



SUGAR INSURANCE FUND BOARD

# **Annual Report** **2012**



# Annual Report

# 2012



SUGAR INSURANCE FUND BOARD



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# Chairperson's Letter

The Honourable Charles Gaëtan Xavier-Luc Duval, G. C. S. K.  
Vice Prime Minister  
Minister of Finance and Economic Development  
Port-Louis

Dear Sir

The Board of the Sugar Insurance Fund is pleased to present the Annual Report and the Audited Financial Statements for the year 2012.

Yours faithfully



Chairperson  
Sugar Insurance Fund Board

Date: 30<sup>th</sup> August 2013

## Tribute to late Professor Jagadish Manrakhan, GOSK (19.12.1937 – 01.03.2013)



Professor Jagadish Manrakhan late Chairman of the Sugar Insurance Fund Board passed away in the early hours of 1st March 2013 at the age of 75 years in Frankfurt, Germany where he was on holiday.

Born on the 19th December 1937 at Rose-Hill, Mr. Manrakhan pursued his secondary education at Royal College of Curepipe. In 1961 he was awarded a Honours Diploma of the then Mauritius College of Agriculture and was also a Laureate of that College. He read for a degree in Agricultural Science in 1964 at the University of Reading. In 1966, he was awarded an M.Sc. in Agricultural Economics by the University of Reading for his thesis entitled (*"Aspects of Economic Development and its Measurement in Mauritius with special reference to the Agricultural Sector"*).

On his return to the country in 1966 he took up appointment as Assistant General Manager, then General Manager of Agricultural Marketing Board up to 1973.

He was subsequently appointed Professor and Head of School of Agriculture, University of Mauritius, then, Vice Chancellor of the University of Mauritius up to 1995. After his rich career in academia, he became the Executive Director of Mauritius Research Council (1995 – 1998).

During his long career at the service of the Mauritian nation, Professor J. Manrakhan has served on a number of Committees and Commission of Enquiries. Amongst others, he has been Chairman of the senate of the University of Mauritius (1979 – 1995) Council of the Mauritius Institute of Education (1980 – 1981), Central Electricity Board (1982 – 1983), National Economic and Social Council (2001 – 2003) and Sugar Insurance Fund Board (2000 – 2013). He has marked his chairmanship at this Board by his open-mindedness and diplomatic approach. He is equally remembered for having co-authored with Mr. Rama Sithanen the report entitled (*"The Human Factor, the Sugar Industry and Mauritius – a vision for the future"*) (Commission of Enquiry – Avramovic).

Professor J. Manrakhan had a passion for writing. He has authored several books and poems, some of them were published in the weekly 'Mauritius Times'. On and above his modesty, Professor J. Manrakhan, a scholar, brilliant and intelligent person, has left indelible marks in the fields of agriculture and education.

In 2002, as a recognition to his achievements in diverse fields, Professor J. Manrakhan was elevated to the rank of Grand Officer of the Star and Key of the Indian Ocean by the Government of Mauritius.

On his departure to the abode it is fitting to quote the American poet Henry Wadsworth Longfellow (*"When a great man dies, for years the light he leaves behind him, lies the paths of men"*).

Professor J. Manrakhan is survived by his sons Sanjeev, Vishal, daughter Shalini and grand-children.

## Letter to Insureds

Dear Insureds,

We are pleased to present the Annual Report of the Sugar Insurance Fund Board for the year 2012. The financial statements have been prepared within the best practices applicable to insurance entities and in line with International Public Sector Accounting Standards. Following the recommendations of the Consulting Actuary and through amendments brought to the Sugar Insurance Fund Act 1974, the general premium percentages have been brought down by 50% with the introduction of a threshold for declaration of an 'Event Year'. The equity value of the Fund increased to MUR 5.8 billion against MUR 5.24 billion of the preceding financial year.

## Corporate Information

### Directors of the Board:-

Professor J. Manrakhan, G.O.S.K

Mr. R.P. Nowbuth

Mr. D. Bundhoo

Mr.V. Ramharai

Mr. J. Seeruttun (as from April 2012)

Mr. G. Leung Shing

Mr. J. Seegobin

Mr. S. Purmanund

Mr. J. C. Béga (up to June 2012)

Mr. J. Li Yuen Fong (as from June 2012)

Mr. J. Bundhoo

Chairman

Representative of Ministry of Agro-Industry and Food Security

Representative of the Ministry of Finance and Economic Development (Economic Unit)

Acting Director, Control and Arbitration Department of the Mauritius Cane Industry Authority

Representative of Ministry of Finance and Economic Development

Representative of the Mauritius Chamber of Agriculture

Representative of Planters

Representative of Planters

Representative of Millers

Representative of Millers

Representative of the Mauritius Cane Industry Authority

### Committees of the Board

Besides the statutory provisions regarding the Investment Committee, the Board has in line with best practices established the following committees namely -

Corporate Governance Committee, Assessment Committee, Audit and Risk Management Committee, Budget and Procurement Committee and Staff Committee.

### Corporate Governance Committee

The Corporate Governance Committee is chaired by the Chairman of the Board and has as members Chairmen of all Committees. Its main function is to ensure compliance with good corporate governance practice.

### Investment Committee

The Committee established by legislation is presided by the Chairman of the Board and comprises (i) Mr. J. Seeruttun (as from April 2012), (ii) Mr. G. Leung Shing, and (iii) Mr. J. Li Yuen Fong as members, and has as attributes the investment strategies of the Fund.

### Assessment Committee

The Assessment Committee is chaired by Mr.V. Ramharai with Messrs S. Purmanund and J. Bundhoo as members.

The Committee reviews and formulates policies regarding the General and Fire insurances. The Committee further makes recommendations to the Board for declaration of “event years” and oversees the general assessment process.

### Audit and Risk Management Committee

The Audit and Risk Management Committee is under the chairmanship of Mr. J. Li Yuen Fong with Mr. D. Bundhoo and Mr. J. Seegobin as members.

The Committee oversees the Internal Audit and Internal Control functions and reviews the effectiveness of the internal and external audit process. The Committee assesses and addresses risks inherent to the business.

## Budget and Procurement Committee

The Budget and Procurement Committee is constituted as follows - Mr. G. Leung Shing as Chairman, Mr. D. Bundhoo, Mr. J. Seegobin and Mr. S. Purmanund as members.

The Budget and Procurement Committee through budgetary control monitors the annual expenditure and ensures procurement of goods and services through established procedures.

## Staff Committee

The Staff Committee consists of Mr. J. Seeruttun (Chairman), Mr. R. P. Nowbuth, Mr. J. Seegobin and Mr. S. Purmanund (members).

The Staff Committee deals with all staff matters taking into account the dynamics of socio-economic and technological developments facing the sugar cane and insurance and related industries, in Mauritius and world-wide.

Note: Following the retirement of Mr. D. Pilot as Director, there are two vacant positions as Directors, including an existing vacant position at the beginning of the year.

## Senior Management

Mr. Diness PURRYAG	General Manager
Ms. Soochitra Devi BACHOO	Internal Auditor (resigned on 16 October 2012)
Ms. Deeptee BOODHOO	Manager (Finance)
Mr. Johnny S.S. CHONG CHAP SIN	Senior Network Engineer
Mr. Deorajnuth GANSAM	Manager (Survey)
Mr. Gaoutam GOOROOCHURN	Chief Manager (Finance)
Mr. Yung Kiong J. NEWK FON HEY TOW	Chief Manager (Operations)
Mr. M. Ameen I. NOORMAHOMED	Manager (Finance) (until 16 November 2012)
	Internal Auditor (from 19 November 2012)
Mr. Mohamed Y.M.A.F.E. PEERMAMODE	Senior Software Engineer
Ms. Lakshika D. RAMKISSOON	Administrative Secretary
Mr. Jayendra SOOKDEB	Claims Manager
Mr. Krishnamoorthy P.VAYAPOOREE	Manager (Inspection) (retired on 11 January 2012)

## Legal Advisers

Andre Robert, Jr., Attorney-at-Law  
State Law Office

## Auditors

Director of Audit, National Audit Office

## Main Bankers

Mauritius Commercial Bank Ltd  
State Bank of Mauritius Ltd

## Acknowledgement and Thanks

The Board wishes to thank the staff for their contribution and the other organisations for their collaboration.

This 20<sup>th</sup> March 2013

## Corporate Governance Report

The Sugar Insurance Fund Board is a statutory body set up under the Sugar Insurance Fund Act 1974.

### Mission Statement

To provide financial support for a long term, viable and sustainable Sugar Industry.

### Objectives

To insure the sugar production of planters, metayers, millers and refiners against losses occurring out of inclement weather namely cyclones, drought and excessive rainfall. Fire occurrence in sugar cane field is another risk covered by the Fund.

