SIFB

CROP 2016 SYNOPSIS

1. CROP HIGHLIGHTS

1.1. CLIMATIC CONDITIONS

1.1.1 The Growth Phase

The weather conditions prevailing during the growth and vegetative phases for Crop 2016 were characterized by above normal total rainfall experienced during the months of February, April and June and below the normal in the other months. Though cumulative rainfall was conducive to growth and development of the sugar cane crop in general over the island, in some areas was however observed only for short periods and its distribution being uneven in the different sectors.

Sugarcane fields located in the rainfed areas of the North, West and the low-lying areas of the East and South have faced mild water stress conditions. Nevertheless, cumulative elongation and total stalk height at end of May 2016 was observed to be better than 2015 and compared to the normal in all sectors.

1.1.2 The Ripening Phase

With the onset of winter conditions in June 2016, stalk elongation became inferior to that of the same period in 2015. The short periods of water stress coupled with above normal solar radiation has favoured ripening to set in resulting in the overall richesse in most of the sectors being better than 2015, except for the West due to the extended harvest season for 2015 and late start of harvest in 2016.

Below normal rainfall in all sectors during September and October 2016 coupled with both below normal temperature and sunshine duration did not favour ripening at the optimum rate. The island average extraction rate stood at 9.56% in August 2016 to reach 9.82% as at end-September 2016. The persistent dry weather conditions encountered during October and November 2016 especially in the rainfed sugar cane fields of the North, West and the lowland fields of the East and South sectors has caused desiccation of the stalks. This led to a drop in cane productivity, but saw an improvement in the mean extraction rate from 10.01% in October to 10.14% by end-November 2016.

1.1.3 In general, weather conditions in terms of rainfall and temperature has been conducive to growth and development of the sugar cane crop and favourable for cane ripening and

sucrose accumulation. This was reflected in the good elongation rate, recorded in all sectors and as also witnessed by the better sucrose content compared to Crop 2015.

1.2. EXTENT UNDER CANE

1.2.1 The total area under cane plantations (plant, virgin and ratoon canes) stood at **55,878** Ha for Crop 2016. Crop 2016 witnessed an effective drop in extent under cane by **1,546** hectares of cane land from last crop year as shown hereunder:

Table 1 – Difference in Extent under Cane (2015 – 2016)

PLANTER TYPE	CROP 2015	CROP 2016	Difference
Small Planters	14,795	14,406	(389)
Large Planters	5,307	4,930	(377)
Sugar Estates	37,322	36,542	(780)
TOTAL	**57,424**	**55,878**	**(1,546)**

1.2.2 The evolution of Area under Cane from Crop 2005 to 2016 is depicted hereunder:

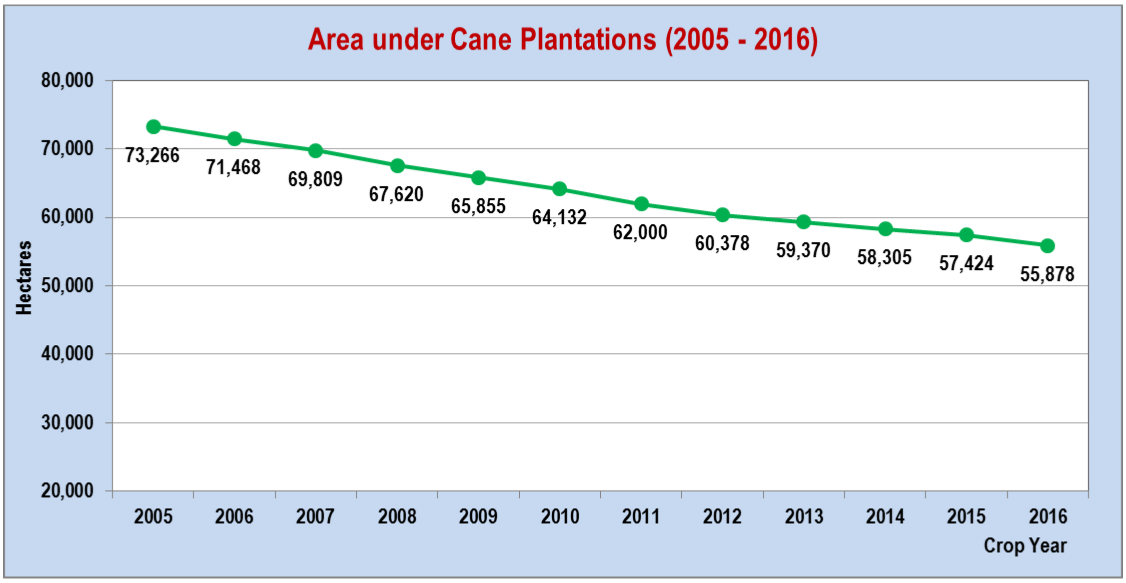


Figure 1

1.3. REGISTRATION OF FACTORIES AND PLANTATIONS

1.3.1 Crop 2016 registration started on 2nd May 2016 to end on 31st May 2016.

1.3.2 Since the implementation of 5-year staggered registration as from Crop 2012, planters with registration validity of 4-years turned up for renewal of their registration cards for the next 5 years. The practice of yearly renewal of registration remains unchanged for large planters and sugar estates.

1.3.3 A total of 4,730 accounts of planters were registered for crop year 2016 compared to 5,592 in 2015, inclusive of late registrations and re-registrations for those holding valid registration cards necessitating changes in their basic data.

1.3.4 With the centralization of milling activities, the only 4 sugar factories in operation island-wide are:

1. TERRA Milling Ltd in the North sector;
2. ALTEO Milling Ltd in the Centre/East sector;
3. MEDINE Sugar Milling Co. Ltd in the West sector; and
4. OMNICANE Milling Operations Ltd in the South sector.

1.4. CROP HARVEST & MILLING OPERATIONS

1.4.1 Milling operations for Crop 2016 first started at ALTEO factory on the 23rd May 2016 and ended with TERRA factory on 17th December 2016.

