

## Notes to the Financial Statements (Cont'd)

### 23. RELATED PARTY TRANSACTIONS (Cont'd)

	The Group		The Company	
	2021 MUR	2020 MUR	2021 MUR	2020 MUR
<b>Transactions</b>				
Loans to related parties, net of repayment	3,250,000	11,050,000	3,250,000	11,050,000
Interest income on loans to related parties	936,184	722,182	936,184	722,183
Advances to subsidiaries	-	-	-	9,551,397
Remuneration of directors and key management personnel	12,127,145	10,489,559	5,259,363	3,602,691
Dividend income from subsidiary	-	-	16,000,000	8,000,000
Interest income on loans to subsidiaries	-	-	330,325	215,216
Other revenue from subsidiaries	-	-	7,000,792	240,000

Outstanding balances at year end are unsecured and repayable within 6 months. Amount due from related parties bear interest at 3.85% p.a (2020: 3.85% to 5.50% p.a), are secured by guarantee from Anglo African Property (Moka) Ltd and are repayable in full within one year.

### 24. CONTINGENT LIABILITY

In 2020, a former employee of a subsidiary served a 'mise en demeure' against the subsidiary's executive directors. Management of the subsidiary has assessed the 'mise en demeure' and believe that there are no grounds for this case. Accordingly, no provision for damages has been made in these financial statements.

The Group has no litigation claims outstanding, pending or threatened against it which could have a material adverse effect on its financial position or results.

The Group gives bank guarantees in the ordinary course of business to third parties but do not expect these liabilities to crystallise. The amount outstanding at 30 June 2021 amounted to MUR 25,296,081 (2020: MUR 11,849,355).

Subsequent to year end, one of the subsidiaries provided additional bank guarantees to a third party for a total amount of approximately MUR 75,000,000.

### 25. CAPITAL COMMITMENTS

At 30 June 2021, the Group had capital commitments in respect of plant and equipment amounting to MUR 14.1Mn (2020: MUR 6Mn).

### 26. FINANCIAL RISK MANAGEMENT

#### 26.1 Overview

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's activities expose it to a variety of financial risks relating to its operations. The Company's overall risk management programme seeks to minimise potential adverse effects on the financial performance of the Company. The Group is exposed to the following risks:

- Credit risk
- Liquidity risk
- Market risk (which includes interest rate risk and foreign currency risk);