### Directors' Responsibility for the Financial Statements

The Fund's Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards and in compliance with the requirements of prevailing statutes.

### Responsibilities of the Board of Directors

The fundamental statutory responsibilities of the Board of Directors are to lay down the overall policies regulating the various business/activities of the Fund; it oversees the Fund's strategic direction and its organisational structure. The Board discharges the above responsibilities either directly or through Board Committees for more in-depth analysis and review of various issues while retaining its responsibility for all policy matters. The Chairman of each Committee periodically places reports of its proceedings before the Board for approval/information, as may be relevant. The Board promotes openness, integrity and accountability to improve corporate behaviour, strengthens control systems over business and reviews management performance on a regular basis. In addition the Board is committed to ensure as far as reasonably possible, and in accordance with legislation in force, the safety and health of its staff. To fulfill their responsibilities, Board members have unhindered access to accurate, relevant and timely information.

### Internal Control

Directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements that are free from material misstatement; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Such systems should ensure that all transactions are authorised and recorded and that any material irregularities are detected and rectified within a reasonable time-frame. The Fund has an established Internal Audit function which assists the Board and Management in effectively discharging its responsibilities. Internal Audit is an independent function that reports directly to the Audit and Risk Management Committee. Business controls are reviewed on an on-going basis by Internal Audit using a cycle-based risk approach.



Chairperson



Director

## Three Year Strategic Plan

The Board recently undertook an actuarial review in accordance with the provisions of SIF Act 1974, and is now proceeding to implement the relevant recommendations. These entail a marked change in the policies offered to insureds through the introduction of a threshold (25% crop reduction) applicable island-wide concerning the declaration of an event year, with, a substantial reduction (50%) in premiums claimable under the General Insurance Account. Moreover, the introduction of an Electronic Document Management System is envisaged to reduce use of hard copies along with utilisation of tablet PCs for field data capture and registration of insureds staggered over five years with corresponding extended validity of registration.

The shift to such a 'more basic catastrophic type' cover foreshadowed in other reports, coupled with the use of new technologies and the staggering of registration of insureds, will enable the Board to review its operating structures and reduce its administrative expenses in line with Government policy regarding the sugar sector.

The three-year strategic plan enunciated in the 2011 Annual Report has been marked by the implementation of the Actuarial Review and Staggered Registration. The use of Tablet PCs for field data capture and review of operating structures is due to be implemented in early 2013.

## Directorate and Management

### Board of Directors - Directors' Profile



**Prof. JAGADISH MANRAKHAN, GOSK**  
(appointed as Chairman in November 2000)  
CHAIRMAN

Born in 1937, Prof. J. Manrakhan holds a MSc in Agricultural Economics from the University of Reading. He was the former Vice-Chancellor of the University of Mauritius from 1979 to 1995, and the former Executive Director of the Mauritius Research Council from 1995 to 1998. He was also a former Director of the Standard Bank (Mauritius) Ltd.



**MR. R. NOWBUTH**  
(appointed in December 2011)  
DIRECTOR – Representative of Ministry of Agro-Industry and Food Security

Born in 1954, Mr. Ram Prakash Nowbuth holds a Bachelor's Degree in Commerce and a Master's Degree in Public Sector Management. He is currently Permanent Secretary of the Ministry of Agro-Industry and Food Security and Chairperson of the newly set up Mauritius Cane Industry Authority.



**MR. DEOBRUT BUNDHOO**  
(appointed in July 2001)  
DIRECTOR – Representative of Ministry of Finance and Economic Development

Born in 1953, Mr. D. Bundhoo holds a MSc in Agricultural Economics from the University of Reading, UK.



**MR. VINOD RAMHARAI**  
(appointed in May 2008)  
DIRECTOR – Director of the Control and Arbitration Department of the Mauritius Cane Industry Authority

Born in 1951, Mr V. Ramharai holds a BSc (Hons) Sugar Technology (University of Mauritius) and an MSc (Hons) Public Sector Management (University of Technology - Mauritius).



**MR. JEEWONLALL SEERUTTUN**

(appointed in April 2012)

**DIRECTOR** – Representative of Ministry of Finance and Economic Development

Born in 1952, Mr. J. Seeruttun holds an MSc in Development Finance from the University of Birmingham, UK.



**MR. GEORGES LEUNG SHING**

(appointed in September 1992)

**DIRECTOR** – Representative of the Chamber of Agriculture

Born in 1945, Mr. G. Leung Shing holds a Bachelor's Degree in Economics and is a Fellow of the Institute of Chartered Accountants in England and Wales and an Associate of the Chartered Institute of Taxation. He is the Chairperson of the Mauritius Development Investment Trust Co Ltd and a member of the Board of the Mauritius Institute of Directors and the Advisory Council of the Chartered Institute of Financial Analysts Society Mauritius. He is also a Director of the Mauritius Molasses Company Ltd, Omnicane Ltd (formerly Mon Trésor and Mon Désert Ltd) and Standard Bank Mauritius Ltd.



**MR. JUGDUTH SEEOBIN**

(appointed in April 2002)

**DIRECTOR** – Representative of Planters

Born in 1929, Mr. J. Seegobin has a wide experience in the agricultural, industrial and commercial sector. He was previously Chairman of the Sugar Industry Labour Welfare Fund and a director of the Central Electricity Board and Mon Tresor Milling Co Ltd. He also owned and managed a stone crushing and block-making plant, La Concasseuse de Plaine Magnien.



**MR. SRINIVASS PURMANUND**

(appointed in December 2006)

**DIRECTOR** – Representative of Planters

Born in 1933, Mr. S. Purmanund has a wide experience in the sugar industry and the co-operative movement.



**MR. JEAN CLAUDE BÉGA**

(from January 2002 to June 2012)

DIRECTOR – Representative of Millers

Born in 1963, Mr. Jean-Claude Béga, a fellow of the Association of Chartered Certified Accountants, is the Chief Financial Officer of GML. He is also Director of a number of companies including Lux Island Resorts Ltd, AfrAsia Bank Limited, Phoenix Beverages Limited and Mauritius Stationery Manufacturers Ltd.



**MR. JEAN LIYUEN FONG**

(appointed in June 2012)

DIRECTOR – Representative of Millers

Born in 1955, Mr. Jean LiYuen Fong holds a Diploma in Agriculture and Sugar Technology (1976) from the University of Mauritius. He is currently the Director of the Mauritius Sugar Producers' Association. He is a Board Member of the Mauritius Cane Industry Authority, the Mauritius Employers' Federation, the Mauritius Sugar Syndicate, the Joint Economic Council and the Sugar Industry Pension Fund. He is also a Director of the Sugar Association Building Ltd.



**MR. JUGDIS BUNDHOO**

(appointed in July 2009)

DIRECTOR – Representative of Mauritius Cane Industry Authority

Born in 1954, Mr. J. Bundhoo holds a BSC Joint Honours degree in Chemistry and Physiology from the University of Salford, a MSC in Soil Chemistry from the University of Reading and an MSC in Information Science from City University. He is the Manager Policy & Planning of the Mauritius Cane Industry Authority.

## Senior Management Profile

### DINESS PURRYAG, General Manager

Mr. D Purryag, Land Surveyor joined the SIFB as Chief Manager Operations in 1997, was Officer-in-Charge from May 1999 to May 2000 and was appointed General Manager of the Fund in June 2000. He is also a Director of SICOM Ltd since 2000 and was a member of the Value Assessment Tribunal from 1987 to 1993.

### SOOCHITRA DEVI BACHOO, Internal Auditor

(on contract from 17 October 2011 to 16 October 2012)

Ms. S. D. Bachoo, ACCA, also holds a BSc (Hons) in Accounting from the University of Mauritius. She joined the SIFB on 17 October 2011.

### DEEPTEE RAJSHREE BOODHOO, Manager (Finance)

Ms. D. R. Boodhoo holds a BSc (Hons) in Banking and International Finance from the University of Technology of Mauritius and a MSC in Finance and Investments from Nottingham University (Malaysia). She joined the SIFB on 26 October 2009.

### SIN SOO SHUING CHONG CHAP SIN, Senior Network Engineer

Mr. S.S.S. Chong Chap Sin holder of an MBA and BSc in Electronic Engineer joined the SIFB as Senior Network Engineer in November 1997.

### DEORAJNUTH GANSAM, Manager (Survey)

Mr. D. Gansam, Land Surveyor joined the SIFB in March 1974 and is presently Manager (Survey).