1.4.2 The start and last dates of milling at each sugar factory in operation are:

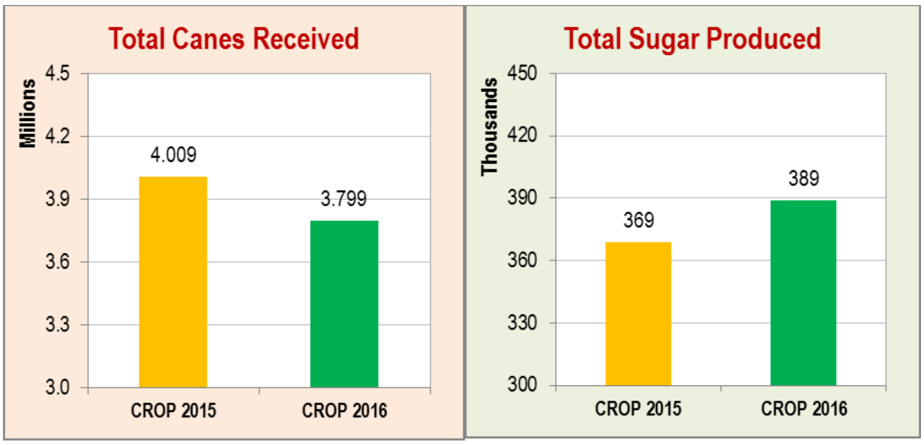
Table 2 – Crop 2016 Harvest Schedule

FACTORY	Start Date of Milling	Last Date of Milling
TERRA	4th July 2016	17th December 2016
ALTEO	23rd May 2016	16th December 2016
OMNICANE	27th June 2016	14th December 2016
MÉDINE	25th July 2016	28th November 2016

1.4.3 The duration of Crop 2016 milling season was longest at ALTEO factory and shortest at MÉDINE factory.

1.5. SUGAR PRODUCTION

1.5.1 Total cane weight sent to mills for sugar production was **3.8 Million** tonnes resulting in a total sugar produced of **388,934 tonnes**[1] '*tel quel*' island-wide for Crop 2016. *Refer to Figures 2A & 2B below.*



Figures 2A & 2B

1.5.2 Compared to last crop season, there has been a net decrease in tonnage of canes harvested by **210,575 tonnes**, in spite of which sugar accruing saw an increase by **19,707 tonnes** due to

[1] *This figure pertains to Sugar Produced as reported by Control & Arbitration Department – MCIA.*
It is different to Sugar Accruing computed by SIFB for insurance purposes, being inclusive of cane loss in transit.

sucrose accumulation being much better than the preceding crop as a result of favourable climatic, temperature and sunshine conditions.

1.5.3 For Crop 2016, the mean extraction rate at planter's share per ton of cane produced at the level of each EFA is shown in **Table 3** below:

Table 3 – Extraction Rate at Planter's Share (78%)

ENLARGED FACTORY AREA	Total Cane Weight [T]	Sugar Accrued @ Planter's Share [T]	Mean Extraction Rate @78% [Kg Sugar/Ton Cane]
TERRA	848,501	73,507	86.63
ALTEO	1,417,125	107,712	76.01
OMNICANE	1,161,303	92,196	79.39
MEDINE	371,728	30,397	81.77
ISLAND-WIDE	**3,798,657**	**303,812**	**79.98**

1.5.4 The highest extraction rate at planter's share was observed for **Terra EFA** at **86.63 kg** of sugar per metric ton of cane crushed; a net improvement by 10.70 kg of sugar compared to Crop 2015.

1.5.5 The lowest extraction rate at planter's share was recorded for **Alteo EFA** at **76.01 kg** of sugar per metric ton of cane crushed, but nevertheless saw an improvement by 6.66 kg of sugar compared to last crop.

1.5.6 This improvement in sucrose accumulation for Crop 2016 is also reflected in the extraction rates observed throughout the progress of the crop harvest. The highest sucrose content per tonne of cane crushed was observed in the North and the lowest for Centre-East.

1.5.7 The evolution of extraction rates over Crop 2016 harvest season is shown at **Figure 3** below:

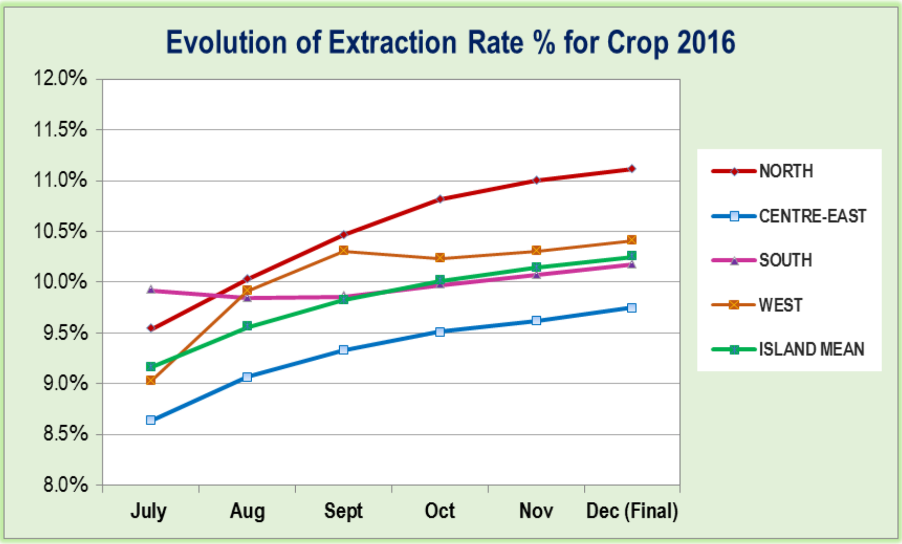


Figure 3

1.5.8 The island average extraction rate stood at 9.16% in July 2016 to reach **10.25%** by the end of the harvest season in December 2016, compared to a final rate of **9.22%** in Crop Season 2015, a rise by 1.03 percent; the highest extraction recorded at TERRA (11.11%) and the lowest at ALTEO (9.75%) – *Refer to Table 4 and Figure 4.*

Table 4 – Mean Extraction Rate [2]

ENLARGED FACTORY AREA	Crop 2015	Crop 2016	Difference
TERRA	9.76%	11.11%	**1.35%**
ALTEO	8.89%	9.75%	**0.86%**
OMNICANE	9.15%	10.17%	**1.02%**
MEDINE	9.42%	10.41%	**1.00%**
ISLAND-WIDE	**9.22%**	**10.25%**	**1.03%**

