition

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

Sale of goods

Sales of goods are recognised when the goods are delivered and titles have passed, at which time all of the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sugar and molasses proceeds are recognised on total production of the crop year. Bagasse proceeds are accounted on a cash basis. Sugar and molasses prices are based on prices recommended by the Mauritius Chamber of Agriculture for the crop year.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.24 Revenue recognition (cont'd)

Rendering of services

Revenue from the rendering of services are recognised in the accounting year in which the services are rendered.

Other revenues earned by the Group are recognised on the following bases:
- Interest income - on a time-proportion basis using the effective interest method.
- Dividend income - when the shareholder's right to receive payment is established.
- Compensation from the Sugar Insurance Fund Board - recognised on a time-proportion basis.

2.25 Dividend distribution

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

2.26 Segment reporting

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

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks which have to be effectively managed so as to protect its long term sustainability and to safeguard the interests of its stakeholders.

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

A description of the significant risk factors is given below together with risk management policies where applicable.
(a) Market risk
(b) Credit risk
(c) Liquidity risk and
(d) Cash flow and fair value interest rate risk.

(a) Market risk

(i) Currency risk

The Group is exposed to foreign exchange risk arising from sugar growing activities, primarily with respect to the Euro. This risk affects both the crop proceeds and the fair value of the biological assets.

The Group also has investments in foreign entities, whose net assets are exposed to currency translation risk.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

Currency profile

The currency profile of the Group's and the Company's total assets and liabilities are summarised below:

THE GROUP	MUR MUR'M	EURO MUR'M	USD MUR'M	Other currencies MUR'M	TOTAL MUR'M
At December 31, 2014					
Trade and other receivables	**1,028.7**	**86.2**	**16.7**	**32.2**	**1,163.8**
Cash in hand and at bank	**75.1**	**7.4**	**0.2**	**32.5**	**115.2**
Other assets	**18,651.1**	**535.3**	**-**	**-**	**19,186.4**
Total assets	**19,754.9**	**628.9**	**16.9**	**64.7**	**20,465.4**
Liabilities	**2,468.8**	**464.6**	**66.8**	**5.8**	**3,006.0**
At December 31, 2013					
Trade and other receivables	931.6	84.0	6.3	7.4	1,029.3
Cash in hand and at bank	221.6	33.5	3.1	1.1	259.3
Other assets	18,617.0	276.5	-	-	18,893.5
Total assets	19,770.2	394.0	9.4	8.5	20,182.1
Liabilities	2,757.1	76.8	1.3	46.3	2,881.5

THE COMPANY	MUR MUR'M	EURO MUR'M	TOTAL MUR'M
At December 31, 2014			
Trade and other receivables	**42.0**	**-**	**42.0**
Cash in hand and at bank	**10.8**	**-**	**10.8**
Other assets	**13,403.1**	**541.8**	**13,944.9**
Total assets	**13,455.9**	**541.8**	**13,997.7**
Liabilities	**226.2**	**-**	**226.2**

THE COMPANY	MUR MUR'M	EURO MUR'M	TOTAL MUR'M
At December 31, 2013			
Trade and other receivables	29.6	-	29.6
Cash in hand and at bank	53.1	-	53.1
Other assets	13,156.7	276.5	13,433.2
Total assets	13,239.4	276.5	13,515.9
Liabilities	229.4	-	229.4

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

At December 31, 2014, if the rupee had weakened/strengthened by 5% against the US dollar/Euro with all other variables held constant, post-tax profit for the year would have impacted as shown in the table below, mainly as a result of foreign exchange gains/losses on translation of US dollar/Euro denominated borrowings, bank deposits, trade receivables and payables.

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Rupee strengthened/weakened by 5%				
Post-tax profit and equity	**5.7**	16.3	**27.0**	13.8

(ii) Price risk

The Group is exposed to equity securities price risk because of investments in financial assets held by the Group and classified as available-for-sale in the statement of financial position.

The Group is also exposed to price risk with the incidence of the price of sugar in the European Union market.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

Sensitivity analysis

The table below summarises the impact of increases/decreases in the fair value of the investments on the Group's equity.

The analysis is based on the assumption that the fair value had increased/decreased by 5%.

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
	+/-5%	+/-5%	**+/-5%**	+/-5%
Available- for-sale investments	**26.6**	23.9	**697.2**	671.7

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group trade receivables.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement offinancial position, are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and the current economic environment.

As regards the sugar and energy sectors, the Group has significant concentration of credit risk with exposure spread over a few customers. However, sale of products is made through reputable institutions where risk of default is very remote.

As for the commercial and manufacturing segment, the Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and to limit the amount of credit exposure to any one financial institution.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(c) Liquidity risk

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

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group and the Company aim at maintaining flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flows.

Forecasted liquidity reserve as of December 31, 2015 is as follows:

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	MUR'M	MUR'M	**MUR'M**	MUR'M
Opening balance	**(41.6)**	(49.5)	**8.6**	53.1
Cash flows from operating activities	**451.5**	231.0	**(27.1)**	(45.4)
Cash flows from investing activities	**(254.0)**	(305.6)	**173.2**	182.9
Cash flows from financing activities	**(290.0)**	82.5	**(146.3)**	(182.0)
Closing balance	**(134.1)**	(41.6)	**8.4**	8.6

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

THE GROUP	Less than 1 year MUR'M	Between 1 and 2 years MUR'M	Between 2 and 5 years MUR'M
At December 31, 2014			
Borrowings including bank overdrafts	**1,188.8**	**69.3**	**341.9**
Trade and other payables	**675.4**	**-**	**-**
At December 31, 2013			
Borrowings including bank overdrafts	1,336.0	31.1	33.0
Trade and other payables	724.8	-	-

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(c) Liquidity risk (cont'd)

	Less than 1 year MUR'M
THE COMPANY	
At December 31, 2014	
Borrowings including bank overdrafts	**206.6**
Trade and other payables	**19.5**
At December 31, 2013	
Trade and other payables	229.1

(d) Cash flow and fair value interest rate risk

The Group's interest-rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates also expose the Group to fair value interest-rate risk.

(i) At December 31, 2014, if interest rates on rupee-denominated borrowings and Euro-denominated borrowings had been 10 basis points and 50 basis points respectively higher/lower with all other variables held constant, post-tax profit for the year and shareholders' equity would have been changed as shown in the table below.

	Rupee denominated borrowings (10 basis points)		Euro denominated borrowings (50 basis points)	
	2014	2013	**2014**	2013
THE GROUP	**MUR'M**	MUR'M	**MUR'M**	MUR'M
Impact on post-tax profit and shareholders' equity	**1.3**	1.0	**1.2**	0.2
THE COMPANY				
Impact on post-tax profit and shareholders' equity	**N/A**	N/A	**N/A**	N/A

(ii) At December 31, 2014, if variable interest rates on deposit at bank had been 10 basis points higher/lower with all other variables held constant, post-tax profit for the year would not be significanty impacted.

3.2 Fair value estimation

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

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Fair value estimation (cont'd)

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

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

3.3 Biological assets

The Group is exposed to fluctuations in the price of sugar and the incidence of exchange rate. This risk affects both the crop proceeds and the fair value of biological assets. The risk is not hedged.

3.4 Capital Risk Management

The Group's objectives when managing capital are:

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

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to the shareholders, issue new shares, or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt to adjusted capital. Net debt is calculated as total debt less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e stated capital, revaluation and other reserves, retained earnings and non controlling interest).

During the year, the Group's strategy, which was unchanged from 2013, was to reduce the debt-to-capital ratio to a reasonable level in order to secure access to finance at a reasonable cost.

The debt-to-capital ratios at December 31, 2014 and December 31, 2013 were as follows:

	THE GROUP		THE COMPANY	
	2014	2013 Restated	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Total debt (note 23)	**1,600.0**	1,400.1	**206.6**	-
Less: cash in hand and at bank (note 34)	**(115.2)**	(259.3)	**(10.8)**	(53.1)
Net debt	**1,484.8**	1,140.8	**195.8**	(53.1)
Total equity	**16,501.9**	16,354.7	**13,771.5**	13,286.5
Debt-to-adjusted capital ratio	**0.09:1**	0.07:1	**0.01:1**	N/A

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS G4-EC3

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

4.1 Critical accounting estimates and assumptions

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

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

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

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

Level 3 Available-for-sale investments are stated at cost since no reliable estimate could be obtained to compute the fair value of these securities. The directors used their judgement at year-end and reviewed the carrying amount of these investments and in their opinion there were no material difference between the carrying amount and the fair value of the unquoted securities. To their judgement, the carrying amount is an approximate of the fair value of these investments.

(c) Biological assets

(i) Bearer biological assets

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

(ii) Consumable biological assets - Standing Canes

The fair value of consumable biological assets has been arrived at by discounting the present value (PV) of expected net cash flows from standing canes discounted at the relevant market determined pre-tax rate.

The expected cash flows have been computed by estimating the expected crop and the sugar extraction rate and the forecasts of sugar prices which will prevail in the coming year. The harvesting costs and other direct expenses are based on the yearly budgets.

(d) Depreciation policies

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

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

(e) Pension benefits

The present value of pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

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

4.1 Critical accounting estimates and assumptions (cont'd)

(e) Pension benefits (cont'd)

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

(f) Limitation of sensitivity analysis

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

Sensitivity analysis does not take into consideration that the Group's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty.

(g) Assets lives and residual lives

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

(h) Revaluation of property, plant and equipment

The Group carries land, buildings and civil works and power plant at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group engaged independent valuation specialists to determine fair value at December 31, 2012.

(i) Impairment of assets

Goodwill is considered for impairment at least annually. 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.

(j) Assets and Investments in respect of Terragri Ltd and Terra Milling Ltd

The Government of Mauritius has commissioned a study by LMC International with the objective of assessing the impact on future sugar proceeds, in view of systemic sugar surpluses and high stocks in the European Union Market and the abolition of quotas as from 2017, and making appropriate recommendations for the re-engineering of the industry to efficiently operate in the new commercial set up. The new configuration calls for major changes to adapt to a higher level of competition.

A draft copy of the report from LMC International with findings and recommendations has been submitted to the Government in January 2015 and is currently under study by various Ministries of the Government of Mauritius for subsequent implementation.

In the light of the above, assets and investments in respect of cane growing and milling entities have been maintained at their existing carrying values.

5. PROPERTY, PLANT AND EQUIPMENT

(a) THE GROUP

	Land	Buildings on Leasehold Land and Land Improvement	Buildings	Power Plant	Building and Civil Works	Factory Equipment	Agricultural Equipment	Motor Vehicles	Furniture and Office Equipment	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
COST AND VALUATION										
At January 1, 2014										
- Cost	3,771.3	253.3	175.4	145.7	13.3	515.3	385.2	437.0	303.4	5,956.9
- Valuation	7,921.2	-	1,394.5	2,107.9	370.4	1,343.7	-	-	-	13,180.7
	11,692.5	253.3	1,569.9	2,253.6	383.7	1,859.0	385.2	437.0	303.4	19,137.6
Additions	-	0.7	34.0	33.3	1.8	76.0	16.1	36.8	29.2	227.9
Disposals/Scrapped assets	(4.9)	-	-	(10.7)	-	(1.3)	(0.5)	(9.0)	(1.0)	(27.4)
At December 31, 2014										
- Cost	**3,770.9**	**254.0**	**209.4**	**168.3**	**15.1**	**590.0**	**400.8**	**464.8**	**331.6**	**6,204.9**
- Valuation	**7,916.70**	**-**	**1,394.50**	**2,107.90**	**370.40**	**1,343.70**	**-**	**-**	**-**	**13,133.2**
	11,687.6	**254.0**	**1,603.9**	**2,276.2**	**385.5**	**1,933.7**	**400.8**	**464.8**	**331.6**	**19,338.1**
DEPRECIATION										
At January 1, 2014	-	83.8	1,210.4	1,111.3	176.7	1,288.8	345.3	284.7	213.8	4,714.8
Charge for the year	-	3.1	27.9	52.1	8.8	62.3	26.6	39.8	21.6	242.2
Disposals/Scrapped assets	-	-	-	(5.4)	-	(1.1)	(0.5)	(8.9)	-	(15.9)
At December 31, 2014	**-**	**86.9**	**1,238.3**	**1,158.0**	**185.5**	**1,350.0**	**371.4**	**315.6**	**235.4**	**4,941.1**
NET BOOK VALUES										
At December 31, 2014	**11,687.6**	**167.1**	**365.6**	**1,118.2**	**200.0**	**583.7**	**29.4**	**149.2**	**96.2**	**14,397.0**

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

(b) THE GROUP	Land	Buildings on Leasehold Land and Land Improvement	Buildings	Power Plant	Building and Civil Works	Factory Equipment	Agricultural Equipment	Motor Vehicles	Furniture and Office Equipment	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
COST AND VALUATION										
At January 1, 2013										
- Cost	3,786.2	252.9	141.9	133.2	13.3	431.7	371.6	364.3	276.3	5,771.4
- Valuation	7,964.2	-	1,394.5	2,107.9	370.4	1,343.7	-	-	-	13,180.7
	11,750.4	252.9	1,536.4	2,241.1	383.7	1,775.4	371.6	364.3	276.3	18,952.1
Additions	12.0	0.4	33.5	31.6	-	104.8	71.2	24.1	33.0	310.6
Disposals/Scrapped assets	(69.9)	-	-	(19.1)	-	(21.2)	(2.8)	(10.5)	(1.6)	(125.1)
Transfers	-	-	-	-	-	-	(54.8)	59.1	(4.3)	-
At December 31, 2013										
- Cost	**3,771.3**	**253.3**	**175.4**	**145.7**	**13.3**	**515.3**	**385.2**	**437.0**	**303.4**	**5,956.9**
- Valuation	**7,921.2**	**-**	**1,394.5**	**2,107.9**	**370.4**	**1,343.7**	**-**	**-**	**-**	**13,180.7**
	11,692.5	**253.3**	**1,569.9**	**2,253.6**	**383.7**	**1,859.0**	**385.2**	**437.0**	**303.4**	**19,137.6**
	-									
DEPRECIATION										
At January 1, 2013	-	80.8	1,184.9	1,067.0	167.9	1,252.1	315.1	255.2	198.5	4,521.5
Transfers	-	-	-	-	-	-	(10.7)	14.6	(3.9)	-
Charge for the year	-	3.0	25.5	53.5	8.8	57.6	43.5	24.3	19.7	235.9
Disposals/Scrapped assets	-	-	-	(9.2)	-	(20.9)	(2.6)	(9.4)	(0.5)	(42.6)
At December 31, 2013	**-**	**83.8**	**1,210.4**	**1,111.3**	**176.7**	**1,288.8**	**345.3**	**284.7**	**213.8**	**4,714.8**
NET BOOK VALUES										
At December 31, 2013	**11,692.5**	**169.5**	**359.5**	**1,142.3**	**207.0**	**570.2**	**39.9**	**152.3**	**89.6**	**14,422.8**

(c) Land and buildings

Land and buildings were revalued in 2012 , by Noor Dilmohamed & Associates, Independent Certified Practising Valuer. Valuations were made on the basis of open market value method. Building and Civil works and Power Plant have been revalued in 2004, by Atkins, the Lender's Independent Engineer. The revaluation was carried out on the basis of the Depreciated Replacement Cost method. The book values of the properties were adjusted to the revalued amounts and the resulting surplus net of deferred income taxes was credited to revaluation surplus in shareholders' equity.