### GAOUTAM GOOROOCHURN, Chief Manager (Finance)

Mr. G. Gooroochurn, FCCA, holder of an MBA, joined the SIFB as Manager Finance in September 2006. He was assigned responsibilities of Chief Manager Finance on 10 September 2007 and subsequently been appointed Chief Manager as from 5 June 2008.

### YUNGKIONG JIMMY NEWKFONHEYTOW, Chief Manager (Operations)

Mr. J Newkfonlytow holds a BSc in Computer Science and is an Associate Member of the Society of Actuaries. He joined the SIFB in May 1998 as Claims Manager and is presently the Chief Manager (Operations).

### MOHAMED AMEEN ISHACK NOORMAHOMED, Manager (Finance)

from 22 October 2009 to 16 November 2012, Internal Auditor from 19 November 2012

Mr. M.A. I. Noormahomed, ACCA, holds a BSc (Hons) in Economics & Accountancy from City University (UK) and is registered as a professional Accountant with the Mauritius Institute of Professional Accountants. He joined the SIFB on 22 October 2009 as Manager (Finance). He was appointed as Internal Auditor on 19 November 2012.

### MOHAMED YASHIN MOHAMED AREFF FAREED ESMAEL PEERMAMODE, Senior Software Engineer

Mr MY Peermamode holder of a Diploma in Information Technology joined the SIFB as Senior Software Engineer in October 1997.

### LAKSHIKA DEVI RAMKISSOON, Administrative Secretary

Ms. L. D. Ramkissoon, ACIS, holds a BA (Hons) Law and Management from the University of Mauritius and an LLM in International Business Law. She joined the SIFB on 3 November 2009.

### JAYENDRA SOOKDEB, Claims Manager

Mr. J. Sookdeb holds a BSc Statistics from the University of Cape Town and a Diploma in Actuarial Techniques from the Institute of Actuaries, UK. He is currently an Affiliate member of the Institute of Actuaries, UK, and joined the SIFB on 14 April 2009.

## KRISHNAMOORTHY PILLAY VAYAPOOREE, Manager (Inspection)

(on retirement since 11 January 2012)

Mr. K.P.Vayapooree holder of a Diploma in Land Surveying, joined the SIFB in February 1971 and is, since March 2002, Manager (Inspection).

## Code of conduct

The Fund is committed to ethical practices in the conduct of its business and has adopted a code of ethics which sets out standards for its employees.

## Board and Committee Meetings

### Board and Committee Meetings

The Board and its various committees met on 24 occasions.

Board Directors	Board meeting	CCC Committee	Corporate Governance Committee	Investment Committee	Assessment Committee	Audit Committee	Budget & Procurement Committee	Staff Committee	Total
Prof. J. Manrakhan	10/10	1/1	2/2	3/3	n/a	n/a	n/a	n/a	16
Mr. J.C. Bega (up to June 2012)	6/6	n/a	1/1	2/2	n/a	1/1	n/a	n/a	10
Mr. D. Bundhoo	8/10	n/a	n/a	n/a	n/a	1/2	1/3	n/a	10
Mr. J. Bundhoo	10/10	n/a	n/a	n/a	1/1	n/a		n/a	11
Mr. G. Leung Shing	10/10	1/1	2/2	3/3	n/a	n/a	3/3	n/a	19
Mr. Jean Li Yuen Fong (as from June 2012)	4/4	1/1	1/1	1/1	1/1	1/1	n/a	n/a	9
Mr. R.P. Nowbuth	3/10	n/a	n/a	n/a	n/a	n/a	n/a	1/2	4
Mr. S. Purmanund	9/10	n/a	n/a	n/a	1/1	n/a	3/3	1/2	14
Mr. V. Ramharai	8/10	1/1	1/2	n/a	1/1	n/a	n/a	n/a	11
Mr. J. Seegobin	8/10	n/a	n/a	n/a	n/a	2/2	3/3	2/2	15
Mr. J. Seeruttun (as from April 2012)	4/6	0/1	1/2	1/2	n/a	n/a	n/a	2/2	8

Key: n/a – not applicable

## Remuneration of Directors

The breakdown is given in the table below:

Board Directors	Total fees (in MUR)
Prof. J. Manrakhan	195,000
Mr. J. C. Bega	23,100
Mr. D. Bundhoo	45,000
Mr. J. Bundhoo	45,000
Mr. G. Leung Shing	46,800
Mr. J. Li Yuen Fong	23,100
Mr. R. P. Nowbuth	45,000
Mr. S. Purmanund	45,000
Mr. V. Ramharai	45,600
Mr. J. Seegobin	45,000
Mr. J. Seeruttun	41,200

## Related Party Transactions & Key Risks

Related party transactions and key risks areas have been fully disclosed in the financial statements at notes 24 and 25 respectively.

## Address of Offices

Head Office  
18 Sir S. Ramgoolam Street  
Port Louis  
Tel: 208-3236  
Fax: 208-2634  
E-Mail: [s.i.f.b@intnet.mu](mailto:s.i.f.b@intnet.mu)  
Web: [www.sifb.biz](http://www.sifb.biz)

### Sub-Offices

### Address

### Factory Areas

#### Bon Accueil

FSC Building  
Royal Road  
Bon Accueil  
Tel: 918-1967

Beau Champ  
Constance

#### Mare D'Albert

18 Royal Road  
Mare D'Albert  
Tel: 627-4026

Savannah  
Mon Trésor  
Riche En Eau  
Rose Belle

#### Pamplemousses

Royal Road  
Maison Blanche  
Pamplemousses  
Tel: 243-3542

Belle Vue  
Mon Loisir  
Beau Plan

#### Quartier Militaire

New Road  
Quartier Militaire  
Tel: 435-5543

F.U.E.L  
Mon Désert Alma

#### Souillac

Royal Road  
Souillac  
Tel: 625-5691

Union St Aubin  
Britannia  
St Félix  
Bel Ombre

#### Vacoas

Independence Road  
Vacoas  
Tel: 696-6386

Médine  
Highlands

## 1.0 GENERAL

### 1.1 IMPLEMENTATION OF ACTUARIAL REVIEW

#### 1.1.1 General insurance account

The Board adopted the recommendations in the Actuarial Report which were subsequently enacted by Act No. 1 of 2012 in May 2012. The new insurance terms, inter alia, provided a 50% reduction of all general insurance premiums coupled with the introduction of a threshold, for declaration of an “Event Year”, thus bringing the average premium rates to 3.58% the lowest in the history of the Fund. A “Crop Year” would automatically be declared an “Event” Year on account of the occurrence of all or any of the insured risks in case sugar production is 75% or less of the island-wide total insurable sugar in any given year. Should the sugar production be above 75% but 80% or less of the total insurable sugar in any given year, the Board can still declare an “Event year” on account of the occurrence of all or any of the insured risks, subject to an actuarial advice.

Under the previous insurance terms, rankings recorded were actual figures, which could be below 5. Although a one-time upliftment to ranking 5 was provided in 2007, rankings of some insureds again fell below 5. To redress the position, the 2012 amendment now provides that any ranking falling below the figure 5 shall be recorded as 5.

#### 1.1.2 Fire Insurance Account

The fire insurance account has been in deficit for the recent past years due to increases in fire occurrences. On consideration of the trend in sugar prices and the position of the fire insurance account, the Actuary’s recommendation that the fire compensation rate payable for each tonne of sugar cane lost be brought down to Rs500, equivalent to a reduction of 20% has been adopted.

## 2.0 REGISTRATION OF PLANTATIONS

For operational efficiency and insureds (small planters) convenience, the foundation for the staggered registration has been introduced. Small planters having holdings not exceeding 10 hectares of land under cane plantations are registered with the SIFB for period of 5 years. This measure has been successfully implemented by staggering registration of small planters over crop years 2013 to 2016 and their subsequent registration at five years interval.

## 3.0 COMPLAINTS POLICY

In line with good corporate governance, the SIFB has formulated a Complaints Policy and designated a Complaints Coordinator to ensure that complaints and representations from our insureds/stakeholders are dealt with promptly and systematically. The Complaints Policy, mailed to all insureds, is available for consultation on our website [www.sifb.biz](http://www.sifb.biz).

## 4.0 CROP 2012 OVERVIEW

### 4.1 GENERAL INSURANCE

#### 4.1.1 Registration of Plantations and Factories

Given the circumstances, the Board decided exceptionally to waive all late registration fees for Crop 2012. Planters of Deep River Beau Champ and Constance La Gaieté factory areas were invited to call at Bon Accueil Farmers Service Centre as our Camp de Masque sub-office is no longer operational effective Crop 2012.