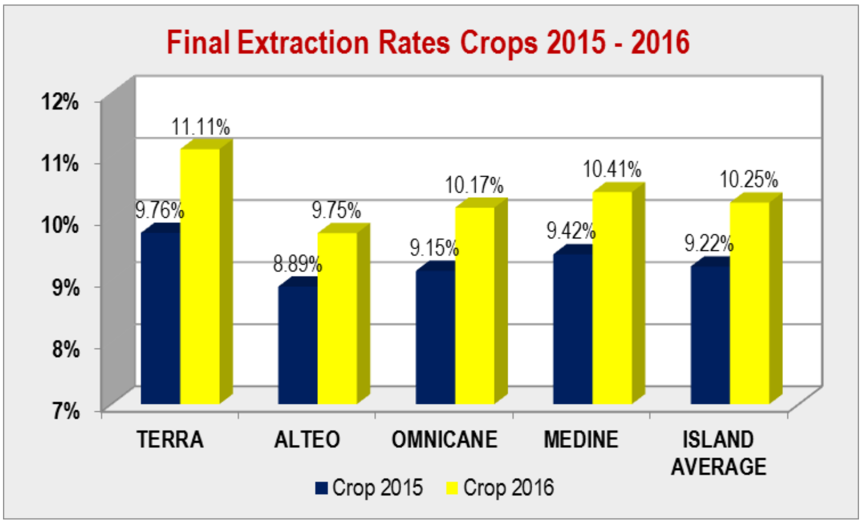


Figure 4

2. GENERAL INSURANCE

2.1 DECLARATION OF EVENT YEAR

2.1.1 Section 25 (1) of the Sugar Insurance Fund Act provides that:-

"(1) Where, in any crop year, the total sugar accrued for a prescribed area is not more than the prescribed percentage of the total insurable sugar for the prescribed area on account of the occurrence of all or any of the following events –

(a) cyclone;
(b) drought; or
(c) excessive rainfall,

the Board may, not later than 28 February following that crop year, declare that crop year to be an event year on account of all or any of those events."

2.1.2 For the purpose of section 25(1) of the Act, regulations made by the Minister effective as from Crop Year 2015, as *gazetted* in General Notice No. 143 of 2015, provide that:

"(a) the area prescribed for computing the total sugar accrued shall be any enlarged factory area; and

(b) the prescribed percentage of the total insurable sugar shall be 83 per cent."

2 *Figures are based on canes crushed and sugar produced on a net basis.*

2.1.3 For Crop Year 2016, the sugar production and crop reduction percentages for each Enlarged Factory Area (EFA) were determined as follows:

Table 5 – Crop Reduction

ENLARGED FACTORY AREA	Total Insurable Sugar [T]	Total Sugar Accrued [T]	Sugar Production %	Crop Reduction %
TERRA	94,473	94,245	99.8%	0.2%
ALTEO	162,620	138,233	85.0%	15.0%
OMNICANE	133,845	118,047	88.2%	11.8%
MEDINE	46,342	38,713	83.5%	16.5%
ISLAND-WIDE	**437,279**	**389,238**	**89.0%**	**11.0%**

2.1.4 The total sugar accrued for all enlarged factory areas are more than 83% of their respective total insurable sugar for Crop Year 2016; hence no event year was declared in respect of any EFA.

2.2 SUGAR PRICE FOR INSURANCE

2.2.1 In accordance with Section 47 of the Sugar Insurance Fund Act, the sugar price for insurance purposes in respect of Crop Year 2016 was determined at the rate of **Rs. 15,946** per metric ton of sugar for planters, inclusive of the added value of molasses.

2.2.2 The sugar price for insurance purposes for milling side was determined at **Rs. 15,300** per metric ton of sugar.

2.2.3 The Crop 2016 rates of sugar prices for insurance were published under General Notice No. 1886 of 2016 in the Government Gazette.

2.3 NUMBER OF SUGAR PRODUCERS

2.3.1 The total number of sugar producers (insured accounts) for Crop 2016 is **13,733**. This consists of:

(i) **13,729 planters/ métayers** consigning canes (compared to **14,571** for Crop 2015); and

(ii) **4 millers** each having a sugar accruing corresponding to 22% of sugar share from all canes consigned to mill by cane growers.

2.3.2 **842** planters have effectively moved out of business over the preceding crop year, representing an outflow of **5.8%** since last crop season.

2.3.3 The trend in the number of sugar producers since 2005 is depicted at **Figure 5** below:

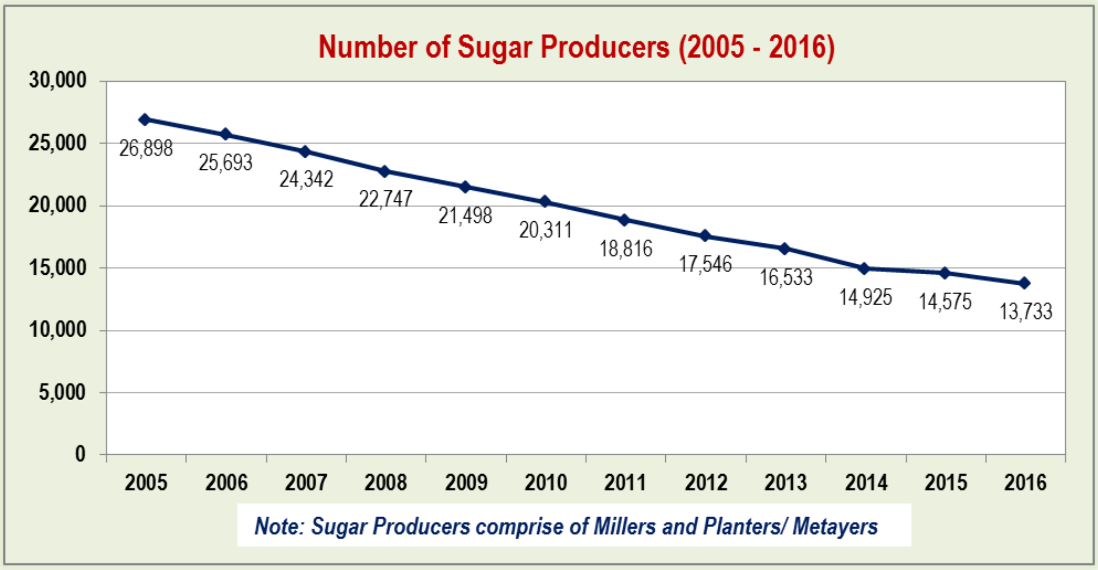


Figure 5

2.4 HARVEST EXTENT AND CANE YIELD

2.4.1 The total area harvested for Crop 2016 for milling purposes stood at **50,990** Ha compared to 51,694 Ha for Crop 2015. The total tonnage of canes harvested island-wide by planters for Crop 2016 is **3,798,657** tonnes, compared to 4,009,232 tonnes for the last crop season.