During 2012, the Group conducted an operational efficiency review of its Power Plant which resulted in changes in the expected usage. The plant is now expected to remain in production for 24 years from 2012.

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

(c) Land and buildings (cont'd)

Details of the Group's freehold land and buildings measured at fair value and information about the fair value hierarchy is as follows:

	Level 2	
December 31,	**2014**	2013
	MUR'M	MUR'M
Freehold land	**11,687.6**	11,692.5
Buildings	**365.6**	359.5
Power plant	**1,118.2**	1,142.3
Building and civil works	**200.0**	207.0
Factory equipment	**583.7**	570.2
Total	**13,955.1**	13,971.5

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

The fair value of the freehold land was derived using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is the price per square metre.

The fair value of the buildings was determined using the cost approach that reflects the cost to a market participant to construct assets of comparable utility and age, adjusted for obsolescence.

(d) Financing of VRS 1 costs and land compensation to workers

The Group has earmarked 119 hectares of land to finance the VRS 1 costs and as land compensation to workers who took advantage of the scheme, out of which 28.86 hectares have been disposed.

(e) Land conversion under "1200A" scheme Section 11(3) of Sugar Industry Efficient Act 2001 (SIE Act 2001).

The Group has earmarked 100 hectares for land conversion under "1200A" scheme as per Section 11(3) of SIE Act 2001, out of which 66.28 hectares have been disposed.

(f) Land conversion under "800 A" scheme Section 11(3) of SIE Act 2001.

The Group has earmarked 29.81 hectares for land conversion under "800A" scheme as per Section 11(3) of SIE Act 2001.

(g) Financing of compensation payments following closure of Beau Plan Sugar Factory

The Group will recoup the closure costs through the disposal of 137 hectares of freehold land for which application has been submitted to the Ministry of Agriculture, Food, Technology and Natural Resources.

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

(h) Depreciation has been charged to profit or loss as follows:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Cost of sales	**127.3**	113.7
Other expenses	**114.9**	122.2
	242.2	235.9

(i) If property, plant and equipment were stated on the historical cost basis, the amounts would be as follows:

THE GROUP	Land	Buildings	Factory Equipment	Power Plant	Building and Civil Works
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
2014					
Cost	**3,770.2**	**209.4**	**590.0**	**168.3**	**15.1**
Accumulated depreciation	**-**	**(161.7)**	**(411.9)**	**(85.6)**	**(7.3)**
Net book value	**3,770.2**	**47.7**	**178.1**	**82.7**	**7.8**

THE GROUP	Land	Buildings	Factory Equipment	Power Plant	Building and Civil Works
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
2013					
Cost	3,771.3	175.4	515.3	145.7	13.3
Accumulated depreciation	-	(135.2)	(357.2)	(71.8)	(6.1)
Net book value	3,771.3	40.2	158.1	73.9	7.2

(j) Bank borrowings are secured by fixed and floating charges on the assets of the borrowing entities including property, plant and equipment (note 23(f)).

(k) Additions include MUR'M 32.1 (2013: MUR'M 4.2) of assets leased under finance leases.

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

(l) Leased assets included above comprise of agricultural equipment and motor vehicles:

	THE GROUP		
2014	Agricultural Equipment MUR'M	Motor Vehicles MUR'M	Total MUR'M
Cost - capitalised finance leases	**62.1**	**4.5**	**66.6**
Accumulated depreciation	**(10.0)**	**(1.5)**	**(11.5)**
Net book value	**52.1**	**3.0**	**55.1**

2013	Agricultural Equipment MUR'M	Motor Vehicles MUR'M	Total MUR'M
Cost - capitalised finance leases	23.1	2.3	25.4
Accumulated depreciation	(7.3)	(0.9)	(8.2)
Net book value	15.8	1.4	17.2

6. INVESTMENT PROPERTIES

	THE GROUP	
	2014 MUR'M	2013 MUR'M
COST		
At January 1,/December 31,	**299.5**	299.5
DEPRECIATION		
At January 1,	**72.0**	65.6
Charge for the year	**6.4**	6.4
At December 31,	**78.4**	72.0
NET BOOK VALUES		
At December 31,	**221.1**	227.5
Fair Value	**314.5**	322.0

6. INVESTMENT PROPERTIES (CONT'D)

(a) Details of the Group's investment properties and information about the fair value hierarchy is as follows:

	Level 3	
	2014	2013
December 31,	**MUR'M**	MUR'M
Buildings	**314.5**	322.0

Fair value is based on market value and directors' valuation.

(b) The following amounts have been recognised in profit or loss:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Rental income	**19.6**	16.6
Direct operating expenses from investment properties that generate rental income	**10.4**	10.1

(c) Bank borrowings are secured by fixed and floating charges on the assets of the borrowing entities including investment properties (note 23(f)).

7. INTANGIBLE ASSETS

(a) THE GROUP	Land Conversion Rights-Closure Costs MUR'M	Brands MUR'M	Goodwill MUR'M	Computer Software MUR'M	Legal Fees MUR'M	Distribution Rights MUR'M	Total MUR'M
COST							
At January 1, 2014	319.6	46.1	13.9	33.7	47.8	2.1	463.2
Additions	-	-	-	0.7	-	-	0.7
At December 31, 2014	**319.6**	**46.1**	**13.9**	**34.4**	**47.8**	**2.1**	**463.9**
AMORTISATION							
At January 1, 2014	-	-	-	28.7	47.8	-	76.5
Charge for the year	-	-	-	5.3	-	-	5.3
At December 31, 2014	**-**	**-**	**-**	**34.0**	**47.8**	**-**	**81.8**
NET BOOK VALUES							
At December 31, 2014	**319.6**	**46.1**	**13.9**	**0.4**	**-**	**2.1**	**382.1**

(b) THE GROUP							
COST							
At January 1, 2013	319.6	46.1	13.9	30.2	47.8	2.1	459.7
Additions	-	-	-	3.5	-	-	3.5
At December 31, 2013	**319.6**	**46.1**	**13.9**	**33.7**	**47.8**	**2.1**	**463.2**
AMORTISATION							
At January 1, 2013	-	-	-	25.6	47.8	-	73.4
Charge for the year	-	-	-	3.1	-	-	3.1
At December 31, 2013	**-**	**-**	**-**	**28.7**	**47.8**	**-**	**76.5**
NET BOOK VALUES							
At December 31, 2013	**319.6**	**46.1**	**13.9**	**5.0**	**-**	**2.1**	**386.7**

(c) Amortisation charge of MUR'M 5.3 (2013: MUR'M 3.1) has been charged to other expenses.

(d) Closure costs

Closure costs relate to provisions made in accordance with the Blue Print on Centralisation of Sugar Milling operations in Mauritius issued in May 1997 and conditions laid down by the Minister of Agriculture in respect of the closure of the Beau Plan Sugar Factory and the Mon Loisir Sugar Factory. Terra Milling Ltd, one of the Company's subsidiaries, in accordance with the provisions of the "Blue Print", acquired the right to purchase land at agricultural value and to convert the same land for development purposes and be exempted from land conversion tax, land transfer tax and morcellement tax.

8. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2014	2013
	MUR'M	MUR'M
At January 1,	**11,183.8**	11,386.3
Reclassified from investment in associates (note 9)	**861.5**	-
Additions	**-**	3.2
Increase/(decrease) in fair value	**379.5**	(205.7)
At December 31,	**12,424.8**	11,183.8

Details of subsidiaries are set out in note 35.

9. INVESTMENT IN ASSOCIATES

	2014	2013
(a) THE GROUP	**MUR'M**	MUR'M
(i) Group's share of net assets	**2,044.9**	1,664.4
Goodwill	**207.9**	207.9
At December 31,	**2,252.8**	1,872.3

Details of associates are set out in note 36.

(ii) At January 1,	**1,872.3**	1,156.0
Additions	**13.5**	557.3
Share of profit after tax and minority interest	**296.5**	232.3
Dividend paid	**(88.7)**	(44.1)
Reversal of impairment of associate	**166.3**	-
Movement on reserves	**(7.1)**	(29.2)
At December 31,	**2,252.8**	1,872.3

(iii) Investment in the associate Sucrivoire S.A was impaired in previous years. The economical and political situations in Ivory Coast have now stabilized and Sucrivoire S.A has been steadily generating profits since 2006 and in the opinion of the company profits will be maintained in the foreseeable future. Accordingly, MUR'M 166.3 of the impairment has been reversed in the current year.

9. INVESTMENT IN ASSOCIATES (CONT'D)

(b) THE COMPANY

	2014 MUR'M	2013 MUR'M
At January 1,	**1,772.6**	1,312.9
Transferred to investment in subsidiaries (note 8)	**(861.5)**	-
Additions	**-**	557.3
Increase/(decrease) in fair value	**61.9**	(97.6)
At December 31,	**973.0**	1,772.6

10. INVESTMENT IN FINANCIAL ASSETS

THE GROUP	Available-for-sale Listed Official Market MUR'M	Listed DEM MUR'M	Unquoted MUR'M	Total MUR'M
(a) At January 1, 2014	**258.2**	**53.0**	**165.9**	**477.1**
Additions	**1.1**	**-**	**88.7**	**89.8**
Disposals	**-**	**(26.0)**	**(2.5)**	**(28.5)**
(Decrease)/increase in fair value	**(6.8)**	**(0.5)**	**1.4**	**(5.9)**
At December 31, 2014	**252.5**	**26.5**	**253.5**	**532.5**

	Available-for-sale Listed Official Market MUR'M	Listed DEM MUR'M	Unquoted MUR'M	Total MUR'M
(b) At January 1, 2013	254.9	54.1	133.8	442.8
Additions	3.7	-	52.9	56.6
Disposals	-	-	(16.1)	(16.1)
Decrease in fair value	(0.4)	(1.1)	(4.7)	(6.2)
At December 31, 2013	258.2	53.0	165.9	477.1

(c) Available-for-sale financial assets	Level 1 MUR'M	Level 2 MUR'M	Level 3 MUR'M	Total MUR'M
At December 31, 2014	**279.0**	**103.0**	**150.5**	**532.5**
At December 31, 2013	311.2	101.6	64.3	477.1

10. INVESTMENT IN FINANCIAL ASSETS (CONT'D)

	Available-for-sale			
	Listed			
THE COMPANY	**Official Market**	**DEM**	**Unquoted**	**Total**
	MUR'M	**MUR'M**	**MUR'M**	**MUR'M**
(d) At January 1, 2014	**258.2**	**53.0**	**165.5**	**476.7**
Additions	**14.6**	**-**	**88.7**	**103.3**
Disposals	**-**	**(26.0)**	**(2.5)**	**(28.5)**
(Decrease)/increase in fair value	**(5.3)**	**(0.5)**	**1.4**	**(4.4)**
At December 31, 2014	**267.5**	**26.5**	**253.1**	**547.1**

	Available-for-sale			
	Listed			
	Official Market	DEM	Unquoted	Total
	MUR'M	MUR'M	MUR'M	MUR'M
(e) At January 1, 2013	254.9	54.1	117.5	426.5
Additions	3.7	-	52.7	56.4
Decrease in fair value	(0.4)	(1.1)	(4.7)	(6.2)
At December 31, 2013	258.2	53.0	165.5	476.7

(f) Available-for-sale financial assets	Level 1	Level 2	Level 3	Total
	MUR'M	MUR'M	MUR'M	MUR'M
At December 31, 2014	**278.9**	**103.1**	**150.1**	**532.1**
At December 31, 2013	331.1	101.6	44.0	476.7

(g) Available-for-sale financial assets are denominated in Mauritian Rupee.

(h) None of the financial assets are impaired.

(i) There were no transfers between levels.

11. NON-CURRENT RECEIVABLES

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Others loans	**6.5**	11.9	**-**	0.1

12. BEARER BIOLOGICAL ASSETS

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
COST		
At January 1,	**579.9**	579.70
Additions	**110.1**	81.8
Assets fully amortised	**(88.8)**	(81.6)
At December 31,	**601.2**	579.9
AMORTISATION		
At January 1,	**303.1**	305.2
Charge for the year	**83.3**	79.5
Assets fully amortised	**(88.8)**	(81.6)
At December 31,	**297.6**	303.1
NET BOOK VALUES	**303.6**	276.8

Bearer biological assets relate to the cost of land preparation and planting of virgin canes that have an expected life cycle of 8 years as they would normally generate 8 years of crop harvest. There is no active market for bearer biological assets and cost is considered as fair value.

13. LAND DEVELOPMENT EXPENDITURE

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,	**95.9**	93.6
Reclassified to Non Current Assets classified as held for sale (note 20)	**-**	(0.4)
Additions	**0.3**	2.7
Release to income statement	**(27.5)**	-
At December 31,	**68.7**	95.9

14. DEFERRED VRS COSTS

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Voluntary Retirement Scheme (VRS)		
COST		
At January 1,	**422.7**	413.1
Additional provision	**-**	9.6
At December 31,	**422.7**	422.7
AMORTISATION		
At January 1,	**376.4**	353.4
Charge for the year	**23.2**	23.0
At December 31,	**399.6**	376.4
NET BOOK VALUES		
At December 31,	**23.1**	46.3

VRS 2

Under the terms of the Multi Annual Adaptation Scheme, the Group has received a refund from the Sugar Reform Trust for VRS 2 in respect of cash disbursements and infrastructural costs to be incurred and land to be distributed to the relevant employees and other eligible VRS costs.

Estimates regarding land infrastructure and other eligible VRS costs yet to be disbursed, are carried as payables. Under the scheme, the Group acquired the right to sell land on which no land conversion tax is payable.

15. DEFERRED INCOME TAXES

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

Deferred income tax assets and liabilities are offset when the income taxes relate to the same entity and the same fiscal authority. The following amounts are shown in the statements of financial position:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Deferred tax assets	**(36.3)**	(12.2)
Deferred tax liabilities	**214.4**	202.4
	178.1	190.2

15. DEFERRED INCOME TAXES (CONT'D)

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Unused tax losses available for offset against future taxable profits	**323.7**	18.0

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

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,		
- as previously stated	**210.1**	242.2
- effect of recognising SIPF 1 liabilities	**(19.9)**	(13.8)
- as restated	**190.2**	228.4
Credited to profit or loss (note 27(b))	**(11.6)**	(8.7)
Credited to equity	**(0.5)**	(29.5)
At December 31,	**178.1**	190.2

Deferred tax assets and liabilities, deferred tax movement in profit or loss and equity are attributable to the following items:

THE GROUP	At January 1, 2014	Effect of recognising SIPF 1 liabilities	As Restated	Profit or loss	Release to Equity	At December 31, 2014
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Deferred income tax liabilities						
Accelerated tax depreciation	197.8	-	197.8	(10.2)	-	187.6
Asset revaluations	81.5	-	81.5	-	(2.3)	79.2
Deferred VRS costs	7.0	-	7.0	(3.3)	-	3.7
	286.3	-	286.3	(13.5)	(2.3)	270.5
Deferred income tax assets						
Tax losses carried forward	2.0	-	2.0	(0.2)	-	1.8
Provisions for VRS costs	17.2	-	17.2	(0.1)	-	17.1
Retirement benefit obligations	57.0	19.9	76.9	(1.6)	(1.8)	73.5
	76.2	19.9	96.1	(1.9)	(1.8)	92.4
Net deferred income tax liabilities	210.1	(19.9)	190.2	(11.6)	(0.5)	178.1

16. INVENTORIES

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
(a) Raw materials	**143.8**	146.0
Finished goods	**253.4**	305.1
Spare parts and consumables	**264.8**	270.6
	662.0	721.7

(b) Bank borrowings are secured by fixed and floating charges on the assets of the borrowing entities including inventories (see note 23(f)).