Mon Loisir factory has ceased operations after Crop 2011. The canes of Mon Loisir Factory Area is now sent to Terra Milling Co. Ltd

#### 4.1.2 Sugar Production

Total cane-weight sent to mills for sugar production was 3.95 million tonnes resulting in a total sugar production of 412,876 tonnes at an island-wide average extraction rate of 10.46% against a Total Insurable Sugar of 462,147 tonnes, i.e. a sugar production percentage of 89%.

The island-wide crop reduction being 10.7%, i.e. below the threshold of 20%, no event year is declarable by the Board following the adoption of new insurance terms. Thus, no general compensation was payable by the Board for Crop 2012.

#### 4.1.3 Sugar Price for Insurance

The sugar price for Crop 2012 was in December 2012, determined at the rate of Rs 17, 133 per metric tonne of sugar for planters, inclusive of the added value of molasses. The sugar price payable for insurance purposes for milling side was fixed at Rs 16, 500 per metric tonne of sugar.

### 4.2 FIRE INSURANCE

#### 4.2.1 Inter-crop Fire 2012

For Crop 2012, the total number of accounts eligible for fire compensation caused by intercrop fire was 154 with a total extent of 171 hectares of land under cane reported as destroyed island-wide. The number of fire cases was more prominent in the North of the island, followed by the South. The highest extent reported damaged was noted in the North of the island. The compensation paid to insureds for loss consequent upon destruction of cane plantations by inter-crop fire amounted to Rs 7.6 M.

#### 4.2.2 Fire during Harvest Season 2012

The number of fire occurrences during harvest season was more prominent in the North of the island. A total amount of Rs 326,085 has been disbursed to eligible insureds as transport allowance for milling of burnt canes outside their respective factory areas.

## 5.0 REINSURANCE COVER

Premium rates obtained from reinsurance covers being unattractive, the Board decided not to reinsure its liabilities taking into account its financial strength and its capabilities to muster a maximum probable loss (MPL)

## 6.0 SERVICES PROVIDED BY THE SIFB

On and above its statutory obligations, the SIFB reports on land status to different Ministries for purposes such as land conversion, parceling of land, etc. The SIFB also assists planters in the obtention of duty free facilities on cabin vehicles. Moreover, the SIFB is frequently solicited by Governmental departments and insureds themselves for data on their holdings.

## Financial Performance

The year under report showed a net surplus of MUR 433.62M (General and Fire) compared to a net deficit of MUR 57.93M for the year ended 31 December 2011. The surplus is mainly attributable to high exchange gains on foreign currency translation at year end and crop 2012 being a non-event year for general compensation.

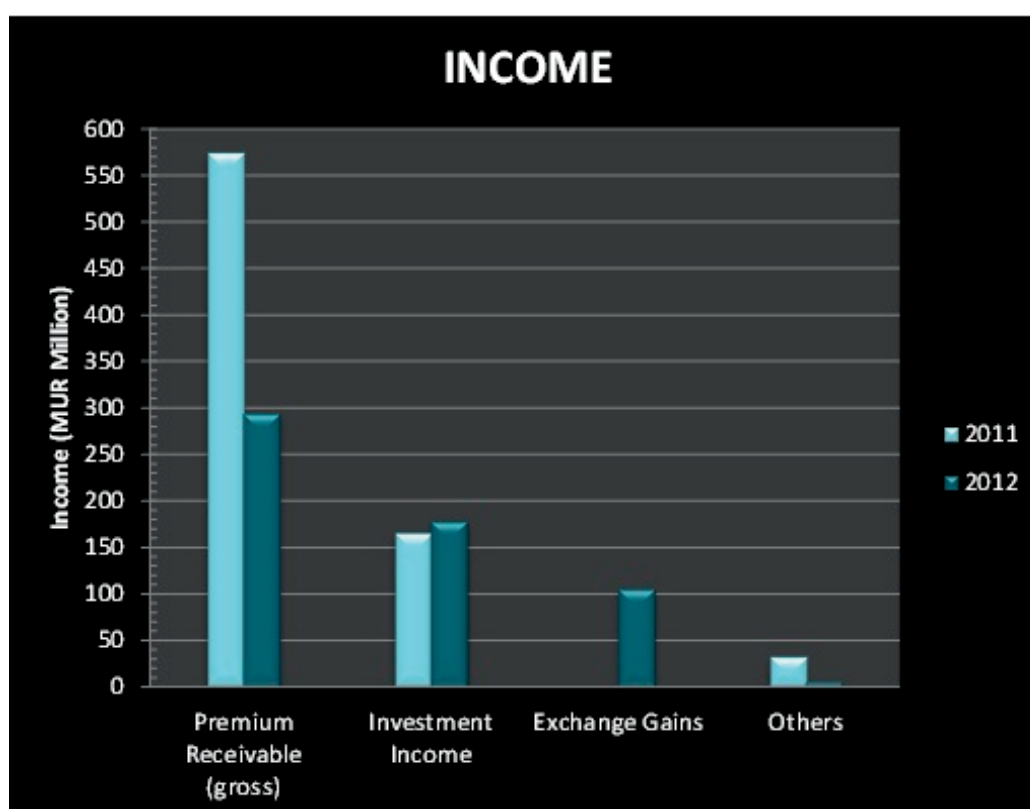
**Table I: Income and Expenditure summary**

Item	General Fund MUR Million	Fire Fund MUR Million	Total MUR Million
Gross Insurance Premium	288.0	5.8	293.8
Insurance Compensation Payable	-	(7.7)	(7.7)
Surplus/(Deficit) on Insurance Account	288.0	(1.9)	286.1
Other Income	288.0	0.1	288.1
Other Expenses	(140.4)	(0.2)	(140.6)
Net surplus/(deficit)	435.6	(2.0)	433.6

## Income

Insurance premium receivable, investment income and exchange gains on foreign currency translation forms the bulk of the Fund's income amounting to MUR 576.0M for the year under review.

The composition of income is shown below:



## Insurance Premium

Gross Insurance premium (General and Fire) for crop year 2012 receivable during the period, based on new insurance terms effective as from crop 2012 amounted to MUR 293.8M compared to a figure of MUR 574.0M for the previous crop year. The new insurance terms adopted halved all general insurance premium percentages.

**Table 2: Premium Income**

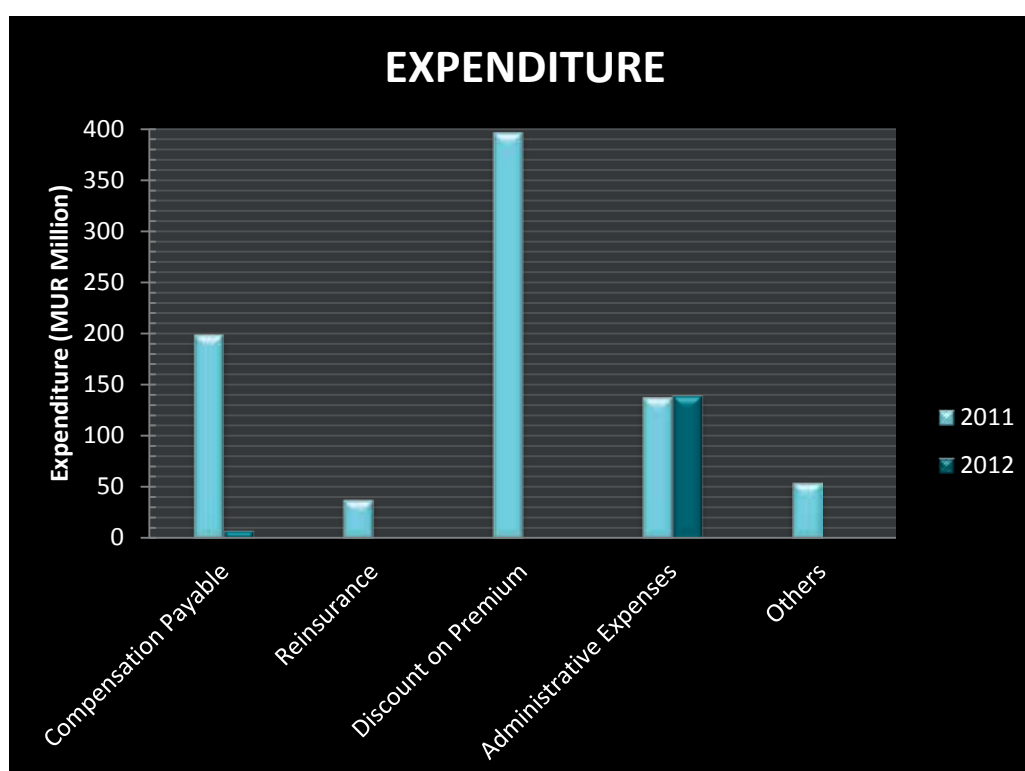
Premium (Gross)	Total MUR Million
General	288.0
Fire	5.8
Total	293.8

## Investment Income

Investment income (Interest and dividend) was up by 7.5% over the one year period, increasing from MUR 165.33M to MUR 177.71M for the year under report. Though the market did not show signs of improvement, the positive performance resulted out of growth in dividend yields on local unquoted investment.