2.4.2 **Table 6** shows the harvest extent, cane weight and cane yield for each enlarged factory area.

Table 6 – Harvest Extent and Cane Yield

Enlarged Factory Area	Harvest Extent (Ha)	Cane Weight (T)	Cane Yield [T/Ha]
TERRA	11,048	848,501	76.80
ALTEO	19,832	1,417,125	71.46
OMNICANE	15,505	1,161,303	74.90
MĖDINE	4,605	371,728	80.72
TOTAL	**50,990**	**3,798,657**	**74.50**

2.4.3 The highest harvest extent is seen in ALTEO enlarged factory with 19,832 hectares under cane harvested for milling whilst MĖDINE enlarged factory area had the lowest (4,605 Ha[3]). The highest cane yield per hectare recorded at enlarged factory level is 80.72 T/Ha for MĖDINE, whilst ALTEO had the lowest cane yield (71.46 T/Ha).

2.4.4 **Figure 6** below depicts the trend in harvest extent since Crop 2005.

[3] *Crop 2016 harvest extent for Médine EFA is inclusive of 128 ha of Crop 2015 unharvested canes pertaining to Médine Sugar Estate that was carried over for harvest during this crop season.*

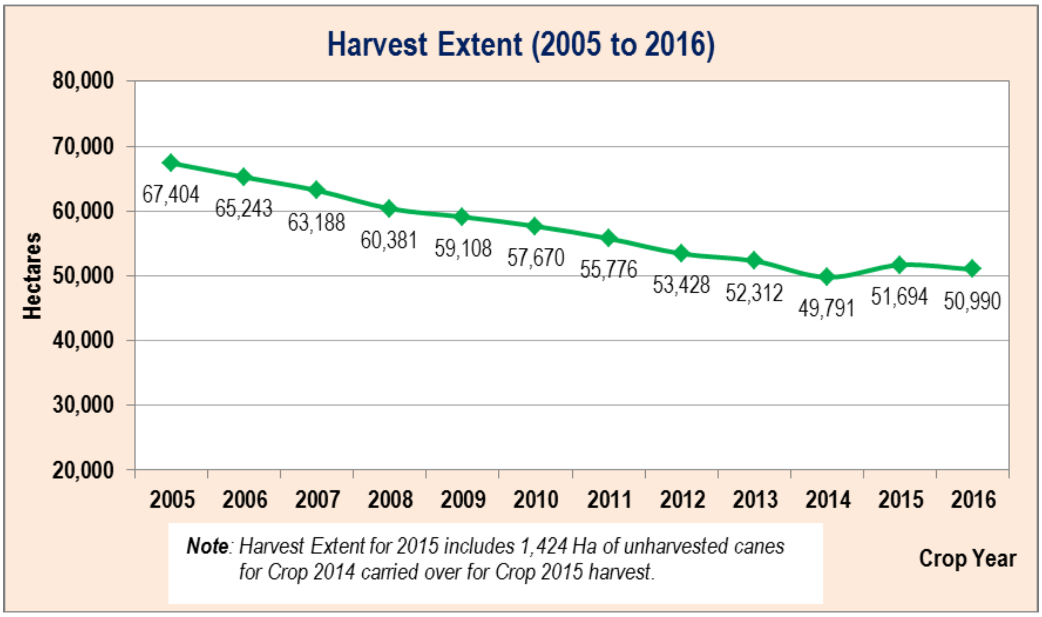


Figure 6

2.5 CATEGORY OF PLANTERS

2.5.1 **Table 7** below classifies the number of accounts by enlarged factory area and by category of planters (small and large) and is similarly depicted at **Figures 6** and **7** respectively.

2.5.2 For the purpose of classification, a small planter is taken as having a harvest extent of up to 10 hectares and a large planter as having harvest extent exceeding 10 hectares in a factory area.

Table 7 – Planter Category

ENLARGED FACTORY AREA	SMALL PLANTERS		LARGE PLANTERS		TOTAL PLANTERS
	No. of Accounts (up to 10 Ha)	% of Total Accounts Island-wide	No. of Accounts (more than 10 Ha)	% of Total Accounts Island-wide	
TERRA	3,072	22.4%	23	0.2%	3,095
ALTEO	6,340	46.2%	33	0.2%	6,373
OMNICANE	3,927	28.6%	35	0.3%	3,962
MEDINE	286	2.1%	13	0.1%	299
TOTAL	**13,625**	**99.2%**	**104**	**0.8%**	**13,729**

2.5.3 Over an aggregate of 13,729 planters, 13,625 of them cultivate up to 10 hectares of sugar cane and 104 planters cultivate more than 10 hectares of land.

2.5.4 **The number of large planters for Crop 2016 remained at the same level as for Crop 2015. Thus, with reference to paragraph 2.3.2, it is noted that all 842 planters having moved out of business belong to the category of small planters.**

2.5.5 On overall, the highest quantum of planters for Crop 2016 recorded by enlarged factory area is in ALTEO with 6,373 planters and the lowest in MÉDINE (299 planters).