(c) The cost of inventories recognised as expense and included in cost of sales are as follows:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Cost of inventories consumed	**1,861.7**	2,117.2

17. CONSUMABLE BIOLOGICAL ASSETS

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,	**257.3**	253.1
(Losses)/gains from changes in fair value	**(103.7)**	4.2
At December 31,	**153.6**	257.3

The fair value measurements for standing canes have been categorised as Level 3 fair values based on the inputs.

At December 31, 2014, standing canes comprised of approximately 4,966 hectares of cane plantations (2013: 4,954 hectares).

During the year the Group harvested approximately 375,687 tonnes of canes (2013: 357,353 tonnes), which has a fair value less costs to sell of MUR'M 257.3 (2013: MUR'M 253.1) at the date of harvest.

18. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Trade receivables	**648.3**	583.2	**-**	-
Less: provision for impairment	**(8.2)**	(7.4)	**-**	-
Trade receivables - net	**640.1**	575.8	**-**	-
Sugar proceeds receivable	**255.0**	322.9	**-**	-
Molasses proceeds receivable	**30.9**	23.8	**-**	-
Other receivables	**237.8**	106.8	**42.0**	29.6
	1,163.8	1,029.3	**42.0**	29.6

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

As at December 31, 2014, trade receivables of MUR'M 8.2 (2013: MUR'M 7.4) for the Group were impaired and provided for. The ageing of these receivables is as follows:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Over 6 months	**8.2**	7.4

As at December 31, 2014, trade receivables of MUR'M 31.1 for the Group (2013: MUR'M 15.4) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
3 to 6 months	**14.1**	3.7
Over 6 months	**17.0**	11.7
	31.1	15.4

18. TRADE AND OTHER RECEIVABLES (CONT'D)

The carrying amounts of the Group's and the Company's trade and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Rupee	**1,028.7**	931.6	**183.5**	29.6
US Dollar	**16.7**	6.3	**-**	-
Euro	**86.2**	84.0	**-**	-
Other currencies	**32.2**	7.4	**-**	-
	1,163.8	1,029.3	**183.5**	29.6

Movements on the provision for impairment of trade receivables are as follows:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,	**7.4**	9.9
Provision for impairment	**1.3**	4.1
Receivables written off during the year as uncollectible	**(0.5)**	(6.6)
At December 31,	**8.2**	7.4

The other classes within trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group and the Company do not hold any collateral as security.

19. DERIVATIVE FINANCIAL INSTRUMENTS

	Contractual/Nominal amount		Fair value assets	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Currency swaps	**613.9**	-	**0.8**	-

Currency swaps are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of currencies.

20. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,	**85.0**	22.9
Expenditure incurred during the year	**64.1**	62.3
Reclassified from land development expenditure (note 13)	**-**	0.4
Release to income statement on disposal	**(2.8)**	(0.6)
At December 31,	**146.3**	85.0

Non-current assets held for sale consist of plots of land and their related development costs, available for sale under the "1200 A" scheme and VRS financing scheme for residential purpose.

	2014	2013
	MUR'M	MUR'M
(a) Disposal proceeds	**-**	64.6
(b) Liabilities directly associated with non-current assets held-for-sale		
Accruals and provisions	**6.4**	6.4

21. STATED CAPITAL

	2013 and 2014	
Issued and fully paid	**No. of shares (M)**	**MUR'M**
Ordinary shares		
At December 31 ,	**227.5**	**11,976.0**

The total issued number of ordinary shares of Terra Mauricia Ltd is 227,545,624 shares of no par value (2013: 227,545,624 shares). All issued shares are fully paid.

22. REVALUATION AND OTHER RESERVES

(a) THE GROUP	Associates Reserves MUR'M	Revaluation and Other Capital Reserves MUR'M	Actuarial gains/ losses MUR'M	Translation Reserve MUR'M	Fair Value Reserve MUR'M	Total MUR'M
(i) At January 1, 2014						
- as previously stated	(73.0)	4,420.9	(138.4)	(0.8)	(263.3)	3,945.4
- effect of recognising SIPF 1 Liabilities	-	-	(26.9)	-	-	(26.9)
- as restated	(73.0)	4,420.9	(165.3)	(0.8)	(263.3)	3,918.5
Remeasurements of post employment benefit obligations	-	-	10.9	-	-	10.9
Deferred tax on remeasurements of post employment benefit obligations	-	-	(1.6)	-	-	(1.6)
Decrease in fair value of available-for-sale financial assets	-	-	-	-	(5.9)	(5.9)
Release of deferred tax on excess depreciation over historical cost depreciation	-	2.3	-	-	-	2.3
Release on disposal of land	-	(4.0)	-	-	-	(4.0)
Translation reserve movement	-	-	-	16.5	-	16.5
Fair value movement on disposal of financial assets	-	-	-	-	1.1	1.1
Scrappings of revalued property, plant and equipment	-	(0.4)	-	-	-	(0.4)
Share of other comprehensive income of associates	(7.1)	-	-	-	-	(7.1)
Movements on reserves	-	(3.9)	-	-	-	(3.9)
At December 31, 2014	**(80.1)**	**4,414.9**	**(156.0)**	**15.7**	**(268.1)**	**3,926.4**
(ii) At January 1, 2013	(43.8)	4,476.3	(35.7)	-	(257.1)	4,139.7
Remeasurements of post employment benefit obligations - restated	-	-	(152.4)	-	-	(152.4)
Deferred tax on remeasurements of post employment benefit obligations - restated	-	-	22.8	-	-	22.8
Decrease in fair value of available-for-sale financial assets	-	-	-	-	(6.2)	(6.2)
Release of deferred tax on excess depreciation over historical cost depreciation	-	3.4	-	-	-	3.4
Release on disposal of land	-	(37.3)	-	-	-	(37.3)
Translation reserve movement	-	-	-	(0.8)	-	(0.8)
Scrappings of revalued property, plant and equipment	-	(0.6)	-	-	-	(0.6)
Share of other comprehensive income of associates	(29.2)	-	-	-	-	(29.2)
Movements on reserves	-	(20.9)	-	-	-	(20.9)
At December 31, 2013	**(73.0)**	**4,420.9**	**(165.3)**	**(0.8)**	**(263.3)**	**3,918.5**

22. REVALUATION AND OTHER RESERVES (CONT'D)

Fair value reserve

Fair value reserve comprises the cumulative net change in the fair value of available-for-sale investments that has been recognised in other comprehensive income until the investments are derecognised.

Translation reserve

The translation reserve consists of the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to the hedged transactions that have not yet occurred and of the foreign currency differences arising from the translation of the financial statements of foreign operations.

Amalgamation reserve

Amalgamation reserve represents the excess of assets over liabilities and reserves of subsidiaries following amalgamation.

Revaluation reserve

The revaluation surplus relates to the revaluation of property, plant and equipment.

Actuarial gains/losses

The actuarial gains/losses reserve represents the cumulative remeasurement of defined benefit obligation recognised.

23. BORROWINGS

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Non-current				
Bank loans	**378.3**	49.7	**-**	-
Finance lease liabilities	**32.9**	14.4	**-**	-
Total non-current	**411.2**	64.1	-	-
Current				
Bank overdrafts	**156.8**	308.8	**2.2**	-
Bank loans	**1,023.4**	1,024.6	**-**	-
Loans from subsidiaries	**-**	-	**204.4**	-
Finance lease liabilities	**8.6**	2.6	**-**	-
	1,032.0	1,027.2	**204.4**	-
Total current	**1,188.8**	1,336.0	**206.6**	-
Total borrowings	**1,600.0**	1,400.1	**206.6**	-

23. BORROWINGS (CONT'D)

		THE GROUP		THE COMPANY	
	Last repayment date	**2014 MUR'M**	2013 MUR'M	**2014 MUR'M**	2013 MUR'M
(a) Breakdown of loans					
Loan in EUR	2021	**393.6**	54.0	**-**	-
Bank loan	2015	**994.5**	31.4	**-**	-
Other short term loans	2015	**-**	802.6	**204.4**	-
VRS loan repayable half yearly	2015	**13.6**	186.3	**-**	-
		1,401.7	1,074.3	**204.4**	-
Less: Repayable within one year		**(1,023.4)**	(1,024.6)	**(204.4)**	-
Repayable after one year		**378.3**	49.7	-	-

(b) The maturity of non-current loans is as follows:

	THE GROUP	
	2014 MUR'M	2013 MUR'M
- after one year and before two years	**60.4**	28.5
- after two years and before three years	**60.3**	16.7
- after three years and before five years	**257.6**	4.5
	378.3	49.7

(c) Finance lease liabilities - minimum lease payments

	THE GROUP	
	2014 MUR'M	2013 MUR'M
Not later than one year	**10.0**	3.6
After 1 year and before 2 years	**10.4**	3.6
After 2 years and before 3 years	**15.7**	10.2
After 3 years and before 5 years	**9.1**	2.4
	45.2	19.8
Future finance charges	**(3.7)**	(2.8)
Present value of finance lease liabilities	**41.5**	17.0

23. BORROWINGS (CONT'D)

(c) Finance lease liabilities - minimum lease payments (cont'd)

The present value of finance lease liabilities may be analysed as follows:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Current		
Not later than one year	**8.6**	2.6
Non Current		
After 1 year and before 2 years	**8.9**	2.6
After 2 years and before 3 years	**9.5**	9.4
After 3 years and before 5 years	**14.5**	2.4
	32.9	14.4

The rate of interest on the finance leases varied between 2.75 and 5.50% (2013: 5.50%) during the year.

(d) The carrying amounts of non-current borrowings are not materially different from the fair value.

Non-current borrowings can be analysed as follows:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
- After one year and before two years		
Bank borrowings	**60.4**	28.5
Finance lease liabilities	**8.9**	2.6
	69.3	31.1
- After two years and before three years		
Bank borrowings	**60.3**	16.7
Finance lease liabilities	**9.5**	9.4
	69.8	26.1
- After three years and before five years		
Bank borrowings	**257.6**	4.5
Finance lease liabilities	**14.5**	2.4
	272.1	6.9
Total	**411.2**	64.1

(e) The rates of interest on MUR loans and other short term loans vary between 3.7% to 8.0% (2013: 5.4% to 8.0%) annually and on foreign currency loans - EUR 4.9 % to 6.7% (2013: 4.31 % to 4.47%) annually.

(f) Borrowings are secured by fixed and floating charges on the assets of the borrowing entities.

24. DEFERRED INCOME

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,	**4.1**	6.1
Release to profit or loss	**(2.0)**	(2.0)
At December 31,	**2.1**	4.1

Land leased out under long term lease are included in property, plant and equipment in the statement of financial position. Annual lease income is recognised as it accrues over the lease term. Upfront lump sum payment for long term lease is credited to deferred income and released to profit or loss on a straight line basis over 7/10 years or over the lease term if lower than 7/10 years.

25. RETIREMENT BENEFIT OBLIGATIONS G4-EC3

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Amount recognised in the statement of financial position :		
Defined pension benefits	**488.7**	511.3
Other post retirement benefits	**1.4**	1.3
	490.1	512.6
Amount charged to profit or loss:		
- Defined pension benefits	**54.2**	48.8
- Other post retirement benefits	**0.2**	0.4
	54.4	49.2
Amount (credited)/charged to other comprehensive income		
- Defined pension benefits	**(12.3)**	168.5

(a) Defined pension benefits

(i) Retirement benefit obligations comprise of the company's pension schemes and of other post-retirement benefits. The pension schemes are defined benefit plans based on final salary and the assets of the plans are invested with the Sugar Insurance Pension Fund (SIPF) and The Anglo Mauritius' deposit administration fund.

Other post-retirement benefits relate mainly to gratuities on death and on retirement that are based on length of service and salary at date of death or retirement.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligations were carried out at December 31, 2014 by Anglo Mauritius. The present value of the defined benefit obligations, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

25. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (cont'd)

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

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Present value of funded obligations	**931.9**	911.7
Fair value of plan assets	**(557.3)**	(499.8)
	374.6	411.9
Present value of unfunded obligations	**114.1**	99.4
Other post retirement benefits	**1.4**	1.3
Liability in the statement of financial position	**490.1**	512.6

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

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,	**380.2**	256.8
- Net SIPF 1 liability	**132.4**	92.2
- as restated	**512.6**	349.0
Charged to profit or loss	**54.4**	49.2
(Credited)/charged to other comprehensive income	**(12.3)**	168.5
Contribution paid	**(64.6)**	(54.1)
At December 31,	**490.1**	512.6

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

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,	**1,011.1**	514.4
SIPF 1 liabilities	**-**	280.3
Current service cost	**17.9**	12.5
Interest cost	**70.4**	67.4
Employee's contribution	**2.9**	2.1
Past service cost	**1.9**	3.3
Actuarial (gains)/losses	**(10.2)**	181.3
Benefits paid	**(48.0)**	(50.2)
At December 31,	**1,046.0**	1,011.1

25. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (cont'd)

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

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,	**499.8**	258.6
SIPF 1 Assets	**-**	188.5
Interest income	**30.4**	30.2
Expected return on plan assets	**5.4**	6.0
Actuarial gains	**3.9**	6.9
Employers' contributions	**65.8**	59.5
Employee contributions	**2.9**	2.1
Scheme expenses	**(0.9)**	(0.5)
Benefits paid	**(47.6)**	(50.2)
Cost of insuring risk benefits	**(2.4)**	(1.3)
At December 31,	**557.3**	499.8

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

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Current service cost	**17.9**	12.5
Past service cost	**1.9**	3.3
Scheme expense	**0.7**	0.5
Cost of insuring risk benefits	**2.4**	1.3
Interest expense	**31.5**	31.6
Total included in employee benefit expense	**54.4**	49.2

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

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Remeasurement on the net defined benefit liability:		
Gains on pension scheme assets	**4.0**	6.9
Experience gains/(losses) on the liabilities	**8.3**	(80.1)
Changes in assumption underlying the present value of the scheme	**-**	(95.3)
Actuarial gains/(losses) recognised in OCI	**12.3**	(168.5)

25. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (cont'd)

(vii) The fair value of the plan assets at the end of the reporting period for each category, are as follows:

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Local equities	**122.7**	133.7
Overseas equities	**94.2**	91.9
Fixed interest	**109.2**	185.7
Properties	**231.2**	88.5
Total market value of assets	**557.3**	499.8

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets whereas the fair values of properties and derivatives are not based on quoted market prices in active markets.

The company's ordinary shares are not included in the pension plan assets.

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

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Discount rate	**7.0%**	7.0% - 8.5%
Expected rate return on plan asset	**7.0% - 8.5%**	7.0% - 8.5%
Future salary growth rate	**3.5 - 5.5%**	5.5%
Future pension growth rate	**2.0%**	2.0% - 3.5%

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

	Increase	Decrease
December 31, 2014	**MUR'M**	MUR'M
(ix) Discount rate (1% movement)	**74.2**	43.2

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

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

The sensitivity analysis may not be representative of the actual change in th defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

25. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (cont'd)

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

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

(xii) The Group is expected to contribute MUR'M 46.3 to the pension scheme for the year ending December 31, 2014.