## Expenditure

The overall recurrent expenditure of the Fund for the year was MUR 148.3M compared to MUR 829.33M for the previous year. The total expenditure for 2011 included an amount of MUR 397.6M as discount on general insurance premium for crop 2011 and MUR 199.92M as compensation (general & fire), whilst crop 2012 has been a non-event year.



## Insurance Premium ceded (Re-insurance costs)

The Fund did not subscribe to any reinsurance contract during the year 2012.

## Accumulated Fund

The Accumulated Fund, comprising of the General Fund and the Fire Fund, increased from MUR 4,058.90M to MUR 4,492.50M during the year, representing an increase of 10.7%. This increase is a result of the net surplus for the year.

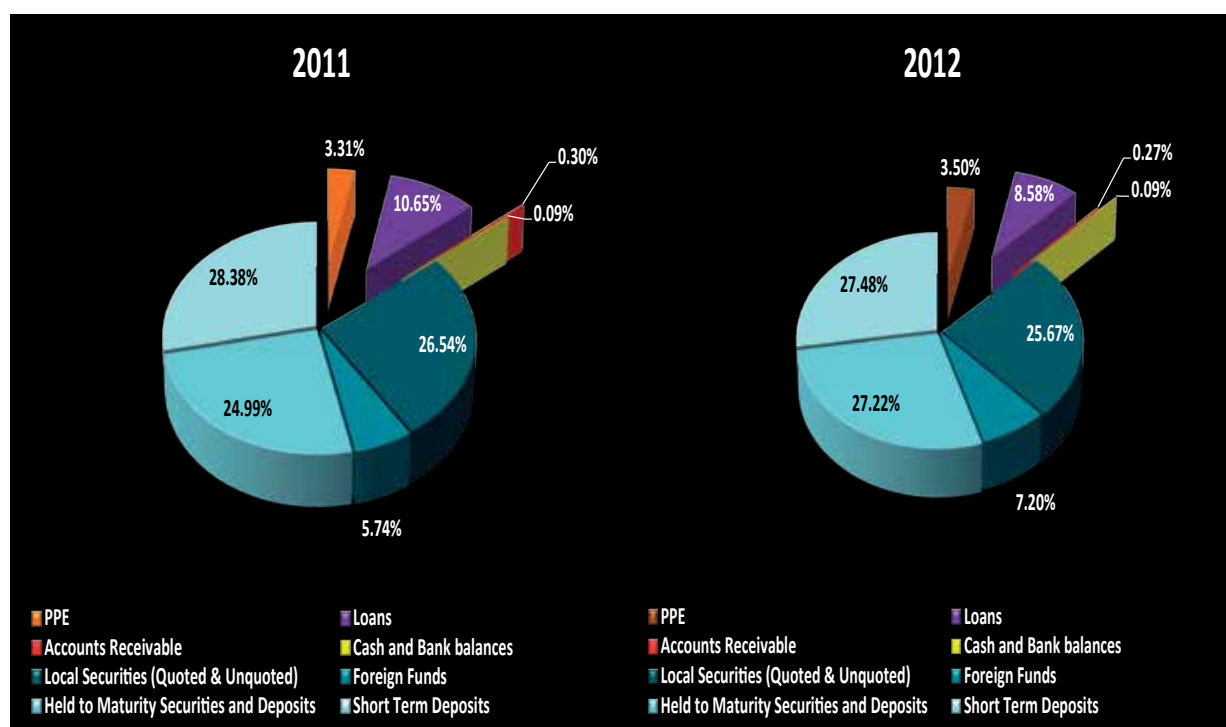
**Table 3: Accumulated Fund**

Fund	Total MUR Million
General	4,492.37
Fire	0.13
Total	4,492.50

## Assets under management

Total assets under management amounted to MUR 6.0 billion as at 31 December 2012 (MUR 5.63 billion at 31 December 2011), posting a positive change of 6.6%. Given the short term liability of the Fund arising out of unpredictable adverse climatic conditions, a high proportion of funds are invested in fairly liquid terms (based on Probable Maximum Loss), while investments in longer terms have been possible due to the size of the Fund. The financial asset of the Fund grew over time and is fair valued at MUR 5.26 billion as at 31 December 2012.

A breakdown of total assets under management is shown below:





SUGAR INSURANCE FUND BOARD

# APPENDIX A

# REPORT OF THE DIRECTOR OF AUDIT

*To the Board of the Sugar Insurance Fund Board*

## Report on the Financial Statements

I have audited the accompanying financial statements of the Sugar Insurance Fund Board which comprise the statement of financial position as of 31 December 2012, the statement of financial performance and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 auditor's judgment, 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 auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Sugar Insurance Fund Board as of 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with the International Public Sector Accounting Standards.

## Report on Other Legal and Regulatory Requirements Management's Responsibility

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the laws and authorities which govern them.

## Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements described above, my responsibility includes expressing an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Opinion

### Statutory Bodies (Accounts and Audit) Act

In my opinion, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the Statutory Bodies (Accounts and Audit) Act.

### The Financial Reporting Act

The Board is responsible for preparing the Corporate Governance Report and making the disclosures required by Section 8.4 of the Code of Corporate Governance of Mauritius ("Code"). My responsibility is to report on these disclosures.

In my opinion, the disclosures in the Corporate Governance Report are consistent with the requirements of the "Code".



(Dr. R. Jugurnath)  
Director of Audit  
National Audit Office  
Level 14,  
Air Mauritius Centre  
PORT LOUIS  
25 July 2013

# Financial Statement

# 2012



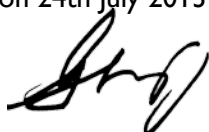
SUGAR INSURANCE FUND BOARD


# STATEMENT OF THE FINANCIAL POSITION

at 31 December 2012

ASSETS	Notes	31 December 2012 MUR	31 December 2011 MUR
<b>CURRENT ASSETS</b>			
Accounts receivable	5	16,418,373	17,074,935
Investments in securities and deposits	6	1,337,586,850	1,305,249,546
Investment property held for sale	7	4,000,000	4,425,000
Short term loans	8	509,570,174	585,002,202
Short term deposits	9	1,648,386,743	1,599,141,820
Bank and cash balances		5,332,776	5,266,368
		<b>3,521,294,916</b>	<b>3,516,159,871</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	147,898,165	124,007,412
Investments in securities and deposits	6	2,266,106,990	1,921,664,803
Investment property	11	58,000,000	58,000,000
Long term loans	12	4,974,287	15,428,000
		<b>2,476,979,442</b>	<b>2,119,100,215</b>
<b>TOTAL ASSETS</b>		<b>5,998,274,358</b>	<b>5,635,260,086</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	13	<b>21,016,291</b>	<b>217,424,494</b>
<b>NON-CURRENT LIABILITIES</b>			
Provision for staff passage benefits	14	9,088,183	8,665,149
Long term employees benefits	15	54,535,123	52,796,373
Retirement benefit obligations	16	117,145,651	111,396,851
		<b>180,768,957</b>	<b>172,858,373</b>
<b>TOTAL LIABILITIES</b>		<b>201,785,248</b>	<b>390,282,867</b>
<b>NET ASSETS</b>		<b>5,796,489,110</b>	<b>5,244,977,219</b>
<b>NET ASSETS / EQUITY</b>			
Accumulated funds		4,492,503,610	4,058,886,978
Revaluation reserves		1,303,985,500	1,186,090,241
<b>TOTAL NET ASSETS / EQUITY</b>		<b>5,796,489,110</b>	<b>5,244,977,219</b>

Approved by the Board of Directors and authorised for issue on 20th March 2013 and subsequently amended on 24th July 2013