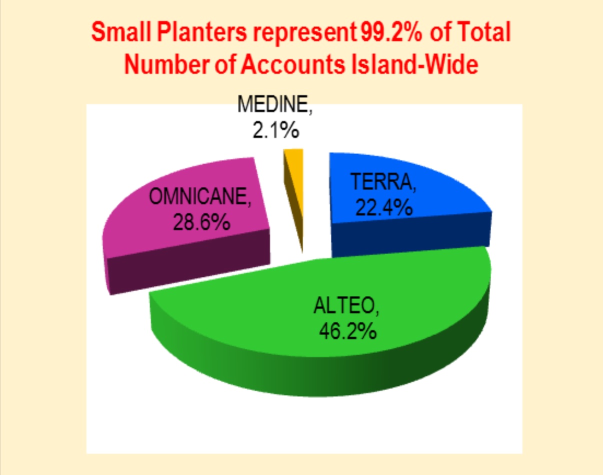


Figure 7

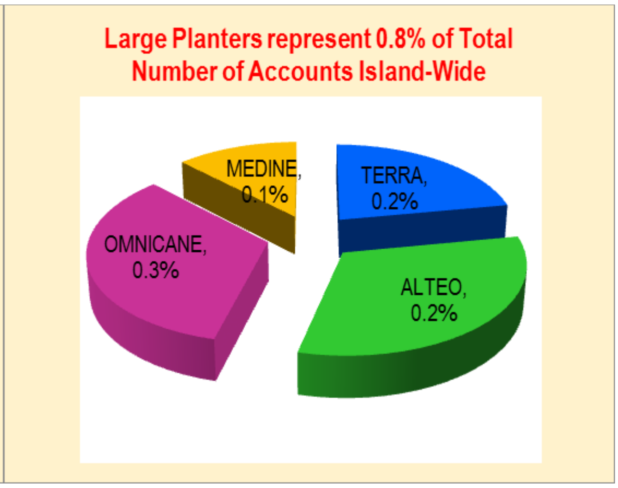


Figure 8

2.5.6 **Table 8** below shows the breakdown of Harvest Extent between small and large planters by enlarged factory area which is also depicted at Figure **9**.

Table 8 – Breakdown of Harvest Extent by Small & Large Planters

ENLARGED FACTORY AREA	SMALL PLANTERS		LARGE PLANTERS		Total Harvest Extent [Ha.]	% of Island HE
	Harvest Extent (up to 10 Ha)	% of Island HE	Harvest Extent (more than 10 Ha)	% of Island HE		
TERRA	2,407	5%	8,642	17%	11,048	22%
ALTEO	5,859	11%	13,973	27%	19,832	39%
OMNICANE	3,365	7%	12,140	24%	15,505	30%
MEDINE	426	1%	4,179	8%	4,605	9%
TOTAL	**12,056**	**24%**	**38,934**	**76%**	**50,990**	**100%**

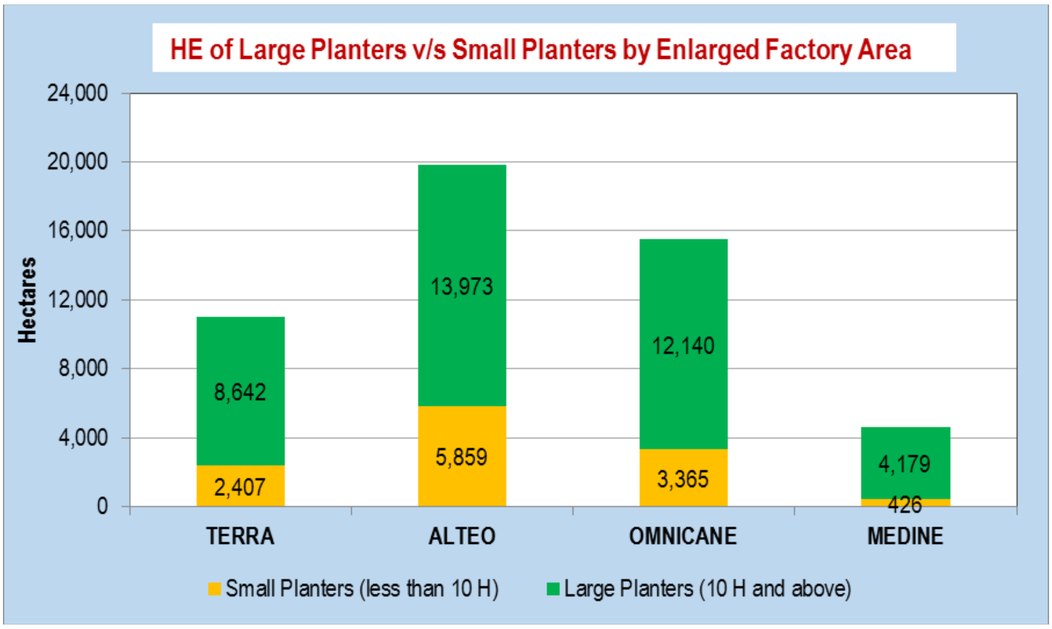


Figure 9

2.5.7 Island-wide, the loss in harvest extent is 205 Ha and 499 Ha respectively for small and large planters compared to last crop year, a total loss of 704 Ha in harvest extent.

2.5.8 The reduction in harvest extent was observed to be more prominent in TERRA and OMNICANE enlarged factory areas.

2.6 CROP YIELD BY PLANTER TYPE

2.6.1 The mean cane yield and sugar yield per hectare by planter type in respect of each enlarged factory area for Crop 2016 is shown at **Table 9** below.

Table 9 – Cane Yield & Sugar Yield for Crop 2016

ENLARGED FACTORY AREA	Planter Type	Tonnes of Cane per Hectare (TCH)	SA per Hectare (SAH) @ planter's share
TERRA	Small	**73.0**	**6.12**
	Large	**77.9**	**6.80**
ALTEO	Small	**64.3**	**4.76**
	Large	**74.5**	**5.71**
OMNICANE	Small	**63.8**	**4.94**
	Large	**78.0**	**6.22**
MEDINE	Small	**63.0**	**4.98**
	Large	**82.5**	**6.77**
TOTAL		**74.5**	**5.96**

2.6.2 **Figure 10** below shows the cane yield of small and large planters for Crop 2016 compared to Crop 2015 for each enlarged factory area.