(xiii) The actual return of the total assets for the year 2014 is MUR'M 39.6 (2013: MUR'M 28.2).

(xiv) The weighted average duration of the defined benefit obligation is 10 years at the end of the reporting period.

(b) Other post retirement benefits

Other post retirement benefits comprise mainly of gratuity on retirement payable under the Employment Rights Act 2008 and other benefits.

Movement in the other post retirement benefits

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
At January 1,	**1.3**	1.0
Total expense charged to profit or loss	**0.2**	0.4
Paid during the year	**(0.1)**	(0.1)
At December 31,	**1.4**	1.3

It has been assumed that the rate of future salary increases will be equal to the discount rate.

26. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Trade creditors	**284.2**	280.2	**1.1**	-
Provision for compensation payments for centralisation in accordance with the Blue Print provisions	**115.6**	142.0	**-**	-
Provision for VRS costs	**0.8**	1.8	**-**	-
Amounts due to subsidiaries	**-**	-	**15.8**	225.4
Other payables and accruals	**274.8**	300.8	**2.6**	3.7
	675.4	724.8	**19.5**	229.1

27. TAXATION

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
(a) Liability in the statements of financial position				
At January 1,	**31.1**	52.1	**0.3**	0.2
(Over)/underprovision in previous year	**(2.9)**	0.3	**(0.1)**	-
Tax paid on account	**(28.2)**	(49.9)	**(0.2)**	(0.2)
	-	2.5	**-**	-
Current tax on the adjusted profits for the year @ 15% (2013 : 15%)	**48.5**	55.0	**0.1**	0.3
Tax paid	**(30.9)**	(26.4)	**-**	-
At December 31,	**17.6**	31.1	**0.1**	0.3
(b) Charge in profit or loss				
Current tax on the adjusted profits for the year at 15% - 22% (2013 : 15% - 22%)	**48.5**	55.0	**0.1**	0.3
(Over)/under provision in previous years	**(2.9)**	0.3	**(0.1)**	-
Deferred taxation (note 15)	**(11.6)**	(8.7)	**-**	-
Charge for the year	**34.0**	46.6	**-**	0.3

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

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Profit before taxation and after associates' results	**466.2**	512.7	**228.9**	870.9
Tax calculated at a rate of 15% - 22% (2013: 15% - 22%)	**69.9**	76.9	**34.3**	130.6
Income not subject to tax	**(81.4)**	(47.6)	**(34.2)**	(130.3)
Expenses not deductible for tax purposes	**14.8**	17.0	**-**	-
Tax losses for which no deferred tax asset was recognised	**33.6**	-	**-**	-
Over/(under) provision in previous years	**(2.9)**	0.3	**(0.1)**	-
	34.0	46.6	**-**	0.3

28. OTHER INCOME

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Interest income	**12.6**	9.7	**-**	-
Dividend income	**8.1**	9.6	**-**	-
Investment income	**20.7**	19.3	**-**	-
Profit on disposal of property, plant and equipment/ non-current assets held for sale	**31.5**	45.6	**-**	-
Profit on disposal of investments	**6.7**	12.4	**6.7**	-
Others	**61.7**	23.4	**2.7**	-
	120.6	100.7	**9.4**	-

29. (LOSS)/PROFIT BEFORE FINANCE COSTS

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
The profit before finance costs is arrived at after:				
Crediting:				
Rental of land and buildings	**49.0**	48.3	**-**	-
Profit on sale of property, plant and equipment/ non-current assets held for sale	**31.5**	45.6	**-**	-
Profit on sale of investments	**6.7**	12.4	**6.7**	-
and charging:				
Depreciation on property, plant and equipment				
- owned assets	**234.5**	227.9	-	-
- leased assets	**7.7**	8.0	-	-
Depreciation on investment properties	**6.4**	6.4	-	-
Amortisation of bearer biological assets	**83.3**	79.5	-	-
Amortisation of intangible assets	**5.3**	3.1	-	-
Amortisation of VRS costs	**23.2**	23.0	-	-
Employee benefit expense (note 29(a))	**813.9**	787.8	-	-

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
(a) Employee benefit expense		
Wages, salaries and other costs	**770.0**	727.7
Pension costs	**43.9**	52.4
	813.9	780.1

30. EXPENSE BY NATURE

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Depreciation and amortisation	**360.4**	347.9	**-**	-
Raw materials and consumables used	**1,861.7**	2,117.2	**-**	-
Employee benefit expense	**813.9**	787.8	**-**	-
Cultivation and irrigation expenses	**114.7**	115.9	**-**	-
Others	**802.0**	509.2	**18.1**	17.8
Total cost of sales, administrative expenses, distribution costs and other expenses	**3,952.7**	3,878.0	**18.1**	17.8

31. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Fair value gains on derivatives	**(0.8)**	-	**-**	**-**
Net foreign exchange gains	**(0.8)**	0.3	**0.2**	**-**
	(1.6)	0.3	**0.2**	-
Interest expense:				
- Bank overdrafts	**9.0**	12.5	**-**	-
- Loans repayable by instalments	**15.3**	5.4	**-**	-
- Other loans not repayable by instalments	**44.1**	6.8	**12.1**	13.8
	68.4	24.7	**12.1**	13.8
	66.8	25.0	**12.3**	13.8

32. EARNINGS PER SHARE

		THE GROUP		THE COMPANY	
		2014	2013	**2014**	2013
		MUR'M	MUR'M	**MUR'M**	MUR'M
Profit attributable to equityholders		**317.3**	358.8	**228.9**	870.6
Number of ordinary shares in issue		**227.5**	227.5	**227.5**	227.5
Basic earnings per share	MUR	**1.39**	1.58	**1.01**	3.83

33. DIVIDENDS

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
At January 1,	**-**	-	**-**	-
Final ordinary declared - 80 cents per share (2013: 80 cents)	**182.0**	182.0	**182.0**	182.0
Dividends paid during the year	**(182.0)**	(182.0)	**(182.0)**	(182.0)
At December 31,	**-**	-	**-**	-

34. CASH AND CASH EQUIVALENTS

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Cash in hand and at bank	**115.2**	259.3	**10.8**	53.1
Bank overdrafts	**(156.8)**	(308.8)	**(2.2)**	-
	(41.6)	(49.5)	**8.6**	53.1

35. SUBSIDIARIES

The financial statements of the following subsidiaries have been included in the consolidated financial statements.

	Type of shares held	Stated capital MUR	2014 % holding	2014 % held by other group companies	2013 % holding	2013 % held by other group companies	% held by non-controlling interests	Activity
Terra Milling Ltd	Ordinary	56,657,480	-	**80.00**	-	80.00	20.00	Sugar
Terragen Ltd	Ordinary	520,523,500	-	**51.00**	-	51.00	49.00	Energy
Terra Brands Ltd	Ordinary	24,342,000	**100.00**	-	100.00	-	-	Investment
Grays Inc. Ltd	Ordinary	83,280,000	-	**74.00**	-	74.00	26.00	Commercial
Grays Distilling Ltd	Ordinary	20,738,000	-	**66.67**	-	66.67	33.33	Manufacturing
Terra Services Ltd	Ordinary	25,000	**100.00**	-	100.00	-	-	Services
Ivoirel Limitée	Ordinary	35,130,000	**100.00**	-	100.00	-	-	Investment
Sagiterra Ltd	Ordinary	25,000	**100.00**	-	100.00	-	-	Property management
Société Proban	Parts	8,100,000	**83.34**	-	83.34	-	16.66	Investment
Eco-Energy	Ordinary	3,000,000	-	**80.00**	-	80.00	20.00	Commercial
East Indies Company SARL	Ordinary	4,061,000	-	**74.00**	-	74.00	26.00	Commercial
Terra Foundation	Ordinary	10,000	**100.00**	-	100.00	-	-	Social Activities
Fondation Nemours Harel	Ordinary	10,000	**75.00**	-	75.00	-	25.00	Cultural Activities
Societe Sphinx Gaze	Parts	16,525,000	-	**66.67**	-	66.67	33.33	Investment holding
Terrarock Ltd	Ordinary	15,000,000	-	**54.00**	-	54.00	46.00	Manufacturing
Terragri Ltd	Ordinary	722,455,070	**100.00**	-	100.00	-	-	Sugar
Terra Finance Ltd	Ordinary	1	**100.00**	-	100.00	-	-	Treasury
Sugarworld Limited	Ordinary	45,238,456	**95.24**	-	95.24	-	4.76	Commercial
Les Chais de L'Isle de France Ltée	Ordinary	3,000,000	-	**100.00**	-	100.00	-	Commercial
Terralogic Ltd	Ordinary	4,500,000	-	**100.00**	-	100.00	-	Computer/ICT
Aceter Global Ltd	Ordinary	4,000,000	**79.00**	-	79.00	-	21.00	Fund Management
Terragen Management Ltd	Ordinary	100,000	-	**61.75**	-	61.75	38.25	Services
AG Holdings Ltd	Ordinary	100	**100.00**	-	-	-	-	Fund Management
Intendance Holding Ltd (note 35 (b))	Ordinary	1,648,000	**100.00**	-	44.95	-	-	Investment Holding

(a) These subsidiaries are incoporated in Mauritius. They also operate in Mauritius except for the following subsidiaries:
(i) Ivoirel Limitée, whose country of operation is Côte d'Ivoire;
(ii) East Indies Company, whose country of operation is Madagascar.

(b) Intendance Holding Ltd became a subsidiary (2013: associated company) during the year.

35. SUBSIDIARIES (CONT'D)

(c) Subsidiaries with material non-controlling interests

Details for subsidiaries that have non-controlling interests that are material to the entity:

Name	Profit/(loss) allocated to Non-controlling interests during the year	Accumulated Non-controlling interests at Dec 31,
	MUR'M	MUR'M
2014		
Terragen Ltd	**96.6**	**734.0**
Terra Milling Ltd	**(2.2)**	**80.8**
Grays Inc. Ltd	**16.0**	**87.8**
2013		
Terragen Ltd	66.9	721.5
Terra Milling Ltd	10.2	81.3
Grays Inc. Ltd	13.2	85.9

35. SUBSIDIARIES (CONT'D)

(d) Summarised financial information on subsidiaries with non-controlling interests

(i) Summarised statement of financial position and statement of profit or loss and other comprehensive income:

Name	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit/loss from continuing operations	Other comprehensive income for the year	Total comprehensive income for the year	Dividend paid to non-controlling interests
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
2014									
Terragen Ltd	**516.1**	**1,347.3**	**174.0**	**192.3**	**1,133.2**	**201.4**	**(0.8)**	**200.6**	**(85.8)**
Terra Milling Ltd	**352.2**	**925.1**	**410.8**	**462.7**	**450.2**	**(11.2)**	**19.0**	**7.8**	**-**
Grays Inc. Ltd	**675.8**	**125.6**	**408.7**	**63.3**	**1,375.6**	**46.3**	**8.0**	**54.3**	**(8.6)**
2013									
Terragen Ltd	492.4	1,377.8	208.3	190.4	1,115.5	136.4	(5.5)	130.9	(85.8)
Terra Milling Ltd	369.4	923.2	746.6	139.9	588.7	40.7	(23.1)	17.6	-
Grays Inc. Ltd	651.9	128.1	406.9	61.8	1,374.1	50.0	(26.0)	24.0	(8.7)

(ii) Summarised cash flow information:

Name	Operating activities	Investing activities	Financing activities	Net (decrease)/ increase in cash and cash equivalents
	MUR'M	MUR'M	MUR'M	MUR'M
2014				
Terragen Ltd	**225.5**	**(38.5)**	**(222.3)**	**(35.3)**
Terra Milling Ltd	**12.4**	**(60.6)**	**8.7**	**(39.5)**
Grays Inc. Ltd	**(73.9)**	**(19.5)**	**106.7**	**13.3**
2013				
Terragen Ltd	322.6	(34.4)	(217.8)	70.5
Terra Milling Ltd	116.2	(102.9)	15.5	28.8
Grays Inc. Ltd	120.2	(31.8)	(63.3)	(4.5)

The summarised financial information above is the amount before intra-group eliminations.

36. ASSOCIATES

(a) The results of the following associates have been included in the consolidated financial statements.

2014	Assets	Liabilities	Revenues	Profit/(loss)	2014 % holding	Financial period ended
	MUR'M	MUR'M	MUR'M	MUR'M		
Alcohol & Molasses Export Ltd	248.7	214.8	317.8	44.8	41.87	June 30,
Anytime Investment Ltd	44.5	-	-	-	24.50	June 30,
Coal Terminal (Management) Co Ltd	24.9	22.7	61.6	0.5	15.43	December 31,
Providence Warehouse Co Ltd	50.5	39.6	133.2	7.0	18.50	December 31,
Horus Ltée	119.7	1.4	-	-	50.00	June 30,
Swan Insurance Company Ltd	4,477.8	2,286.4	3,428.4	242.0	34.03	December 31,
Les Domaines de Mauricia Limitée	4.5	0.4	2.4	1.1	50.00	December 31,
New Fabulous Investment Ltd	44.5	-	-	-	24.50	June 30,
New Goodwill Co. Ltd	263.5	117.4	1,742.3	96.5	33.33	June 30,
Rehm Grinaker Construction Co. Ltd	651.6	639.5	1,202.6	11.7	35.49	June 30,
Rehm Grinaker Properties Co Ltd	171.5	115.2	14.4	11.2	35.49	June 30,
Bureaux Reunis Ltee	3.3	0.4	2.1	1.4	50.00	June 30,
Topterra Ltd	106.8	75.6	31.8	(0.8)	50.00	June 30,
Commada Ltd	261.6	130.0	-	25.8	50.00	December 31,
Distillerie de Bois Rouge Ltd	4.5	9.4	-	(0.3)	33.33	July 31,
Sucrivoire S.A	1,155.5	478.9	824.5	362.8	25.50	December 31,
United Investment Limited	2.7	0.8	49.3	153.0	29.03	June 30,

For associates with year ended June 30, and July 31, the management accounts at December 31, 2014 have been used to calculate the share of profit and net assets.

The Group accounts for its investment in Coal Terminal (Management) Co Ltd and Providence Warehouse Co Ltd as an associate although the Group holds less than 20% of the issued share capital as the Group has the ability to exercise significant influence over the investment due to the Group's representation on the board of directors of these associated companies.

36. ASSOCIATES (CONT'D)

(b) The results of the following associates have been included in the consolidated financial statements.