  
Ag. Chairperson

  
Director

# STATEMENT OF FINANCIAL PERFORMANCE

*for the year ended 31 December 2012*

	Note	Year ended 31 December 2012 MUR	Year ended 31 December 2011 MUR
<b>GENERAL INSURANCE ACCOUNT</b>			
<b>REVENUE</b>			
Insurance premium		288,000,000	568,000,000
Co-reinsurance premium	17	-	23,700,000
Investment income	18	177,617,073	165,142,153
Exchange gains on foreign currency deposit		105,084,395	-
Profit on sale of AFS securities & PPE		543,763	4,741,738
Other Revenue		4,783,071	3,615,970
<b>TOTAL REVENUE</b>		<b>576,028,302</b>	<b>765,199,861</b>
<b>EXPENSES</b>			
Insurance compensation	19	-	191,200,000
Discount on premium to insureds		-	397,600,000
Insurance premium ceded to re-insurers	17	-	38,197,390
Administrative	20	139,792,119	138,611,288
Exchange and other losses	21	607,622	54,818,350
<b>TOTAL EXPENSES</b>		<b>140,399,741</b>	<b>820,427,028</b>
<b>Surplus/(Deficit) to General Fund for the year</b>		<b>435,628,561</b>	<b>( 55,227,167)</b>
<b>FIRE INSURANCE ACCOUNT</b>			
<b>REVENUE</b>			
Insurance premium		5,800,000	6,000,000
Investment income	18	94,000	195,000
<b>TOTAL REVENUE</b>		<b>5,894,000</b>	<b>6,195,000</b>
<b>EXPENSES</b>			
Insurance compensation		7,731,929	8,717,308
Management fee to General Fund		174,000	180,000
<b>TOTAL EXPENSES</b>		<b>7,905,929</b>	<b>8,897,308</b>
<b>Deficit to Fire Fund for the year</b>		<b>(2,011,929)</b>	<b>(2,702,308)</b>
<b>Surplus/(Deficit) for the year</b>		<b>433,616,632</b>	<b>(57,929,475)</b>

# STATEMENT OF CHANGES IN NET ASSETS / EQUITY

*for the year ended 31 December 2012*

	<u>Accumulated Funds</u>		<u>Revaluation Reserves</u>		<u>Total</u> <b>MUR</b>
	<u>General Fund</u> <b>MUR</b>	<u>Fire Fund</u> <b>MUR</b>	<u>Property</u> <b>MUR</b>	<u>Investments</u> <b>MUR</b>	
<b>At 31 December 2010</b>	4,111,969,038	4,847,415	90,831,583	1,062,753,917	5,270,401,953
Revaluation reserves realised on disposal				(2,014,288)	(2,014,288)
Fair value gain on available-for-sale financial assets				31,344,030	31,344,030
Gain on revaluation of property			3,175,000		3,175,000
Net (deficit) for the year	(55,227,167)	(2,702,308)			(57,929,475)
<b>At 31 December 2011</b>	<b>4,056,741,871</b>	<b>2,145,107</b>	<b>94,006,583</b>	<b>1,092,083,659</b>	<b>5,244,977,219</b>
Revaluation reserves realised on disposal			(301,485)	165,162	(136,323)
Fair value gain on available-for-sale financial assets				90,996,139	90,996,139
Gain on revaluation of property			27,035,443		27,035,443
Net surplus / (deficit) for the year	435,628,56	(2,011,929)			433,616,632
<b>At 31 December 2012</b>	<b>4,492,370,432</b>	<b>133,178</b>	<b>120,740,541</b>	<b>1,183,244,960</b>	<b>5,796,489,110</b>

# CASH FLOW STATEMENT

for the year ended 31 December 2012

	Year ended 31 December 2012 MUR	Year ended 31 December 2011 MUR
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Surplus/(Deficit) for the year	433,616,632	(57,929,475)
Adjustments for:		
Provision for passage benefits	3,306,744	3,241,476
Payment of passage benefits	(2,683,710)	(2,401,672)
Depreciation of non-current assets	8,114,247	6,154,732
Investment income	(53,620,318)	(45,466,469)
(Profit) on sale of plant & equipment	(543,763)	(724,616)
Loss/(Gain) on disposal of available-for-sale securities	607,622	(4,741,738)
Loss on disposal of foreign funds	-	5,686,348
Retirement benefits charged	5,748,800	3,546,379
Provision for employees benefits	5,658,682	3,252,823
Employees benefits paid	(3,849,908)	(2,793,159)
<b>OPERATING SURPLUS/(DEFICIT) BEFORE WORKING CAPITAL CHANGES</b>	<b>396,355,028</b>	<b>(92,175,371)</b>
Decrease/(Increase) in trade and other receivables	380,148	(534,146)
(Decrease)/Increase in trade and other payables	(196,678,228)	186,633,738
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>200,056,948</b>	<b>93,924,221</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment to acquire financial assets	(487,269,791)	(605,694,950)
Proceeds from sale of financial assets	254,664,298	924,876,776
Payment for plant and equipment	(4,664,607)	(8,971,891)
Proceeds from sale of plant and equipment	362,328	900,000
<b>NET CASH (USED IN)/ GENERATED BY INVESTING ACTIVITIES</b>	<b>(236,907,772)</b>	<b>311,109,935</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short term loans granted	(311,610,135)	(585,745,615)
Proceeds from short term loans	387,042,163	310,334,356
Net proceeds from long term loans	10,730,127	10,439,719
<b>NET CASH GENERATED /(USED IN) BY FINANCING ACTIVITIES</b>	<b>86,162,155</b>	<b>(264,971,541)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>49,311,331</b>	<b>140,062,616</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>1,604,408,188</b>	<b>1,464,345,573</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>1,653,719,519</b>	<b>1,604,408,188</b>
<b>Cash &amp; cash equivalent is represented by:</b>		
Bank and cash balances	5,332,776	5,266,368
Short term deposits	1,648,386,743	1,599,141,820
	<b>1,653,719,519</b>	<b>1,604,408,188</b>

Note: During the period, the SIFB acquired plant and equipment with an aggregate cost of Rs 4,664,607. Payments of Rs 4,664,607 were made for purchase of plant & equipment.

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

*for the year ended 31 December 2012*

	Note	Original/ Final Budget MUR	Actual Amount MUR
<b>GENERAL INSURANCE ACCOUNT</b>			
<b>REVENUE</b>			
Insurance premium	22(i)	263,000,000	288,000,000
Interest Receivable	22(ii)	170,000,000	131,818,530
Dividend Income	22(iii)	30,000,000	45,892,543
Exchange gains	22(iv)	-	105,084,395
Profit on sale of AFS Securities & PPE	22(v)	15,000,000	543,763
Other Revenue	22(vi)	1,000,000	4,609,071
<b>TOTAL REVENUE</b>		<b>479,000,000</b>	<b>575,948,302</b>
<b>EXPENSES</b>			
Insurance Compensation (***)	22(vii)	665,000,000	-
Administrative Expenses	22(viii)	131,453,000	139,792,119
Other Losses		-	607,622
<b>TOTAL EXPENSES</b>		<b>796,453,000</b>	<b>140,399,741</b>
<b>Surplus/(Deficit) to General Fund for the year</b>		<b>(317,453,000)</b>	<b>435,548,561</b>
<b>FIRE INSURANCE ACCOUNT</b>			
<b>REVENUE</b>			
Insurance premium		5,600,000	5,800,000
<b>TOTAL REVENUE</b>		<b>5,600,000</b>	<b>5,800,000</b>
<b>EXPENSES</b>			
Insurance compensation	22(vii)	12,600,000	7,731,929
<b>TOTAL EXPENSES</b>		<b>12,600,000</b>	<b>7,731,929</b>
<b>Deficit to Fire Fund for the year</b>		<b>(7,000,000)</b>	<b>(1,931,929)</b>
<b>Surplus/(Deficit) for the year</b>		<b>(324,453,000)</b>	<b>433,616,632</b>

(\*) The Original and Final Budget are the same.

(\*\*) The Annual Budget is prepared on the accrual basis of accounting.

(\*\*\*) The Original Budget for the year 2012 was prepared in August 2011 but due to favourable climatic conditions, the estimated crop reduction was only 9% by December 2012. As this percentage is lower than the threshold of 20% introduced in the legislation for declaration of an 'Event Year', the budgeted compensation of Rs 665M was nullified by the Board at its meeting of 19th December 2012.

# NOTES TO THE FINANCIAL STATEMENTS

*for the year ended 31 December 2012*

## I. GENERAL

### Legal form and main objective

The Sugar Insurance Fund Board ("the Fund") is a statutory body established under the Sugar Insurance Fund Act No 4 of 1974 (as subsequently amended) and operates under the aegis of the Ministry of Finance and Economic Development. Its main objective is to operate a Crop Insurance for sugar producers.