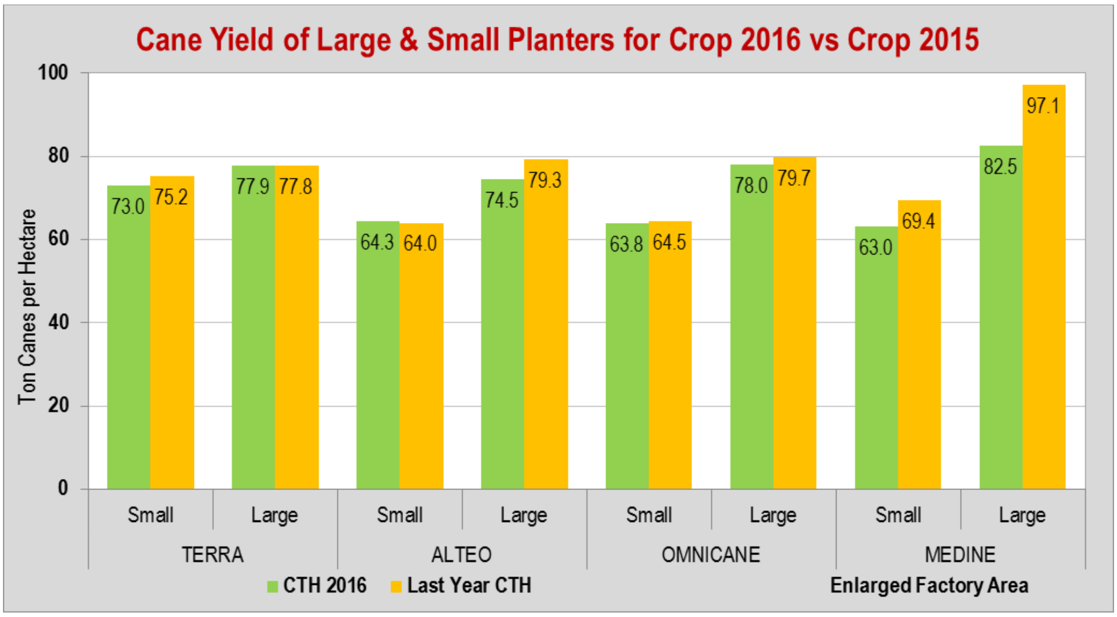


Figure 10

2.6.3 For Crop 2016, the highest mean cane yield per hectare pertains to MÉDINE large planters (82.5T/Ha) and the lowest average cane yield is in respect to small planters of MÉDINE (63.0T/Ha).

2.6.4 **Figure 11** below shows the Crop 2016 sugar yield by enlarged factory area for small and large planters compared to Crop 2015.

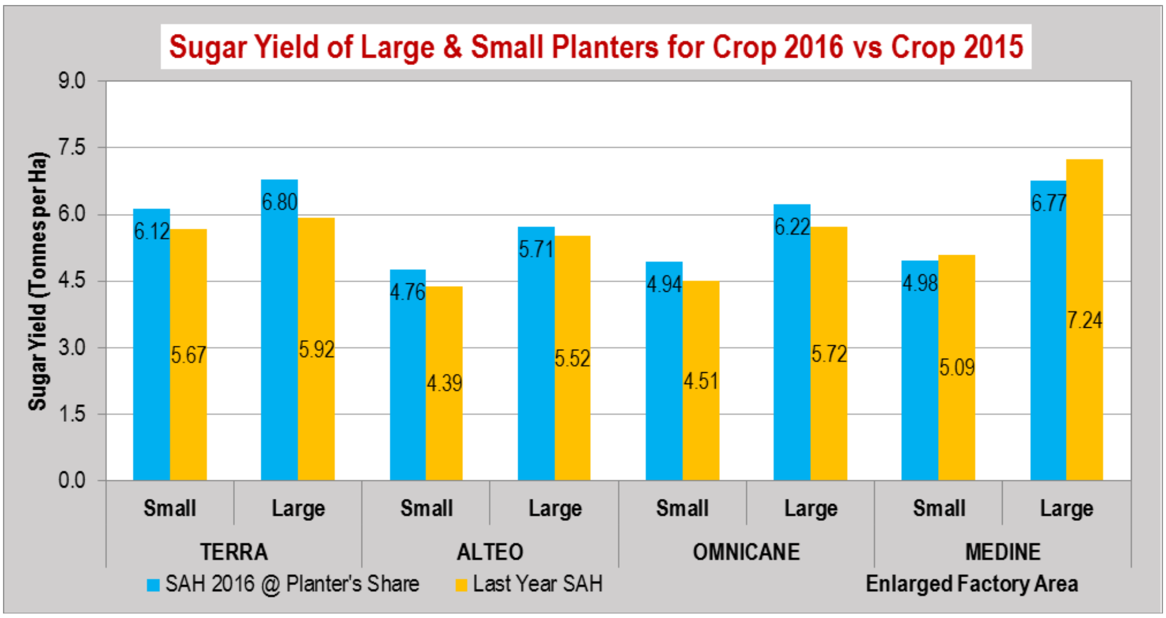


Figure 11

2.6.5 The average sugar yield (at planter's share) of large planters exceeded those of small planters in all enlarged factory areas. The highest average sugar yield (at planters' share) was with respect to TERRA large planters (6.80 T/Ha) and the lowest average sugar yield (at planter's share) was with respect to ALTEO small planters (4.76 T/Ha).

2.6.6 The maximum differential between large and small planters was 1.79 T/Ha, recorded in the enlarged factory area of MÉDINE.

2.6.7 It was observed that cane yield for Crop 2016 has been lower compared to last crop for all regions, but nevertheless a higher sugar yield compared to the last crop season due to more favourable climatic conditions, except at Médine. This is illustrated at **Table 10** and depicted at **Figure 12** below:

Table 10 – Sugar Yield for Crops 2015 & 2016

ENLARGED FACTORY AREA	SAH 2015 (T/Ha)	SAH 2016 (T/Ha)	Difference (T/Ha)
TERRA	7.54	8.53	**0.99**
ALTEO	6.65	6.97	**0.33**
OMNICANE	7.00	7.61	**0.62**
MEDINE	8.91	8.41	**-0.51**
ISLAND-WIDE	**7.15**	**7.63**	**0.49**

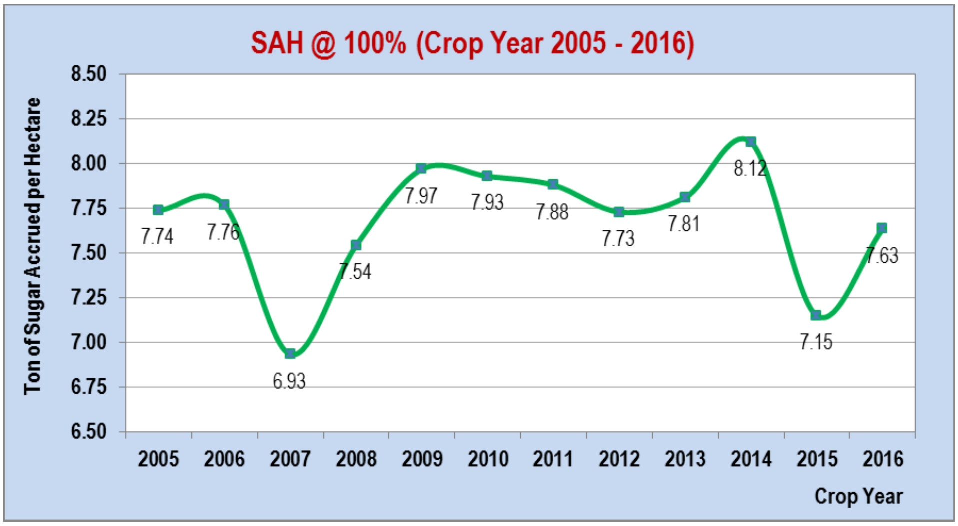


Figure 12

2.7 TOTAL INSURABLE SUGAR & TOTAL SUGAR ACCRUING

2.7.1 **Table 11** below shows the Total Sugar Accruing (TSA) of all insureds in each enlarged factory area with their Total Insurable Sugar (TIS) and their respective sugar production percentage.