2013	Assets	Liabilities	Revenues	Profit/(loss)	2013 % holding	Financial period ended
	MUR'M	MUR'M	MUR'M	MUR'M		
Alcohol & Molasses Export Ltd	50.0	17.7	229.5	36.9	**41.87**	June 30,
Anytime Investment Ltd	37.0	-	30.5	-	**24.50**	June 30,
Coal Terminal (Management) Co Ltd	22.3	20.3	57.2	0.4	**15.43**	December 31,
Providence Warehouse Co Ltd (Formerly East Indies Co. Ltd)	86.5	52.2	115.3	6.1	**18.50**	December 31,
Horus Ltée	139.9	1.3	-	(0.8)	**50.00**	June 30,
Intendance Holding Ltd	3,938.9	2,095.2	3,314.7	154.3	**44.95**	December 31,
Les Domaines de Mauricia Limitée	3.9	0.3	0.8	0.2	**50.00**	December 31,
New Fabulous Investment Ltd	37.0	-	30.5	-	**24.50**	June 30,
New Goodwill Co. Ltd	233.1	110.5	1,588.2	78.8	**33.33**	June 30,
Rehm Grinaker Construction Co. Ltd	893.7	1,133.4	2,243.5	22.1	**35.49**	June 30,
Rehm Grinaker Properties Co Ltd	161.6	112.9	11.0	12.9	**35.49**	June 30,
Bureaux Reunis Ltee	2.8	0.3	2.4	1.5	**50.00**	June 30,
Topterra Ltd (Formerly Evapo Ltd)	120.2	87.3	34.0	4.2	**50.00**	June 30,
Commada Ltd	258.5	143.0	-	43.8	**50.00**	December 31,
Distillerie de Bois Rouge Ltd	2.8	3.6	-	(0.4)	**33.33**	July 31,
Sucrivoire S.A	1,061.2	477.8	871.9	291.9	**25.50**	December 31,
United Investment Limited	2,563.5	876.8	-	-	**29.03**	June 30,

37. CAPITAL COMMITMENTS

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Capital expenditure contracted for at the end of the reporting period but not recognised in the financial statements is as follows:		
Property, plant and equipment	**80.1**	84.6

38. ULTIMATE HOLDING ENTITY

The Board of Directors considers Société de Nemours, constituted in Mauritius, as the ultimate holding entity of Terra Mauricia Ltd.

39. RELATED PARTY TRANSACTIONS

(i) THE GROUP	**Remuneration**	**Purchases of services**	**Sales of services and others**	**Management fees receivable**	**Throughput and storage fees payable**	**Amount receivable**	**Amount payable**
2014	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**
Associates	**-**	**36.2**	**-**	**23.3**	**15.7**	**33.8**	**-**
Key management personnel	**81.7**	**-**	**-**	**-**	**-**	**-**	**-**
Enterprises with common directors	**-**	**39.2**	**-**	**-**	**-**	**1.4**	**0.4**

THE GROUP	Remuneration	Purchases of services	Sales of services and others	Management fees receivable	Throughput and storage fees payable	Amount receivable	Amount payable
2013	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Associates	-	-	0.1	24.8	15.4	40.0	-
Key management personnel	81.8	-	-	-	-	-	-
Enterprises with common directors	-	75.2	6.2	-	-	34.2	19.9

(ii) THE COMPANY	**Remuneration**	**Amount receivable**	**Amount payable**
2014	**MUR'M**	**MUR'M**	**MUR'M**
Key management personnel	**2.2**	**-**	**-**
Subsidiaries	**-**	**0.3**	**361.7**

THE COMPANY	Remuneration	Amount receivable	Amount payable
2013	MUR'M	MUR'M	MUR'M
Key management personnel	1.9	-	-
Subsidiaries	-	0.3	225.6

39. RELATED PARTY TRANSACTIONS (CONT'D)

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
(iii) Key management personnel	**MUR'M**	MUR'M	**MUR'M**	MUR'M
Salaries and short term employee benefits	**76.5**	76.9	**-**	-
Other benefits	**5.2**	4.9	**-**	-
	81.7	81.8	**-**	-

(iv) The transactions to and from related parties are made at normal market prices. There has been no guarantees provided or received for any related party receivables or payables and outstanding balances at year end are unsecured. For the year ended December 31, 2014, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2013 : Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Intercompany receivables and payables carries interest at market rate.

40. CONTINGENT LIABILITIES

(a) Court cases

(i) Previous distillers

An agreement was reached in 1979 between five enterprises (including a subsidiary of the group) for the sale and sharing thereof of alcohol produced from molasses and sold in Mauritius. The agreement was terminated in 2000. There is currently a dispute over the compensation payable upon termination to two partners, who are claiming MUR 58.4 M from the other partners, (including a subsidiary of the Group). A ruling was delivered in August 2012 by the Judge of the Commercial Court to the effect that the matter should be referred to arbitration. However, the parties have given notice of appeal of that judgement. The appeal was called in March 2014, when some points of laws were raised. On November 20, 2014 arguments were heard on the points of law and the judge has reserved his ruling. At this stage, the outcome of the appeal is still uncertain.

(ii) Ex-employees of Beau Plan Sugar Factory

There is currently a claim to a subsidiary for damages from ex-employees of Beau Plan Sugar Factory for MUR 130.0M in respect of breach of contract. The court case is still ongoing.

(iii) Irrigation Authority

There is a dispute in respect of irrigation dues by Terragri Ltd for the period 2005 to 2014 amounting to MUR 32.4M. The matter has been referred to an Arbitration Board as provided by the water supply agreement existing between the Irrigation Authority and the Company.

(iv) Registrar General - Supreme Court

Several appeals have been made in relation to assessments made by the Registrar General for an amount of MUR 1.28M following sales of lands. These assessments are being contested by Terragri Ltd (Formerly Harel Frères Ltd). The cases are still ongoing.

40. CONTINGENT LIABILITIES (CONT'D)

(a) Court cases (cont'd)

(v) Bon Espoir

Mr Joseph Yencana has entered a claim against Terragri Ltd for an amount of MUR 175M regarding of damages and prejudice in respect of a plot land of 22 arpents 25 perches at Bon Espoir, for which the plaintiff is claiming ownership. The directors believe that there are no valid grounds for entertaining this case.

(vi) Dissenting shareholders

Following the special meeting of Harel Frères Limited (now Terragri Ltd) held on 23 November 2011 at which the shareholders of Terragri Ltd approved a scheme of arrangement under sections 261 to 264 of the Companies Act 2001 (the "Scheme") pursuant to which the shares of Terragri Ltd were, on 01 January 2012, exchanged for shares of Terra Mauricia Ltd ("Terra") in the ratio of 1:1, that is one (1) ordinary share of Terra for one (1) ordinary share of Terragri Ltd, certain dissenting shareholders (the "Dissenting Shareholders"), representing some 6.4% of the share capital have initiated legal proceedings against Terragri Ltd and Terra. The Dissenting Shareholders claim that they have been unfairly prejudiced by the Scheme and have applied for an order of the court requiring the buy back of their shares at fair value or the payment of compensation in a sum in excess of MUR 64 per share held by them. Terragri Ltd and Terra have been advised that the claim of the Dissenting Shareholders is misconceived. Counsel has further opined that the claim amounts to an abuse of process of the court. The claim of the Dissenting Shareholders has been resisted both by Terragri Ltd and Terra. The matter has been heard by the Bankruptcy Division of the Supreme Court of Mauritius and a judgement was issued on 11 February 2014. The Supreme Court dismissed the applications with costs and confirmed that the claim amounted to an abuse of the process of the court. Some of the dissenting shareholders have given notice of appeal, which is being resisted. The appeal is scheduled to be heard on May 25, 2015.

(b) Bank guarantees

In the ordinary course of business, the Group had contingent liabilities in respect of bank guarantees amounting to MUR3.8 M (2013: MUR 115.2M) as at December 31, 2014.

41. SEGMENT INFORMATION G4-9

(a) Year ended December 31, 2014

	Sugar	Energy	Brands	Others	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Total segment revenues	**1,022.4**	**1,133.7**	**1,593.0**	**225.6**	**3,974.7**
Intersegment sales	**(42.2)**	**(13.9)**	**-**	**(13.2)**	**(69.3)**
Revenues from external customers	**980.2**	**1,119.8**	**1,593.0**	**212.4**	**3,905.4**
Segment (loss)/profit	**(270.2)**	**250.4**	**68.9**	**21.1**	**70.2**
Share of results of associates	**92.5**	**-**	**33.6**	**170.4**	**296.5**
Reversal of impairment of associate	**166.3**	**-**	**-**	**-**	**166.3**
Finance (costs)/income	**(59.1)**	**(1.1)**	**(6.7)**	**0.1**	**(66.8)**
(Loss)/profit before taxation	**(70.5)**	**249.3**	**95.8**	**191.6**	**466.2**
Taxation	**13.3**	**(36.4)**	**(6.2)**	**(4.7)**	**(34.0)**
Profit after taxation	**(57.2)**	**212.9**	**89.6**	**186.9**	**432.2**
Non-controlling interests					**(114.9)**
Profit attributable to equity holders of the company					**317.3**

Year ended December 31, 2013	Sugar	Energy	Brands	Others	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Total segment revenues	1,302.6	1,115.5	1,492.5	226.0	4,136.6
Intersegment sales	(39.0)	(13.4)	-	(6.2)	(58.6)
Revenues from external customers	1,263.6	1,102.1	1,492.5	219.8	4,078.0
Segment profit	6.6	160.1	98.7	40.0	305.4
Share of results of associates	74.4	-	29.6	128.3	232.3
Finance (costs)/income	(22.4)	(2.8)	(3.1)	3.3	(25.0)
Profit before taxation	58.6	157.3	125.2	171.6	512.7
Taxation	(1.3)	(24.9)	(16.6)	(3.8)	(46.6)
Profit after taxation	57.3	132.4	108.6	167.8	466.1
Non-controlling interests					(107.3)
Profit attributable to equity holders of the company					358.8

41. SEGMENT INFORMATION (CONT'D)

(b) Year ended December 31, 2014

	Sugar	**Energy**	**Brands**	**Others**	**Total**
	MUR'M	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**
Interest revenue	**11.5**	**0.7**	**0.1**	**0.3**	**12.6**
Interest expense	**(26.4)**	**(3.0)**	**(4.7)**	**(34.3)**	**(68.4)**
Cost of sales	**(1,001.6)**	**(803.7)**	**(1,203.8)**	**(112.8)**	**(3,121.9)**
Segment assets	**14,559.3**	**1,714.3**	**983.7**	**231.6**	**17,488.9**
Associates	**535.3**	**-**	**70.5**	**1,647.0**	**2,252.8**
Other assets	**170.0**	**7.1**	**-**	**546.6**	**723.7**
Segment liabilities	**743.2**	**149.6**	**236.3**	**31.8**	**1,160.9**
Borrowings	**518.7**	**-**	**159.8**	**921.5**	**1,600.0**
Other liabilities	**47.1**	**192.5**	**1.1**	**4.4**	**245.1**
Capital expenditure	**244.1**	**38.9**	**42.8**	**12.9**	**338.7**
Depreciation and amortisation	**242.1**	**63.8**	**36.4**	**18.1**	**360.4**

Year ended December 31, 2013	Sugar	Energy	Brands	Others	Group
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Interest revenue	0.4	8.8	0.1	0.4	9.7
Interest expense	(21.4)	(2.8)	(0.3)	(0.2)	(24.7)
Cost of sales	(989.3)	(857.1)	(1,084.3)	(136.7)	(3,067.4)
Segment assets	14,681.2	1,797.4	975.2	268.0	17,721.8
Associates	276.5	-	63.7	1,532.1	1,872.3
Other assets	86.8	9.2	-	492.0	588.0
Segment liabilities	731.5	190.7	265.9	39.3	1,227.4
Borrowings	471.4	-	124.1	804.6	1,400.1
Other liabilities	43.1	195.9	10.7	4.3	254.0
Capital expenditure	289.9	35.8	49.1	21.1	395.9
Depreciation and amortisation	237.1	63.3	30.0	17.5	347.9

41. SEGMENT INFORMATION (CONT'D)

The Group is organised into the following main business segments :-

Sugar	- Cane growing and milling activities
Commercial and Alcohol production	- Manufacturing, bottling and retailing of alcohol products and sale of consumable goods
Energy	- Production and sale of electricity from coal and bagasse

Other operations of the Group mainly comprise of the manufacture and sale of building materials, rental of properties, property development services, none of which constitute a separately reportable segment.

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, cash and cash equivalents and receivables and exclude investments in associates and others.

Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings. Capital expenditure comprises additions to property, plant and equipment and intangible assets.

(c) Geographical segments

The Group's three business segments are managed locally and operate in the following main geographical areas:

	Sales		Total assets		Capital expenditure	
	2014	2013	**2014**	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M	**MUR'M**	MUR'M
Mauritius	**3,882.1**	4,053.2	**20,096.4**	19,905.6	**338.7**	395.9
Côte d'Ivoire	**23.3**	24.8	**369.0**	276.5	**-**	-
	3,905.4	4,078.0	**20,465.4**	20,182.1	**338.7**	395.9

Sales revenue is based on the country in which the customer is located. Total assets and capital expenditure are shown by the geographical area in which the assets are located.

	THE GROUP		THE COMPANY	
	2014	2013	**2014**	2013
	MUR'M	MUR'M	**MUR'M**	MUR'M
Analysis of sales				
Sale of sugar, molasses and bagasse	**980.2**	1,263.6	**-**	-
Sale of electricity	**1,119.8**	1,102.1	**-**	-
Sale of goods	**1,593.0**	1,492.5	**-**	-
Revenue from services	**212.4**	219.8	**-**	-
Dividend income	**-**	-	**249.9**	902.5
	3,905.4	4,078.0	**249.9**	902.5

For revenue recognition see note 2.24.

42. COMPENSATION FROM THE SUGAR INSURANCE FUND BOARD (SIFB)

	THE GROUP	
	2014	2013
	MUR'M	MUR'M
Compensation from the SIFB	**100.6**	0.5

The Sugar Industry Fund Board will, in line with the approved Finance Bill 2015, give a one-off assistance of MUR 2,000 per tonne of sugar to all its unsureds having a sugar accruing of more than 60 tonnes and an interim advance payment has already been approved.