## 2. ADOPTION OF NEW AND REVISED INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS

### Standards in issue but not yet effective

At the date of authorisation of the Financial Statements, the following Standards were in issue but not yet effective:

<i>Improvements to IPSAS 1</i>	– <i>Presentation of financial statements – effective for annual periods beginning on or after 1st January 2013</i>
<i>Amendment to IPSAS 23</i>	– <i>Revenue from non-exchange transactions - effective for annual periods beginning on or after 1st January 2013</i>
<i>IPSAS 28</i>	– <i>Financial Instruments (Presentation) - effective for annual periods beginning on or after 1st January 2013</i>
<i>IPSAS 29</i>	– <i>Financial Instruments (Recognition and measurement) - effective for annual periods beginning on or after 1st January 2013</i>
<i>IPSAS 30</i>	– <i>Financial Instruments (Disclosures) - effective for annual periods beginning on or after 1st January 2013</i>
<i>IPSAS 32</i>	– <i>Service Concession Arrangements: Grantor - effective for annual periods beginning on or after 1st January 2014</i>
<i>Improvement to IPSASs 2011</i>	– <i>Issued in October 2011 – effective for annual periods beginning on or after 1st January 2013</i>

The Directors anticipate that the adoption of these Standards in future periods will have no material financial impact on the financial statements of the Fund

## 3. ACCOUNTING POLICIES

The principal accounting policies of the Fund are:

### 3.1 BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and modified by the revaluation of certain property, plant and equipment and investments and in accordance with International Public Sector Accounting Standards (IPSASs) for the accrual basis of accounting. The financial statements of the previous reporting period were also prepared in compliance with IPSAS and are therefore fully comparable.

The Financial Statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

*for the year ended 31 December 2012*

## 3. ACCOUNTING POLICIES (cont'd)

### 3.2 REVENUE RECOGNITION

The Fund's revenue are earned from exchange transactions only and measured at the fair value of consideration received or receivable.

#### General Insurance Premium Income Account

Insurance premium income contributed to General Insurance Account is determined by reference to the total value of insurable sugar and premium percentage set out in the Second Schedule of the Sugar Insurance Fund Act No 4 of 1974 (as subsequently amended) in respect of the crop year for which the premium is payable.

#### Fire Insurance Premium Income Account

Insurance premium income contributed to Fire Insurance Account is determined on the basis of MUR 12.50 per tonne of insurable sugar under the Fifth Schedule of the Sugar Insurance Fund Act No 4 of 1974 (as subsequently amended).

#### Other revenues

These are recognised on the following bases:

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

Interest income is recognised on an accrual basis.

The Fund recognises its share of co-reinsurance premium as revenue and its related expenditure.

A management fee of 3% of Fire Premium is charged to the Fire Insurance Account.

A proportion of interest and dividend is apportioned to the Fire Fund.

### 3.3 INSURANCE CONTRACTS

#### (a) Recognition and measurement

Insurance covers provided by the Fund protect the insureds from the negative impact of events such as cyclones, droughts and excessive rainfall on sugar production consequently.

Compensation paid to insureds on occurrence of any event or a combination of events linked to the extent of loss suffered. Premiums are recognised as revenue on the period of cover.

Claims are charged to income based on the estimated liability for compensation payable to insured. They include claims arising out of events that have occurred up to the balance sheet though not reported to the Fund by the insureds. Estimated claims are based on internal data and provisional figures obtainable from different stakeholders.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 3. ACCOUNTING POLICIES (cont'd)

### 3.3 INSURANCE CONTRACTS (cont'd)

#### (b) Liability adequacy test

At each end of reporting period, liability adequacy tests are performed to ensure the adequacy of the insurance liabilities. In performing these tests current best estimates of future contractual cash flows and claims are used. Any deficiency is immediately charged to the statement of financial performance.

#### (c) Insurance contracts held

Contracts entered into with re-insurers under which the Fund is compensated for losses on the insurance contracts issued by the Fund and that meet the classification requirement of insurance contracts are classified as reinsurance contracts held. The benefit to which the Fund is entitled under reinsurance contracts are recognised as reinsurance assets. These assets consist of amounts due from re-insurers (classified as receivables).

Amounts recoverable from or due to re-insurers are measured consistently with the amounts associated with the reinsurance contracts. Reinsurance liabilities are primarily payable for reinsurance contracts and are recognised as expense when due.

### 3.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment held for administrative purposes are stated at cost or valuation, net of accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis so as to write off the depreciable value of the assets over their estimated useful lives. A full year depreciation is charged in the year of acquisition, with no charge in year of disposal. The annual rates used for the purpose are as follows:

Buildings	Higher of 2.5% or based on remaining useful economic life
Improvement to land and buildings	10%
Furniture & other equipment	6.67% (15 years)
Motor vehicles	20%
Computer equipment and software	20%

The depreciation charged on buildings is based on their remaining useful economic life, determined through a thorough examination carried out in December 2009 by S. Jadav and Partners – Structural Engineer.

Prior to the year 2011, items of Furniture & Other equipment were depreciated at the rate of 10% (over 10 years). The consumption experience showed that the Fund was still deriving economic benefit from items under this asset class above the 10 year period. The depreciable life was thus increased to 15 years as from the year 2011.

Profit or loss on disposal of property, plant and equipment is determined by the difference between the carrying values of the assets and their disposal proceeds and is accounted for in the statement of financial performance.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 3. ACCOUNTING POLICIES (cont'd)

### 3.4 PROPERTY, PLANT AND EQUIPMENT (cont'd)

Any revaluation increase arising on the revaluation of such land and buildings is credited in equity of the properties revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit and loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in the carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

At each end of reporting date, the Fund reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, and the carrying amount of the asset is reduced to its recoverable amount.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of financial performance, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of financial performance, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 3.5 Investment property

Investment property which is property held to earn rentals and/or for capital appreciation, is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains and losses arising from changes in the fair value of investment property are included in the statement of financial performance in the period in which they arise. The property being bare land, do not generate any rental income.

### 3.6 Non-current assets held for sale

There is actually no IPSAS regulating Non-current assets held for sale. Consequently, IFRS 5 has been applied as an alternative accounting standard. Accordingly, Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through 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. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non current assets held for sale are measured at the lower of carrying value or fair value net of associated cost to sell.

### 3.7 INSURANCE COMPENSATION

Insurance compensation is expensed when the claims are assessed following the end of the crop season.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

### 3. ACCOUNTING POLICIES (cont'd)

#### 3.8 FOREIGN CURRENCIES

Transactions in foreign currencies are recorded in Mauritian Rupees using the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated in Mauritian Rupees using the rate of exchange (buying rate) ruling at the end of reporting period, such rate being determined as the highest buying rate available from the Fund's main bankers and the Bank of Mauritius.

All exchange differences on translation are dealt with in the statement of financial performance.

#### 3.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short term deposits.

#### 3.10 PROVISIONS/CONTINGENT LIABILITIES

##### (a) Provisions

A provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each end of reporting period and adjusted to reflect the current best estimate.

##### (b) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. A contingent liability should not be recognised but disclosed.

The present obligation that arises from past events is not recognised because:

- (i) It is not probable that an outflow of resources will be required to settle the obligation; or
- (ii) The amount of the obligation cannot be measured with sufficient reliability.

#### 3.11 RETIREMENT BENEFIT OBLIGATIONS

##### Defined Benefit Plan

Provision for retirement benefits for the SIFB staff are made under the Statutory Bodies Pension Act 1978 as amended and in accordance with IPSAS 25 (Employee Benefits). The Fund provides retirement benefits for its employees through a defined benefit plan called "The Sugar Insurance Fund Board (SIFB) Staff Pension Fund".

The SIFB Staff Pension Fund is a defined benefit plan and its assets are managed by the State Insurance Company of Mauritius Ltd (SICOM). The cost of providing the benefit is determined in accordance with actuarial review undertaken every five years.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

### 3. ACCOUNTING POLICIES (cont'd)

#### 3.11 RETIREMENT BENEFIT OBLIGATIONS (cont'd)

The net liability at end of reporting period is determined as the present value of funded obligations after adjusting for the fair value of plan assets, any unrecognised actuarial gains and losses and any unrecognised past service cost.

The current service cost and any recognised past service cost are included as an expense together with the associated interest cost, net of expected return on plan assets.

A portion of the actuarial gains and losses will be recognised as revenue or expense if the net cumulative unrecognised actuarial gains or losses at end of the previous accounting period exceeded the greater of:

- 10 % of the present value of the defined benefit obligation at that date; and
- 10% of the fair value of plan assets at that date.

The portion of actuarial gains and losses recognised is determined based on the average remaining working life of existing employees.

#### State Plan

Contributions to the National Pension Scheme are expensed to the statement of financial performance in the period in which they fall due.

#### 3.12 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the statement of financial position when the Fund has become party to the contractual provisions of the financial instruments.

#### a) Financial Assets

##### Classification

Financial assets are classified into the following specified categories: financial assets 'at fair value through surplus or deficit' (FVTSD), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

##### (i) Financial assets at FVTSD

Financial assets are classified as at FVTSD where the financial asset is either held for trading or it is designated as at FVTSD.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Fund manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 3. ACCOUNTING POLICIES (cont'd)

### 3.12. FINANCIAL INSTRUMENTS (cont'd)

A financial asset other than a financial asset held for trading may be designated as at FVTSD upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis.