Table 11 – TIS and TSA

ENLARGED FACTORY AREA	Total Insurable Sugar [T]	Total Sugar Accruing [T]	Sugar Production %	Crop Loss %
TERRA	94,473	94,245	99.8%	0.2%
ALTEO	162,620	138,233	85.0%	15.0%
OMNICANE	133,845	118,047	88.2%	11.8%
MEDINE	46,342	38,713	83.5%	16.5%
ISLAND-WIDE	**437,279**	**389,238**	**89.0%**	**11.0%**

2.7.2 Total sugar production was **89%** of the Total Insurable Sugar of **437,239 tonnes**. **Figure 13** below depicts the TIS against the TSA of insureds in each enlarged factory area for Crop 2016.

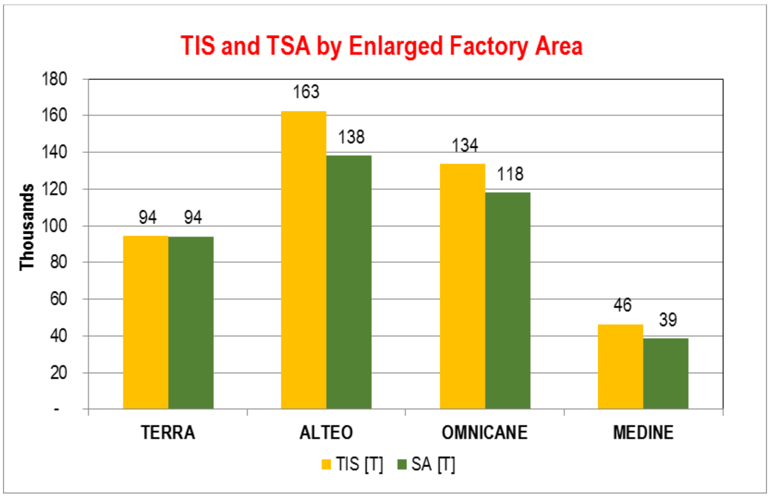


Figure 13

2.7.3 **Figure 14** shows the corresponding sugar production percentages compared to Crop 2015.

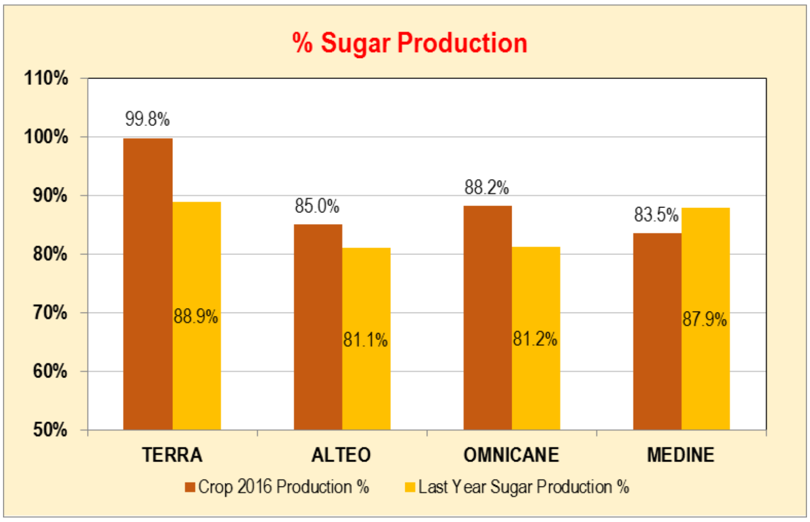


Figure 14

2.7.4 The highest sugar production percentage was observed in TERRA enlarged factory area (99.8%) and the lowest sugar production percentage was recorded in MEDINE enlarged factory (83.5%).

2.8 GENERAL ASSESSMENT

2.8.1 In his interim report dated 19th December 2016, the Consulting Actuary recommended "*that the SIFB freeze all rankings for Crop 2016*", which recommendation was approved by the Minister on 3rd February 2017.

2.8.2 The gross General Premium Income (GPI) receivable for the year was **Rs 230.13 Million** from all insureds.

2.8.3 Under the current insurance terms, the sugar production being more than the prescribed threshold of 83% of Total Insurable Sugar at the level of each EFA for Crop 2016, no "Event Year" has been declared, hence no compensable loss with the loss ratio being Nil.

2.8.4 **Table 12** below shows the Total General Premium Receivable, the Total General Compensation payable and the loss ratio for each enlarged factory area.

Table 12 – General Assessment

ENLARGED FACTORY AREA	General Premium Receivable [Rs]	General Compensation Payable [Rs]
TERRA	53,948,906	-
ALTEO	87,650,308	-
OMNICANE	65,856,010	-
MEDINE	22,677,575	-
TOTAL	**230,132,799**	**-**

2.8.5 Para B6 of the Annex to the Government Budget 2016/2017 reads that:

"Insurance Premium waiver for 2016 crop

Financial resources equivalent to the total amount of insurance premium payable by planters with up to 60 tons of sugar accrued in respect of the 2016 sugar crop will be made available to the Sugar Insurance Fund Board (SIFB)."

2.8.6 This budgetary measure was implemented in accordance with regulations made under Section 51 of the Act to cater for such contribution to be made out of the Consolidated Fund in favour of SIFB by the Ministry of Agro-Industry & Food Security.

2.8.7 The regulations were made by the Minister on 24th March 2017 cited as "*The Sugar Insurance Fund (Reduced General* Insurance *Premium) Regulations 2017*" published in the Government Gazette as General Notice No. 51 of 2017.