43. EFFECTS OF RECOGNISING SIPF 1 LIABILITIES

(a) Recognition SIPF 1 liabilities

The effect on the statements of financial position are as follows:	THE GROUP		
	Retirement benefit obligations	Deferred tax liabilities	Owner's interest
Balance as reported at January 1, 2013	MUR'M	MUR'M	MUR'M
- as previously stated	256.8	242.2	16,437.7
- Net SIPF 1 liabilities	92.2	(13.8)	(75.9)
- as restated	349.0	228.4	16,361.8
Balance as reported at December 31, 2013			
- as previously stated	380.2	210.1	16,463.8
- effect of recognising Net SIPF 1 liabilities on 2012 figures	92.2	(13.8)	(75.9)
- effect of recognising Net SIPF 1 liabilities on 2013 figures	40.2	(6.1)	(33.2)
- as restated	512.6	190.2	16,354.7

The effect on profit or loss is as follows:	2013
	MUR'M
Increase in cost of operations	7.7
Decrease of income tax expense	(1.2)
Derease in profit	6.5

The effect on other comprehensive income is as follows:	2013
	MUR'M
Remeasurement of defined benefit obligations	32.5
Increase in income tax relating to components of other comprehensive income	(4.9)
Decrease in other comprehensive income	27.6
	34.1
Decrease in total comprehensive income for the year	

THREE YEAR SUMMARY OF PUBLISHED RESULTS AND ASSETS AND LIABILITIES - THE GROUP

	THE GROUP		
	2014	2013 Restated	2012
	MUR'M	MUR'M	MUR'M
STATEMENT OF PROFIT OR LOSS			
Turnover	**3,905.4**	4,078.0	4,185.5
Profit before taxation, exceptional items and associates' results	**3.4**	280.4	595.3
Reversal of impairment of associate	**166.3**	-	-
Share of results of associates	**296.5**	232.3	141.5
Taxation	**(34.0)**	(46.6)	(82.9)
Profit after taxation	**432.2**	466.1	653.9
Profit attributable to:			
Owners of the parent	**317.3**	358.8	500.9
Non Controlling interests	**114.9**	107.3	153.0
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
Profit after taxation	**432.2**	466.1	653.9
Other comprehensive income for the year net of tax	**18.5**	(180.8)	4,149.3
Total comprehensive income	**450.7**	285.3	4,803.2
Total comprehensive income attributable to:			
Owners of the parent	**330.8**	192.4	4,640.9
Non controlling interests	**119.9**	92.9	162.3
	450.7	285.3	4,803.2
Percentage of profit on shareholders' interest (%)	**1.9**	2.2	3.0
Earnings per share (MUR)	**1.39**	1.58	2.20
Dividends proposed and paid	**182.0**	182.0	182.0
Dividends proposed	**182.0**	182.0	182.0
Dividend per share (MUR)	**0.8**	0.8	0.8
Dividend cover (times)	**1.7**	2.0	2.8
Net assets per share (MUR)	**72.5**	71.9	71.9
Weighted number of ordinary shares used in calculation (M)	**227.5**	227.5	227.5
Number of ordinary shares at end of year (M)	**227.5**	227.5	227.5
STATEMENTS OF FINANCIAL POSITION			
Non-current assets	**18,223.7**	17,829.5	17,099.1
Current assets	**2,095.4**	2,267.6	2,195.1
Non-current assets classified as held-for-sale	**146.3**	85.0	22.9
Total assets	**20,465.4**	20,182.1	19,317.1
Owners' interest	**16,501.9**	16,354.7	16,361.8
Non Controlling interests	**957.5**	945.9	959.2
Non-current liabilities	**1,117.8**	783.2	657.0
Current liabilities	**1,881.8**	2,091.9	1,338.8
Liabilities directly associated with non-current assets held for sale	**6.4**	6.4	0.3
Total equity and liabilities	**20,465.4**	20,182.1	19,317.1

DIRECTORS OF SUBSIDIARY COMPANIES

(pursuant to Section 221 of the Companies Act 2001)

Directors \ Subsidiary Companies	AceTer Global Ltd	AG Holdings Ltd	East Indies Company	Grays Distilling Ltd	Grays Inc. Ltd	Intendance Holding Ltd	Ivoirel Ltee	Les Chais de L'Isle De France Ltee	Sagiterra Ltd	Sugarworld Limited	Terra Brands Ltd	Terra Finance Ltd	Terra Foundation	Terra Milling Ltd	Terra Services Ltd	Terragen Ltd	Terragen Management Ltd	Terragri Ltd	Terralogic Ltd	Terrarock Ltd
Premsagar Bholah										✓						✓	✓			
Sebastien Mamet	✓	✓																		
François Boullé																				✓
Prem Teeluckdharry														✗						
Devendra Curpen			✗																	
Louis Decrop																	✓			
Rajendraparsad Aumeer														✗						
Maurice de Marassé Enouf				✓	✓						✓			✓		✗		✓		
Bernard Desvaux de Marigny									✓											
Jean Claude Desvaux de Marigny														✓						
Jean de Fondaumière																		✗		
Dominique de Froberville									✓									✓		
Roland Fok Seung			✓																	
Jean Michel Giraud																				✓
Edwige Gufflet										✓										
Alexis Harel			✓	✓	✓	✓		✓			✓		✓	✓				✓	✓	
Henri Harel	✓	✓		✓	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓		
Hubert Harel																		✓		
Jérôme Jaen																✓				
Nessa Joomun														✓						
Louis Denis Koenig				✓		✓			✓	✓		✓			✓					
Regis Koon Kam King				✓																
Reynolds Laguette														✓						
Pascal Langeron																✓	✓			
Noufail Manjoo	✓	✓																		
Edouard Lee				✓																
Jacques Li Wan Po				✓																
Roshan Seetaram	✗	✗																		
Iqbal Mallam-Hasham																✗	✗			
Cyril Mayer	✓	✓		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
François Montocchio																		✓		
Daniel Nairac												✓	✓					✓		
Nardus Oosthuizen					✓															
Stephen Pharoah										✗										
Jean Arthur Pilot Lagesse							✓		✓					✓		✓	✓			✓
Christophe Quevauvilliers																				✓
Khemlall Ramyad														✓						
Bernard Robert																✓	✓			
Vincent Rogers																				✓
George Schooling					✓															
Stéphane Ulcoq																				✓
Nikhil Treebhoohun																		✓		
Alain Vallet				✓	✓	✓		✓	✓	✓	✓		✓	✓		✓		✓	✓	✓
Margaret Wong Ping Lun																		✓		
Samuel Yiptong				✗																
Alternate Directors																				
Christian Blanchard																	✗			
Deevendra Cally																✗	✗			
Didier Vallet																				✓

✓ In office at December 31, 2014
✗ Ceased to hold office during the year ended December 31, 2014

Annexes

Annex 1 - Employment data

Table 1.1: Total workforce by employees and supervised workers (gender based & employment contract & type)

	G4-10	Grays Inc. Ltd	Grays Distilling Ltd	Terra Milling Ltd	Terragri Ltd	Terragen Ltd	Sagiterra Ltd	Sugarworld Ltd	Terra Services Ltd	Terragri Ltd Head Office	AceTer Global Ltd	Terra Finance Ltd	Terrarock Ltd
Total workforce	Total Employees	481	43	438	820	48	18	57	18	17	4	2	36
	Total Supervised workers	0	0	0	0	0	0	0	0	0	0	0	3
	Employees - Male	313	42	413	792	45	13	33	11	14	2	2	36
	Employees - Female	168	1	25	28	3	5	24	7	3	2	0	0
	Supervised workers - Male	0	0	0	0	0	0	0	0	0	0	0	3
	Supervised workers - Female	0	0	0	0	0	0	0	0	0	0	0	0
Employees by employment contract	Permanent-Male	311	43	151	435	25	13	31	11	14	2	2	0
	Permanent-Female	166	43	0	24	3	4	23	7	3	2	0	0
	Fixed term - Male	2	0	262	357	20	0	0	0	0	0	0	0
	Fixed term - Female	2	0	25	4	0	0	0	0	0	0	0	0
	Temporary - Male	0	0	0	0	0	0	2	0	0	0	0	0
	Temporary - Female	0	0	0	0	0	1	1	0	0	0	0	0
Permanent employees by employment type	Full-time - Male	313	42	151	435	45	13	31	11	14	2	2	3
	Full-time - Female	166	1	0	23	3	4	23	6	2	2	0	2
	Part-time - Male	0	0	0	0	0	0	2	0	0	0	0	0
	Part-time - Female	0	0	0	1	0	1	1	1	1	0	0	0
Percentage of total employees covered by collective bargaining agreements	G4-11	1.9%	32.6%	88.0%	96.0%	0.0%	0.0%	0.0%	0.0%	100%	0.0%	0.0%	80.0%

Annexes (cont'd)

Annex 1 - Employment data (cont'd)

Table 1.2: Total number of new employee hires by age group and gender G4-LA1

	Grays Inc. Ltd		Grays Distilling Ltd		Terra Milling Ltd		Terragri Ltd		Terragen Ltd		Sagiterra Ltd		Sugarworld Ltd		Terra Services Ltd		Terragri Ltd Head Office		AceTer Global Ltd		Terra Finance Ltd		Terrarock Ltd	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
18 - 24 yrs	36	6	2	0	0	0	3	0	0	1	0	0	0	2	0	0	0	0	0	1	0	0	0	0
25 - 34 yrs	17	11	0	0	3	0	4	0	2	0	0	0	1	1	1	0	0	0	0	1	0	0	1	0
35 - 44 yrs	7	4	0	0	0	0	3	0	0	0	0	0	0	2	0	0	0	0	2	0	0	0	0	0
45 - 54 yrs	5	4	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55+	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Table 1.3: Total number of employee turnover by age group and gender G4-LA1

	Grays Inc. Ltd		Grays Distilling Ltd		Terra Milling Ltd		Terragri Ltd		Terragen Ltd		Sagiterra Ltd		Sugarworld Ltd		Terra Services Ltd		Terragri Ltd Head Office		AceTer Global Ltd		Terra Finance Ltd		Terrarock Ltd	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
18 - 24 yrs	16	7	1	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	0	1	0	0	0	0
25 - 34 yrs	25	17	0	0	0	0	1	0	0	0	0	0	2	4	0	0	0	0	0	1	0	0	4	0
35 - 44 yrs	9	4	0	0	2	0	0	0	0	0	0	0	2	1	0	0	0	0	0	0	0	0	15	2
45 - 54 yrs	6	2	0	0	2	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	9	0
55+	3	2	0	0	0	0	3	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	11	0

Annexes (cont'd)

Annex 1 - Employment data (cont'd)

Table 1.4: Rates of new employee hires by age group and gender G4-LA1

In %	Grays Inc. Ltd		Grays Distilling Ltd		Terra Milling Ltd		Terragri Ltd		Terragen Ltd		Sagiterra Ltd		Sugarworld Ltd		Terra Services Ltd		Terragri Ltd Head Office		AceTer Global Ltd		Terra Finance Ltd		Terrarock Ltd	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
18 - 24 yrs	7.5	1.2	4.7	0.0	0.0	0.0	0.4	0.0	0.0	2.1	0.0	0.0	0.0	3.5	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0
25 - 34 yrs	3.5	2.3	0.0	0.0	0.7	0.0	0.5	0.0	4.2	0.0	0.0	0.0	1.8	1.8	5.6	0.0	0.0	0.0	0.0	25.0	0.0	0.0	2.8	0.0
35 - 44 yrs	1.5	0.8	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	3.5	0.0	0.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	0.0
45 - 54 yrs	1.0	0.8	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
55+	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Table 1.5: Rates of employee turnover by age group and gender G4-LA1

In %	Grays Inc. Ltd		Grays Distilling Ltd		Terra Milling Ltd		Terragri Ltd		Terragen Ltd		Sagiterra Ltd		Sugarworld Ltd		Terra Services Ltd		Terragri Ltd Head Office		AceTer Global Ltd		Terra Finance Ltd		Terrarock Ltd	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
18 - 24 yrs	3.3	1.5	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8	0.0	0.0	0.0	5.9	0.0	0.0	25.0	0.0	0.0	0.0	0.0
25 - 34 yrs	5.2	3.5	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	3.5	7.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	11.1	0.0
35 - 44 yrs	1.9	0.8	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.5	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	41.7	5.6
45 - 54 yrs	1.2	0.4	0.0	0.0	0.5	0.0	0.1	0.0	0.0	0.0	5.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0
55+	0.6	0.4	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	30.6	0.0

Annexes (cont'd)

Annex 1 - Employment data (cont'd)

Table 1.6: Type and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities G4-LA6

Total Workforce (Employees + Supervised workers)		Grays Inc. Ltd		Grays Distilling Ltd		Terra Milling Ltd		Terragri Ltd		Terragen Ltd		Sagiterra Ltd		Sugarworld Ltd		Terra Services Ltd		Terragri Ltd Head Office		Terrarock Ltd	
		M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Types of injury	Superficial injuries and open wounds	9	8	2	0	34	1	40	2	2	0	0	0	1	0	0	0	0	0	1	0
	Fractures	2	0	0	0	1	0	7	0	0	0	0	0	0	0	0	0	0	0	0	0
	Dislocations, sprains & strains	0	1	0	0	18	2	0	0	1	0	0	0	0	0	0	0	0	0	0	0
	Traumatic amputations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Concussion & internal injuries	0	0	0	0	5	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0
	Burns	0	0	0	0	3	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0
	Other types of injury	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Rates	Injury rate	6.97	5.71	20.85	0	57.97	2.85	30.44	1.27	0.00005	0	0	0	15.82	0	0	0	0	0	9.96	0
	Occupational diseases rate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Lost day rate	0.041	0.029	0.021	0	0.39	0.007	0.23	0.051	0.00085	0	0	0	0.815	0	0	0	0	0	0	0
	Absentee rate (%)	7.85	10.55	5.90	4.80	0.65	2.39	0.89	0.91	2.60	0	2.20	3.60	5.80	4.50	2.30	4.40	2.70	3.80	3.82	0
Fatalities	Work-related fatalities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Annexes (cont'd)

Annex 2 – Associated process materials by weight or volume G4-EN1

Non-renewable associated process materials		**2013**	**2014**
Terragri Ltd	Herbicides, in tonnes	34.10	20.76
	Herbicides, in m^3	29.80	34.54
	Diesel for Terra Milling Ltd, in m^3	259.70	496.98
	Diesel for Terragen Ltd, in m^3	145.20	343.25
Terra Milling Ltd	Chemicals used in sugar manufacturing process, in tonnes	1,187.50	1,314.40
Terragen Ltd	Chemicals for water treatment, in tonnes	190.00	277.84
Grays Distilling Ltd	Chemicals used in boiler and distillation process, in tonnes	58.15	72.34
Grays Inc. Ltd	Chemicals, in m^3	14.61	18.81
	Glass bottles, in tonnes	1,923.14	1,656.36
	Other materials such as boxes (cardboard) caps, corks, labels, sugar, aluminium can, in tonnes	245.32	187.94
Topterra Ltd	Chemicals used in the process, in tonnes	107.00	67.50

It should be noted that 3.5% of the cardboard boxes was reused as input in the process in 2014. G4-EN2

Annex 3 - Financial implications and other risks and opportunities for Terra's activities due to climate change G4-EC2

The agricultural sector in Mauritius is already being affected by extreme weather events related to precipitation (droughts and flash floods), altered rainfall patterns, natural disasters such as cyclones, and increased incidence of agricultural pests and crop diseases. Other factors likely to impact climate change include: change in soil moisture, cropping pattern and crop cycle as well as decrease in crop productivity. Climate change presents a risk not only to food security, but also to the availability of raw materials such as sugar cane and bagasse that directly affect the production of sugar and electricity generation. Consequently, the Group's operational entities have contracted comprehensive insurance policies to cater for all material damages and cumulative losses with regard to natural catastrophes such as tropical cyclones and floods as summarised below:

Account	Insured	Period of Insurance	Policy Number	Sums Insured (MUR)	Annual Premium (MUR)	Split Premium for Cyclone & Flood Perils (MUR)
075205	Grays Distilling Ltd	01.01.14 - 31.12.14	F03 28152 01	309,000,000	417,150	166,860
072889	Grays Inc. Ltd	01.01.14 - 31.12.14	F37 26166 01	593,000,000	889,500	355,800
198405	Sagiterra Ltd	01.01.14 - 31.12.14	F03 35878 01	1,191,000	1,908	924
198486	Sugarworld Ltd	14.01.14 - 13.01.15	F07 30214 01	36,000,000	54,004	21,600
204255	Terra Milling Ltd	16.01.14 - 15.01.15	F12 25262 01	821,131,182	147,804	147,804
204212	Terragen Ltd &/or Terragen Management Ltd	01.01.14 - 31.12.14	F07 28622 01	186,492,000	223,790	89,516
204227	Terragri Ltd	16.01.14 - 15.01.15	F07 35638 01	2,500,000	3,000	1,310
204227	Terragri Ltd	16.01.14 - 15.01.15	F03 22014 01	697,073,990	836,489	404,303
204386	Terragri Ltd - Head Office	16.01.14 - 15.01.15	F07 24038 01	13,000,000	26,000	8,320

Note: all premiums exclude FSC & policy fees.