2.8.8 Accordingly, an amount of **Rs 48,035,115** was contributed to the General Insurance Account of the Sugar Insurance Fund. **This measure provided a relief to 13,649 planters/métayers island-wide which represent 99% of a total of 13,733 insureds.**

3. FIRE INSURANCE

3.1 INTER-CROP FIRE 2016

3.1.1 For Crop 2016, the total number of compensated fire cases caused by inter-crop fire was **189** representing a total extent of **198** hectares of canes was destroyed island-wide.

3.1.2 Inter-Crop Fire Statistics for compensable cases is reported hereunder:

Table 13 – Inter-Crop Fire 2016

ENLARGED FACTORY AREA	# Eligible Insureds	He Burnt [Ha]	Fire Premium [Rs]	Fire Compensation [Rs]	Net Fire Compensation Paid [Rs]
TERRA	89	72.564	10,737	2,967,222	2,956,485
ALTEO	39	50.832	7,022	1,919,208	1,912,186
OMNICANE	56	54.709	8,331	2,389,398	2,381,067
MEDINE	5	20.423	3,455	999,300	995,845
TOTAL	**189**	**198.528**	**29,545**	**8,275,128**	**8,245,583**

3.1.3 An increase in compensable cases was observed compared to Crop 2015 which stood at 120 eligible insureds for a total extent of 130 hectares of canes burnt.

3.1.4 The number of compensable fire cases was more prominent in the North sector of the island (89 cases) followed by the South (56 cases). The same pattern was seen for the last crop season.

3.1.5 Inter-crop Fire compensation paid to insureds amounted to **Rs 8.245 M** for Crop 2016, against Rs 5.07 M for Crop 2015.

3.2 FIRE DURING HARVEST 2016

3.2.1 The number of fire occurrences during harvest season was observed to be highly prominent in the North sector of the island. A total amount of **Rs 4.42 M** was disbursed to **142** eligible insureds as road transport allowance for milling of burnt canes outside their respective factories.

3.2.2 The road rates payable by the Board for transport allowance were the same as road transport rates determined by the Control & Arbitration Department of the MCIA as follows:

(1) Rs 7.54 per ton of canes per kilometer in excess of 6 kilometers with respect to planters supplying up to 100 tons of canes.

(2) Rs 6.85 per ton of canes per kilometer in excess of 6 kilometers with respect to planters supplying more than 100 tons of canes.

3.2.3 Crop 2016 road transport refund was significantly higher compared to Crop 2015 for which **Rs 2.13 M** was paid to **57** eligible cases, mostly in the North sector.

3.2.4 **Table 14** below shows the amount disbursed as transport allowance for Crop 2016 and the number of cases by sector.

Table 14 – Fire during Harvest Season

ENLARGED FACTORY AREA	Number of Compensable Cases	Fire Compensation Paid [Rs]
TERRA	114	1,189,453
ALTEO	-	-
OMNICANE	26	3,090,971
MEDINE	2	134,609
TOTAL	**142**	**4,415,033**

3.3 FIRE INSURANCE LOSS RATIO

3.3.1 The loss ratio under the Fire insurance Account for Crop 2016 was **172.6%,** representing an island-wide compensation of **Rs 12.690 M** against an island-wide premium of **Rs 7.350 M**.

Table 15 – Fire Account Loss Ratio – Crop 2016

PREMIUM (Rs)			COMPENSATION (Rs)			LOSS RATIO
Fire Premium (Inter-Crop)	Fire Premium (Assessment)	Total Fire Premium	Gross Fire Compensation (Inter-Crop)	Transport Allowance (Harvest Season)	Total Fire Compensation	
29,545	7,320,914	7,350,459	8,275,128	4,415,033	12,690,161	172.6%

3.3.2 For Crop 2015, the loss ratio stood at 97%. The high loss ratio experienced under Fire Insurance is attributed to increased prominence of fire outbreaks in cane fields observed over the 2016 crop cycle and harvest season.

3.4 FIRE INSURANCE ACCOUNT STATUS

3.4.1 The Fire Insurance Scheme has been operating in constant deficit over the preceding crop years.

3.4.2 Crop 2016 liabilities under the Fire Insurance Account were insufficient to be met by the funds receivable as fire premium. Effectively, Crop 2016 fire claims in excess of fire premiums receivable for the crop season were settled partly from funds of the General Insurance Account.

3.4.3 The high loss ratio experienced for Crop 2016 has accentuated the accumulated deficit to the Fire Fund which stands at **Rs 5,899,627** as at end of financial year 2016. This is inclusive of a loan of Rs 2 Million, which was granted from the General Insurance Account in financial year 2014 at savings rate to meet past crop liabilities.

3.4.4 Technically, the Fire Insurance Account is in default and its financial position reported hereunder:

Table 16 – Fire Insurance Account Status – Crop 2016

Opening balance as 1 January 2016	**(274,411)**
Interest on loan at savings rate	(65,000)
Fire Premium Receivable	7,350,459
Gross Fire Compensation Payable	(8,275,128)
Transport Allowance Payable	(4,415,033)
Management Fee (3% of Fire Premium)	(220,514)
Investment Income	0
Closing Balance as at 31 December 2016	**(5,899,627)**

4. SUMMARY

4.1 GENERAL INSURANCE ACCOUNT

CROP YEAR	CROP 2016	CROP 2015
Number of Insureds' Accounts (incl. Millers) [4]	13,733	14,575
Total Harvestable Extent (Ha)	50,990	51,694
Total Cane Weight (T)	3,798,657	4,009,232
Total Sugar Accrued (T)	389,238	369,531
Total Insurable Sugar (T)	437,279	442,394
Sugar Production %	89.0%	83.5%
Crop Reduction %	11.0%	16.5%
General Premium Claimable (Rs.)	230,132,799	200,572,445
General Premium Claimed (Rs.)	230,132,799	Nil
General Compensation Payable (Rs.)	Nil	406,904,841
One-off Financial Assistance (Rs.)	Nil	413,372,095

4.2 FIRE INSURANCE ACCOUNT

INTERCROP FIRE*	CROP 2016	CROP 2015
Extent Under Cane Destroyed [Ha]	198	130
Accounts compensated	189	120
Net Fire Compensation [Rs]	8,245,583	5,069,624
FIRE DURING HARVEST SEASON*		
Accounts compensated	142	57
Net Fire Compensation/ Transport [Rs]	4,415,033	2,132,400

** Compensable Cases only*

4 The total number of insureds' accounts is greater than number of insureds as an insured may have more than 1 account.