Annexes (cont'd)

Annex 4 – Indirect economic impacts of Terra G4-DMA G4-EC8

Indirect economic impacts occur when money spent by Terra circulates through the economy. The industrial ecosystem is a means of illustrating its indirect economic impacts. The operations of the group contribute significantly to the economy of the country, not only directly, but also by the impacts generated through linkages with other sectors. Our major impact is towards our suppliers whereby our activities support employment in the latter companies, that is, there is job creation along the supply chains as shown in *'Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement'*.
The productivity of the entities is increased by enhancing their processes through the adoption of efficient equipment and tools to increase energy and resources productivity, which implies that more resources are potentially available for alternative economic activities.

Terra Foundation whose activities are described on pages 56 to 59 participate largely in enhancing the indirect economic impacts of Terra. Grays Inc. Ltd serves customers by providing high quality products and encourages them to engage in the recycling of glass bottles. It is a way to generate added economic value and job creation.

Bagasse, which is combusted during six months of the crop season by Terragen Ltd decreases the importation of coal and has therefore a direct impact on climate change. It has also helped to reduce the energy bill that stood at around 21% of the total import bill of Mauritius in 2014.

G4-PR3

Sugarworld Ltd, although forming part of the leisure sector, is distinct from the other conventional operators as it is contributing to the preservation of our cultural heritage. The Beau Plan sugar factory, which was transformed into a museum, also serves to educate the young generation. It enriches the educational process by exposing children and the public to the history of sugar manufacturing. The museum also contributes to maintain harmony between various groups of people in society by taking into consideration their different level of understanding and appreciation.

Annex 5 – Details on Terra Foundation's activities

1. Safire statistics for Triolet region for 2014

Statistics Triolet Region	2014	
	Girls	Boys
No. of children monitored	13	21
No. of children who integrated school at the beginning of school year	1	1
No. of children in pre-primary school	0	0
No. of children in primary school	2	5
No. of children who will sit at the CPE Exam (National examinations at the end of the primary cycle)	4	3
No. of children who succeeded at the last CPE exams	0	1
No. of children in pre-vocational schools	1	2
No. of children attending ANFEN schools (Non formal education schools)	3	8
No. of children who are attending a professional training (e.g at the Mauritius Institute of Training and Development)	0	4
No. of children following a training at the SAFIRE Farm	2	7
No. of teenage mothers	0	0
No. of out-of-school children less than 16 years old	0	1
No. of out-of-school children aged more than 16 years old	0	1
No. of children that stopped attending school during the year	2	4
No. of children rejecting all integration processes	0	0
No. of children lost because of change of address, etc.	2	0
No. of children re-integrated in a residential structure (family, centre, shelter)	0	0

Annexes (cont'd)

Annex 5 – Details on Terra Foundation's activities (cont'd)

2. Sponsorships renewed in 2014

Education and Training

NGO	Project
Les Amis de Zippy	A programme helping children to cope with their emotions, sponsored for four schools of the north this year
The '*Mouvement Civique de la Baie du Tombeau*'	For its non-formal school '*Ecole de la Vie*'
Action Familiale	For awareness sessions in the schools of the North
College Technique St Gabriel	For the scholarships of five students from low-income families
Quartier de Lumière	For two remedial teachers
St Patrick's College	For the scholarship of one vulnerable student
Batisseurs de Paix	For the literacy class and kindergarten services
Terrain for Interactive Pedagogy Through Arts (TIPA)	For one school in Port-Louis
Maison Familiale Rurale du Nord	For the technical instructor for organic agriculture
Elles C Nous	For the meals and jogging suits for the vulnerable kids attending this NGO offering remedial classes
Pedostop	For the awareness sessions against paedophilia to the general public

Daily meals

Sponsorships were maintained for the daily meals of some 126 children in the the following NGOs:

NGO	Project
Atelier de Formation Joie de Vivre	Caring for former out-of-school and street children
Association Amour Sans Frontières	Caring for handicapped persons
Etoile du Berger	Caring for abandoned and neglected children

Disability

The education and development of the physically or mentally impaired in the care of the following NGOs were maintained:

NGO	Project
Association Dominique Savio	Caring for adolescents and adults
Lizie dan la main	Caring for the visually impaired
Association la Courte Echelle	Caring for mentally impaired children
APEIM	Caring for mentally and physically impaired children
Association for Disability Service Providers (ADSP)	Caring for mentally and physically impaired children

Annexes (cont'd)

Annex 5 – Details on Terra Foundation's activities (cont'd)

2. Sponsorships renewed in 2014 (cont'd)

Poverty alleviation and healthcare

NGO	Project
Mouvement Civique de la Baie du Tombeau	For the project '*L'Abri de Lumière*' caring for teenage mothers from extremely vulnerable families
SOS Children's Villages Mauritius	For abandoned and neglected children
Human Service Trust	For the shelter *l'Oiseau du Paradis*, for abandoned and neglected children
T1 Diams	For the therapy and monitoring of children and adults living with Type 1 diabetes
Link to Life	For the rent of their branch in the north caring for cancer patients

Environment

NGO	Project
Mauritian Wildlife Foundation	For the preservation of the 'Echo Parakeet', an endangered bird of Mauritius

Sports

NGO	Project
Trust Fund for Excellence in Sports	For eight athletes coming from low income families in the North
Association de Développement de Pamplemousses	For the equipment and the transport costs of their football school

Annex 6 - GRI Content Index G4-32

1. General Standard Disclosures

G4 Indicator	References/Notes	External Assurance
Strategy and Analysis		
G4-1	p. 21 p. 66 In terms of main challenges and targets, the group's development in Mauritius focuses on (i) strengthening and improving the traditional sectors of cane, agricultural products, sugar and energy production; (ii) improving and innovating in the industrial and commercial sectors; (iii) implementing in a timely way a strongly differentiated and innovative product in the property development sector; and (iv) embarking on new ventures in financial services, both locally and offshore, using Mauritius as a key platform in the triangle of major investment flows between India/China, the Gulf States and Africa. The main thrust of future development also targets new investment overseas, in Indian Ocean Rim countries and East and Southern Africa. In terms of social objectives, the group pays careful attention to (i) all aspects of continuity; (ii) improving governance; (iii) respect for all the national, regional and commercial stakeholders; (iv) ensuring that it develops in a way that improves the social and physical environment of our nation and plays a responsible and ethical role on the national front; and (v) not least, on the lasting interests of the shareholders.	No
Organisational Profile		
G4-3	p. 1	No
G4-4	pp. 4-5; pp. 30-53	No
G4-5	p. 95	No
G4-6	pp. 24-27; pp. 34-35; p. 42; pp. 52-53; pp. 166-168	No
G4-7	p. 82	No
G4-8	pp. 24-27; pp. 30-35; p. 38; p. 42; pp. 46-47; pp. 50-53; pp. 56-59	No
G4-9	pp. 8-9; p. 14; pp. 23-27; pp. 30-35; pp. 38-39; pp. 42-43; pp. 46-47; pp. 50-53; p. 62; p. 82; pp. 102-103; pp. 166-168; "*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*" (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx); Given the smallness of Mauritius, all of Terra's significant locations of operation are taken to overlap with the entire national territory.	No
G4-10	p. 172 (Annex 1 – Employment data) Given the smallness of Mauritius, all of Terra's significant locations of operation are taken to overlap with the entire national territory.	No
G4-11	p. 172 (Annex 1 – Employment data)	No
G4-12	Annex 3 in "*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*" (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No
G4-13	p. 19; pp. 23-27; pp. 30-35; pp. 38-39; pp. 42-43; pp. 46-47; pp. 50-53	No
G4-14	pp. 19-21; p. 83; p. 85; Annex 1 of "*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*" (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx).	No
G4-15	Terra does not subscribe to any environmental or social charters or initiatives.	No
G4-16	pp. 85-89, Some subsidiaries are members of different associations as stated below: 1) Terragri Ltd and Terra Milling Ltd: Mauritius Chamber of Agriculture, Mauritius Sugar Producers Association, Mauritius Sugar Syndicate, Mauritius Chamber of Commerce and Industry, Mauritius Employers' Federation and the Joint Economic Council. 2) Grays Inc. Ltd : Association of Mauritian Manufacturers, Mauritius Chamber of Commerce and Industry, Mauritius Employers' Federation, The South African Chamber of Commerce and Industry, American Chamber of Commerce Mauritius, '*Made in Moris*' Association, Mauritius Institute of Directors	No

Annexes (cont'd)

Annex 6 - GRI Content Index (cont'd)

1. General Standard Disclosures (cont'd)

G4 Indicator	References/Notes	External Assurance
Identified Material Aspects and Boundaries		
G4-17	"*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No
G4-18	"*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No
G4-19	"*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No
G4-20	"*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No
G4-21	"*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No
G4-22	Restatements of information provided in the Sustainability report 2013: 1) p. 63, the amount of coal used by Terragen Ltd under non-renewable materials was standardised to 6100 kcal/kg and is not the real value combusted. The value should have been 189,759 tonnes. 2) p. 64, the energy consumption by Topterra particularly coal combusted for steam generation was estimate value. The exact energy consumption from non-renewable source is 31,754 GJ. 3) p. 66, the carbon dioxide emissions from Terragri Ltd, Terra Milling Ltd and Terragen Ltd were calculated on a global weight of materials transported. In 2014 report, it has been done on a transactional level which is more accurate than the former. The 2013 emissions have been corrected using the new method. 4) p. 67, the environmental protection expenditures for Topterra were overestimated. The true values for 2013 were: effluent disposal (MUR 235,585) and operation costs of acid condensate treatment plant (MUR 2,773,906) 5) p. 67, Sugarworld's used kitchen oil was disposed of at no cost. 6) p. 163 Annex 1, the injury rate and lost day rate were calculated using the theoretical number of hours worked not the actual working hours. This was due to lack of data. For 2014 report, the actual working hours have been used. 7) p. 164 Annex 2, the aspect 'economic performance' is material to AceTer Global Ltd. It has been shown as 'not material'.	No
G4-23	"*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No
Stakeholder Engagement		
G4-24	pp. 56-59; "*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No
G4-25	p. 56; "*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No
G4-26	"*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx) Additional ways of engaging with some of the stakeholders: Shareholders (p. 82), Employees (p. 60), Community (pp. 56-58), Investors (p. 82).	No
G4-27	"*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx)	No

Annexes (cont'd)

Annex 6 - GRI Content Index (cont'd)

1. General Standard Disclosures (cont'd)

G4 Indicator	References/Notes	External Assurance
Report Profile		
G4-28	January 01 - December 31, 2014	No
G4-29	The previous report covered the period January 01 - December 31, 2013 (available on http://terra.co.mu/media/14558/terra_sustainability_report_2013.pdf)	No
G4-30	Annual	No
G4-31	Louis Denis Koenig, Administrative Executive (ldkoenig@terra.co.mu)	No
G4-32	Terra has chosen to report on 'In accordance - core' (p. 1). It is stated in "*Defining the Report Content for Terra Mauricia Ltd Using the Global Reporting Initiative G4 Sustainability Reporting Guidelines: the Materiality Matrix and Stakeholder Engagement*", The GRI content index is provided on p. 180 in Annex 6. (available on http://terra.co.mu/investors-corner/sustainability-reports.aspx).	No
G4-33	The report has not been externally assured.	No
Governance		
G4-34	pp. 85-89	No
Ethics and Integrity		
G4-56	p. 60; p. 86	No

Annexes (cont'd)

Annex 6 - GRI Content Index (cont'd)

2. Specific Standard Disclosures

G4 Indicator	Description	References/Notes	Omission	External Assurance
CATEGORY: ECONOMIC				
Economic performance				
G4-DMA		pp. 19-27	-	No
G4-EC1	Direct economic value generated and distributed	pp. 16-17; p. 59	-	No
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	p. 176 (Annex 3)	Opportunity and its associated impact, and methods to manage the risks and opportunity and cost	No
G4-EC3	Coverage of the organisation's defined benefit plan obligations	pp. 117-118; pp. 126-127; pp. 149-153	-	No
Market presence				
G4-DMA		pp. 30-35; pp. 38-39; p. 42	-	No
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	Given the smallness of Mauritius, all of Terra's significant locations of operation are taken to overlap with the entire national territory. In this case, 99% of senior management are hired locally that reveals the orientation of Terra to favour local employment. pp. 78-79.	-	No
Indirect economic impacts				
G4-DMA		p. 177 (Annex 4)	As regards to aspect-specific disclosure, no community needs assessment was done.	No
G4-EC8	Significant indirect economic impacts, including the extent of impacts	p. 177 (Annex 4)	-	No
Procurement practices				
G4-DMA		p. 50	-	No
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	p. 50 (Leisure-Sugarworld Ltd); p. 42 (Brands-Topterra Ltd)	-	No
CATEGORY: ENVIRONMENTAL				
Materials				
G4-DMA		p. 66	-	No
G4-EN1	Materials used by weight or volume	p. 67; p. 176 (Annex 2)	-	No
G4-EN2	Percentage of materials used that are recycled input materials	p. 67; p. 176 (Annex 2)	-	No

Annexes (cont'd)

Annex 6 - GRI Content Index (cont'd)

2. Specific Standard Disclosures (cont')

G4 Indicator	Description	References/Notes	Omission	External Assurance
CATEGORY: ENVIRONMENTAL (cont'd)				
G4-DMA		p. 68	-	No
G4-EN3	Energy consumption within the organisation	p. 68	-	No
Water				
G4-DMA		p. 67	-	No
G4-EN8	Total water withdrawal by source	p. 67	-	No
Emissions				
G4-DMA		p. 68	-	No
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	p. 68	-	No
G4-EN21	NOx, SOx, and other significant air emissions	pp. 68-69	POP, VOC, HAP are not available because they are not applicable to the concerned entities.	No
Effluents and waste				
G4-DMA		p. 69	-	No
G4-EN23	Total weight of waste by type and disposal method	pp. 69-70	-	No
Products and services				
G4-DMA		p. 70	-	No
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	p. 70	-	No
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	p. 70 100% of packaging bags are taken by Terra Milling Ltd customer, MSS	-	No
Compliance				
G4-DMA		p. 66	-	No
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	p. 66	-	No
Transport				
G4-DMA		p. 70	-	No
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce	p. 70	The impacts related to transportation of employees were not evaluated because they are not significant compared to those regarding transportation of raw materials, products and waste.	No

Annexes (cont'd)

Annex 6 - GRI Content Index (cont'd)

2. Specific Standard Disclosures (cont'd)

G4 Indicator	Description	References/Notes	Omission	External Assurance
CATEGORY: ENVIRONMENTAL (cont'd)				
Overall				
G4-DMA		p. 71	-	No
G4-EN31	Total environmental protection expenditures and investments by type	p. 71	-	No
Supplier environmental assessment				
G4-DMA		p. 35; p. 50	-	No
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	p. 35; p. 50	-	No
Environmental grievance mechanisms				
G4-DMA		p. 66	-	No
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	p. 66	-	No
CATEGORY: SOCIAL Sub-category: Labour practices and decent work				
Employment				
G4-DMA		p. 60	-	No
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	p. 62; pp. 173-174 (Annex 1-Employment data)	-	No
Labour/Management relations				
G4-DMA		p. 63	-	No
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	p. 63	-	No
Occupational health and safety				
G4-DMA		p. 91	-	No
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and gender	p. 91; p. 175 (Annex 1- Employment data)	This indicator is not being monitored for independent contractors.	No
Training and education				
G4-DMA		p. 61	-	No
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	p. 61	-	No

Annexes (cont'd)

Annex 6 - GRI Content Index (cont'd)

2. Specific Standard Disclosures (cont'd)

G4 Indicator	Description	References/Notes	Omission	External Assurance
CATEGORY: SOCIAL Sub-category: Human Rights				
Freedom of association and collective bargaining				
G4-DMA		pp. 60-63	-	No
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	p. 63	-	No
CATEGORY: SOCIAL Sub-category: Society				
Local communities				
G4-DMA		pp. 56-59	-	No
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	pp. 56-58	-	No
Anti-corruption				
G4-DMA		p. 60; pp. 86-87	-	No
G4-SO4	Communication and training on anti-corruption policies and procedures	p. 60; pp. 86-87	-	No
Compliance				
G4-DMA		p. 35; p. 38; p. 43; pp. 46-47; pp. 50-51; p. 60; p. 66	-	No
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	p. 35; p. 38; p. 43; pp. 46-47; pp. 50-51; p. 60; p. 66	-	No
Grievance mechanisms for impacts on society				
G4-DMA		p. 59	-	No
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	p. 59	-	No
CATEGORY: SOCIAL Sub-category: product responsibility				
Customer health and safety				
G4-DMA		p. 35; p. 43; p. 50	-	No
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	p. 35; p. 43; p. 50	-	No
Product and service labelling				
G4-DMA		p. 35; p. 43; p. 50	-	No

Annexes (cont'd)

Annex 6 - GRI Content Index (cont'd)

2. Specific Standard Disclosures (cont'd)

G4 Indicator	Description	References/Notes	Omission	External Assurance
CATEGORY: SOCIAL Sub-category: product responsibility (cont'd)				
Product and service labelling (cont'd)				
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	p. 35; p. 43; p. 50; p. 177 (Annex 4)	-	No
Marketing communications				
G4-DMA		p. 35; p. 43; p. 47; p. 50	-	No
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	p. 35; p. 43; p. 47; p. 50	-	No
Customer privacy				
G4-DMA		p. 43; p. 46; p. 47; p. 50, p. 51	-	No
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	p. 43; p. 46; p. 47; p. 50, p. 51	-	No
Compliance				
G4-DMA		p. 35; p. 43; p. 46; p. 47; p. 50; p. 51	-	No
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	p. 35; p. 43; p. 46; p. 47; p. 50; p. 51	-	No

NOTICE OF ANNUAL MEETING

Notice is hereby given that the **Annual Meeting of the shareholders of TERRA Mauricia Ltd ('Terra')** will be held at 7th Floor, Harel Mallac Building, 18 Edith Cavell Street, Port-Louis on **TUESDAY 30 JUNE 2015 at 2.00 p.m.** to transact the following business:

1. To consider the Annual Report for the year ended December 31, 2014.
2. To receive the report of the auditors on the audited financial statements of Terra for the year ended December 31, 2014.
3. To consider and approve the audited financial statements of Terra for the year ended December 31, 2014:

Ordinary Resolution
"Resolved that the audited financial statements of Terra Mauricia Ltd for the year ended December 31, 2014 be and is hereby approved".

4. To consider and approve by way of Ordinary Resolutions pursuant to clause 32 of the amended and restated constitution of Terra, the following matters pertaining to Terragri Ltd ('Terragri'):

4.1 the audited financial statements of Terragri for the year ended December 31, 2014:

Ordinary Resolution
"Resolved that the audited financial statements of Terragri for the year ended December 31, 2014 be and is hereby approved".

4.2 the re-election, pursuant to Clause 20.2 of the constitution of Terragri and Section 138 (6) of the Companies Act 2001, of Mr Daniel Nairac as director of Terragri until the next Annual Meeting of shareholders of Terragri.

Ordinary Resolution
"Resolved that Mr Daniel Nairac be and is hereby re-elected as director of Terragri to hold office until the next Annual Meeting of Terragri."

4.3 the re-election, pursuant to Clause 20.2 of the constitution of Terragri and Section 138 (6) of the Companies Act 2001, of Mr Maurice de Marassé Enouf as director of Terragri until the next Annual Meeting of shareholders of Terragri.

Ordinary Resolution
"Resolved that Mr Maurice de Marassé Enouf be and is hereby re-elected as director of Terragri to hold office until the next Annual Meeting of Terragri."

4.4 the re-election, pursuant to clauses 20.2 and 20.5.4 of the constitution of Terragri of the following persons who, retiring by rotation, offer themselves for re-election as directors of Terragri (as separate resolutions):
(i) Mr Alexis Harel
(ii) Mr Alain Vallet
(iii) Mrs Margaret Wong Ping Lun.

Ordinary Resolution
"Resolved that the following persons be and are hereby re-elected as director of Terragri (as separate resolutions):
(i) Mr Alexis Harel
(ii) Mr Alain Vallet
(iii) Mrs Margaret Wong Ping Lun.

4.5 the automatic re-appointment of the auditors of Terragri under section 200 of the Companies Act 2001 and to authorise by way of Ordinary Resolution the board of Terragri to fix their remuneration:

Ordinary Resolution
"Resolved that the automatic re-appointment of the auditors under section 200 of the Companies Act 2001 be and is hereby noted and that the board of Terragri be and is hereby authorised to fix their remuneration."

5. To authorise by way of Ordinary Resolution the board of directors of Terra in its capacity as representative of Terra, the sole shareholder of Terragri, to implement the resolutions referred to at paragraphs 4.1 to 4.5 above at the Annual Meeting of Terragri.

Ordinary Resolution
"Resolved that the board of Terra, in its capacity as representative of Terra, the sole shareholder of Terragri, be and is hereby authorised to implement the resolutions passed pursuant to paragraphs 4.1 to 4.5 above at the Annual Meeting of Terragri."

6. To consider and approve by way of Ordinary Resolutions the following matters pertaining to Terra:

6.1 the re-election, pursuant to clause 20.2 of the amended and restated constitution of Terra and Section 138 (6) of the Companies Act 2001, of Mr Daniel Nairac as director of Terra until the next Annual Meeting of shareholders of Terra.

Ordinary Resolution
"Resolved that Mr Daniel Nairac be and is hereby re-elected as director of Terra to hold office until the next Annual Meeting of Terra."

6.2 the re-election, pursuant to clause 20.2 of the amended and restated constitution of Terra and Section 138 (6) of the Companies Act 2001, of Mr Maurice de Marassé Enouf as director of Terra until the next Annual Meeting of shareholders of Terra.

Ordinary Resolution
"Resolved that Mr Maurice de Marassé Enouf be and is hereby re-elected as director of Terra to hold office until the next Annual Meeting of Terra."

6.3 the re-election pursuant to clauses 20.2 and 20.5.4 of the amended and restated constitution of Terra of the following persons who, retiring by rotation, offer themselves for re-election as directors of Terra (as separate resolutions):
(i) Mr Alexis Harel
(ii) Mr Alain Vallet
(iii) Mrs Margaret Wong Ping Lun.

Ordinary Resolution
"Resolved that the following persons be and are hereby re-elected as director of Terra (as separate resolutions):
(i) Mr Alexis Harel
(ii) Mr Alain Vallet
(iv) Mrs Margaret Wong Ping Lun.

6.4 to fix for the period starting from July 01, 2015 and ending on June 30, 2016, the fees of (i) the directors of Terra at MUR 25,000 per month and MUR 15,000 per Board sitting; and (ii) the Chairperson of Terra at MUR 50,000 per month and MUR 30,000 per Board sitting, pursuant to clause 23.1 of the amended and restated constitution of Terra.

Ordinary Resolution
"Resolved that the fees for the period from July 01, 2015 to June 30, 2016 be and are hereby fixed at MUR 25,000 per month and MUR 15,000 per Board sitting for the directors of Terra; and MUR 50,000 per month and MUR 30,000 per Board sitting for the Chairperson of Terra."

7. To take note of the automatic re-appointment of the auditors under section 200 of the Companies Act 2001 and authorise by way of Ordinary Resolution the board of Terra to fix their remuneration.

Ordinary Resolution
"Resolved that the automatic re-appointment of the auditors under section 200 of the Companies Act 2001 be and is hereby noted and that the board of Terra be and is hereby authorised to fix their remuneration."

8. Question time

By order of the Board
Terra Services Ltd
Secretary

Dated this 13th day of May 2015

Notes:

a. A shareholder of Terra entitled to attend and vote at this meeting may appoint a proxy (whether a shareholder or not) to attend and vote on his behalf, or may cast his vote by post.

b. The appointment of proxy must be made in writing on the enclosed form and the document should reach the registered office of Terra not less than twenty-four (24) hours before the time of holding the meeting, and in default, the instrument of proxy shall not be treated as valid. Any power of attorney or instrument under which the proxy is signed or notarially certified must be produced before the start of the meeting.

c. The notice for casting a postal vote must be made in writing on the enclosed form and sent to the attention of Mr Louis Denis Koenig, the person authorised by the board of directors of Terra to receive and count the postal votes at the Annual Meeting. The document should reach the registered office of Terra not less than forty-eight (48) hours before the time of holding the meeting, and in default, the notice of postal vote shall not be treated as valid.

d. For the purpose of the above Annual Meeting, the directors have resolved, in compliance with section 120 (3) of the Companies Act 2001, that the shareholders who are entitled to receive notice of the meeting and attend the meeting shall be those shareholders whose names are registered in the share register of Terra as at June 03, 2015.

e. The audited financial statements of Terragri for the year ended December 31, 2014 are available for inspection during normal business hours at the registered office of Terra, 18 Edith Cavell Street, Port-Louis.

TERRA MAURICIA LTD (the "Company")

PROXY / CASTING POSTAL VOTE FORM

APPOINTMENT OF PROXY* (see notes **a** and **b** overleaf)

I/We...

of...

being shareholder/s of the above named company hereby appoint ....

of...or

failing him/her, ...

of...or

the Chairperson as my/our proxy to vote for me/us at the **Annual Meeting** of the Company to be held on **Tuesday 30 June 2015** and at any adjournment thereof. The proxy will vote on the under-mentioned resolutions, as indicated below:

CASTING POSTAL VOTES* (see note **c** overleaf)

I/We...

of.. being shareholder/s of the above named company desire my/our vote/s to be cast as indicated on the under-mentioned resolutions at the **Annual Meeting** of the Company to be held on **Tuesday 30 June 2015** and at any adjournment thereof:

RESOLUTIONS	FOR	AGAINST	ABSTAIN
3 Resolved that the audited financial statements of Terra Mauricia Ltd for the year ended December 31, 2014 be and is hereby approved.	☐	☐	☐
4.1 Resolved that the audited financial statements of Terragri Ltd for the year ended December 31, 2014 be and is hereby approved.	☐	☐	☐
4.2 Resolved that Mr Daniel Nairac be and is hereby re-elected as director of Terragri to hold office until the next Annual Meeting of Terragri.	☐	☐	☐
4.3 Resolved that Mr Maurice de Marassé Enouf be and is hereby re-elected as director of Terragri to hold office until the next Annual Meeting of Terragri.	☐	☐	☐
4.4 Resolved that the following persons be and are hereby re-elected as director of Terragri (as separate resolutions):			
(i) Mr Alexis Harel	☐	☐	☐
(ii) Mr Alain Vallet	☐	☐	☐
(ii) Mrs Margaret Wong Ping Lun	☐	☐	☐
4.5 Resolved that the automatic reappointment of the auditors under section 200 of the Companies Act 2001 be and is hereby noted and that the board of Terragri be and is hereby authorised to fix their remuneration.	☐	☐	☐
5 Resolved that the board of Terra, in its capacity as representative of Terra, the sole shareholder of Terragri, be and is hereby authorised to implement the resolutions passed pursuant to paragraphs 4.1 to 4.5 above at the Annual Meeting	☐	☐	☐

* : Please fill-in either the proxy section or the postal vote one, but not both.

P.T.O

TERRA MAURICIA LTD (the "Company")

PROXY / CASTING POSTAL VOTE FORM

RESOLUTIONS	FOR	AGAINST	ABSTAIN
6.1 Resolved that Mr Daniel Nairac be and are hereby re-elected as director of Terra to hold office until the next Annual Meeting of Terra.	☐	☐	☐
6.2 Resolved that Mr Maurice de Marassé Enouf be and are hereby re-elected as director of Terra to hold office until the next Annual Meeting of Terra.	☐	☐	☐
6.2 Resolved that the following persons be and are hereby re-elected as director of Terra (as separate resolutions):			
(i) Mr Alexis Harel	☐	☐	☐
(ii) Mr Alain Vallet	☐	☐	☐
(ii) Mrs Margaret Wong Ping Lun	☐	☐	☐
6.4 Resolved that the fees for the period from July 01, 2015 to June 30, 2016 be and are hereby fixed at MUR 25,000 per month and MUR 15,000 per Board sitting for the directors of Terra; and MUR 50,000 per month and MUR 30,000 per Board sitting for the Chairperson of Terra.	☐	☐	☐
7 Resolved that the automatic reappointment of the auditors under section 200 of the Companies Act 2001 be and is hereby noted and that the board of Terra be and is hereby authorised to fix their remuneration.	☐	☐	☐

Signed this .... day of June 2015.

....
Signature(s)

NOTES

a. If this form is signed and returned without any indication as to how the proxy shall vote, he will exercise his discretion both as to how he votes and whether or not he abstains from voting.

b. To be effective, this form of proxy should reach the registered office of the company, 18 Edith Cavell Street, Port-Louis 11302, not less than twenty-four (24) hours before the time of holding the meeting. Any power of attorney or instrument under which the proxy is signed or notarially certified must be produced before the start of the meeting.

c. To be effective, this notice of postal vote should be sent to the attention of Mr Louis Denis Koenig, the person authorised by the Board to receive and count the postal votes at the Annual Meeting and should reach the registered office of the company, 18 Edith Cavell Street, Port-Louis 11302, not less than forty-eight (48) hours before the time of holding the meeting.

FAQ on Cocoon paper

Is recycled paper better for the environment than virgin paper?
YES. Recycled paper helps the environment in a number of ways:
- Recycling helps preserve forests, reducing demand for wood.
- Recycling avoids accumulation of waste sites and incinerators, which generate CO2 emissions.
- Recycling lengthens the lifespan of paper, since fibres can be recycled 4 to 5 times.
- Producing recycled paper requires around 2 times less energy and 3 times less water than paper made with virgin pulp.

What is Cocoon paper made from?
Cocoon paper is made from 100% genuine, recovered waste paper.

How is Cocoon paper so white and bright?
The recycled pulp production process uses a multi-stage cleaning process. It uses biodegradable cleaners and chlorine free bleaches. Sodium hydrosulphite, a reductive bleach, is used to remove colour from the fibers and hydrogen peroxide, an oxidative bleach, is used to brighten the fibres. It's a sustainable process, as, for example, the hydrogen peroxide breaks down into water and oxygen upon disposal.
This leads to a high quality and white recycled pulp, so that very limited quantities of optical brightening agents are added to enhance the whiteness and brightness of the paper. Although the de-inking process uses water and chemicals, it is still less harmful to the environment than the manufacturing process of making paper from virgin fibre.
The result is a paper with a whiteness of 150 CIE produced with the care for environment very much in mind.

Why is Forest Stewardship Council (FSC) a guarantee for recycled papers?
Cocoon offset and preprint papers have been recognized by the FSC and have been awarded the FSC 100% recycled label.
Products with a 100% recycled label support re-use of forest resources and use only post-consumer fibre, in accordance with FSC standards.

Concept & Design by Circus

Terra Mauricia Ltd
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