Financial assets at FVTSD are stated at fair value, with any resultant gain or loss recognised in surplus or deficit. The net gain or loss recognised in surplus or deficit incorporates any dividend or interest earned on the financial asset.

#### (ii) *Held-to-maturity investments*

Investments with fixed or determinable payments and fixed maturity dates, that the Fund has the positive intent and ability to hold to maturity, are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

#### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

#### (iii) *Available-for-sale (AFS) financial assets*

Securities that are traded in an active market are classified as being AFS and are stated at fair value. Gains and losses arising from changes in fair value are recognised directly in equity in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is included in surplus or deficit for the period.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of reporting period. The change in fair value attributable to translation differences that result from a change in amortised cost of the asset is recognised in surplus or deficit, and other changes are recognised in equity.

#### (iv) *Loans and receivables*

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 3. ACCOUNTING POLICIES (cont'd)

### 3.12. FINANCIAL INSTRUMENTS (cont'd)

#### **Impairment of financial assets**

Financial assets, other than those at FVTSD, are assessed for indicators of impairment at each end of reporting period.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For unlisted shares classified as AFS, a significant or prolonged decline in the fair value of the security below its cost.

For all other financial assets evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, through the use of an allowance account.

When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in surplus or deficit.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through surplus or deficit to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised through surplus or deficit are not reversed through surplus or deficit. Any increase in fair value subsequent to an impairment loss is recognised directly in equity.

#### **Derecognition of financial assets**

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 3. ACCOUNTING POLICIES (cont'd)

### 3.12. FINANCIAL INSTRUMENTS (cont'd)

#### b) Financial liabilities

##### *Classification*

Financial liabilities are classified as either financial liabilities 'at FVTSD' or 'other financial liabilities'.

##### (i) Financial liabilities at FVTSD

The Fund due to its nature of activities does not hold any financial liabilities designated "at FVTSD"

##### (ii) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognized.

## 4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with IPSAS requires the Fund's management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 5. ACCOUNTS RECEIVABLE/ PREPAYMENTS

	31 December 2012 MUR	31 December 2011 MUR
Loan - Mauritius Housing Company Ltd (Note 12(i))	8,000,000	8,000,000
Other loans (Note 12(iv))	978,115	1,170,993
Motor vehicles loans (Note 12(ii))	1,594,355	1,644,447
Personal loans (Note 12(iii))	189,307	222,751
Interest receivable	3,848,186	4,247,472
Debtors insurance premium receivable	14,928	28,479
Dividends receivable	1,198,246	44,301
Other receivables/Prepayments	595,236	1,716,492
	<b>16,418,373</b>	<b>17,074,935</b>

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

### 6. INVESTMENTS IN SECURITIES AND DEPOSITS

#### Available-For-Sale Financial Assets

	Local Quoted MUR	Local Unquoted MUR	Foreign Equities/Funds MUR	Held-To- Maturity Securities and Deposits MUR	Total MUR
<b>AT FAIR VALUE</b>					
<b>At 1 January 2012</b>	816,652,879	678,768,627	323,212,476	1,408,280,368	3,226,914,349
Additions	4,567,969	1,000,000	60,240,000	421,461,823	487,269,791
Disposals/Matured/Redeemed	(4,248,000)			(250,858,758)	(255,106,758)
Interest capitalised/ receivable		80,747,873	48,199,885	53,620,318	53,620,318
Increase/(Decrease) in fair value	(37,951,619)			90,996,139	90,996,139
<b>At 31 December 2012</b>	<b>779,021,229</b>	<b>760,516,499</b>	<b>431,652,361</b>	<b>1,632,503,751</b>	<b>3,603,693,840</b>
<b>Classified as:</b>					
- Short term	-	-	-	1,337,586,850	1,337,586,850
- Long term	779,021,229	760,516,499	431,652,361	294,916,901	2,266,106,990
	<b>779,021,229</b>	<b>760,516,499</b>	<b>431,652,361</b>	<b>1,632,503,751</b>	<b>3,603,693,840</b>
<b>AT COST</b>					
<b>At 31 December 2012</b>	427,498,285	17,151,155	336,735,796	1,632,503,751	2,413,888,987
<b>At 31 December 2011</b>	427,343,468	16,151,155	276,495,796	1,408,280,368	2,128,270,787

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 6. INVESTMENTS IN SECURITIES AND DEPOSITS (cont'd)

### (a) Available-For-Sale Securities and Deposits

#### Local Quoted

Local quoted investments include investments in companies listed on the Official Market and the Development and Enterprise Market of the Stock Exchange of Mauritius (SEM). Such investments are stated at fair values based on SEM prices at close of business on the end of reporting period.

#### Local Unquoted

Local unquoted investments comprise mainly of shares held in SICOM, Sugar Investment Trust (SIT) and The MFL Fund. Investments in SICOM and SIT have been fair valued at MUR757.24 Million at 31 December 2012, based on the last available equity value (30 June 2012) of the company/trust. Investments in The MFL Fund, which is an open-ended Fund, are stated at market value at MUR 1.14 Million at 31 December 2012.

#### Foreign Equities /Funds

Investments in foreign equities/ funds, including shares held in African Reinsurance Corporation (Africa Re), Investec GSF, Comgest, Threadneedle, Sarasin, BlackRock Global, Shroders, GAM, London & Capital Real Estate, UBS, MAN AHL Diversified, Fidelity, Franklin Templeton, Morgan Stanley, Mutual Funds (SICAV) are stated at market value based on the exchange rate ruling at the end of reporting period.

### (b) Held-To-Maturity Securities and Deposits

Held-To-Maturity Securities and Deposits, which are stated at amortised cost, bear interests at rates ranging from 3.22% to 6.50 % per annum to mature between January 2013 and March 2014 and comprise of:

	31 December 2012 MUR	31 December 2011 MUR
Treasury Bills	119,992,039	88,886,756
Deposits	1,512,511,712	1,319,393,612
	<u>1,632,503,751</u>	<u>1,408,280,368</u>

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 7. ASSETS CLASSIFIED AS HELD FOR SALE (INVESTMENT PROPERTY)

	31 December 2012 MUR	31 December 2011 MUR
At start of year	4,425,000	-
Transfer from Investment Property (Note 11)	-	4,425,000
Fair Value Loss	(425,000)	-
At end of year	<b>4,000,000</b>	<b>4,425,000</b>

- (i) The investment property relates to bare land of 2,490.3 square metres at Bramsthan.
- (ii) At end of reporting date, the Fund had entered into agreement for sale of the land and an amount of Rs 2.5 M was received as at that date. A further amount of Rs 1.0 M was received at date the financial statements were authorised for issue. The title deed is to pass to the acquirer upon receipt of the remaining balance within the next financial year.

## 8. SHORT TERM LOANS

	31 December 2012 MUR	31 December 2011 MUR
Loans to Mauritius Sugar Syndicate - (MSS)	509,570,174	585,002,202
	<b>509,570,174</b>	<b>585,002,202</b>

Loans to MSS relate to:

- (a) Rs294.34 Million (Crop 2012 premium receivable) advanced to MSS for a period of 3 months at an interest rate of 4.25% p.a.
- (b) Rs215.2 Million advanced to MSS on a call basis for a period of 3 months at an interest rate of 4.25% p.a.

## 9. SHORT TERM DEPOSITS

	31 December 2012 MUR	31 December 2011 MUR
Foreign Currency deposits with banks:		
USD	658,772,564	658,628,894
EURO	919,725,879	851,387,314
GBP	29,128,246	25,942,154
Deposits on call at banks - MUR	40,760,054	63,183,458
	<b>1,648,386,743</b>	<b>1,599,141,820</b>

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 10. PROPERTY, PLANT AND EQUIPMENT

Had freehold land and buildings been valued at historic amount, the carrying value would have been as follows:

At 31 December 2011	Cost MUR	Accumulated depreciation MUR	Net book value MUR
Freehold land	4,022,745	-	4,022,745
Buildings	39,802,301	(18,586,627)	21,215,674
	43,825,046	(18,586,627)	25,238,419

At 31 December 2012	Cost MUR	Accumulated depreciation MUR	Net book value MUR
Freehold land	3,996,388	-	3,996,388
Buildings	39,802,301	(19,581,685)	20,220,616
	43,798,689	(19,581,685)	24,217,004

Freehold land and buildings were revalued in December 2012 by Alan Tinkler, Ramlackhan & Co. (Principal – Rhoy Ramlackhan, B.Sc (Hons), M.R.I.C.S., M.M.I.S. Chartered Valuation Surveyor).

**(i) As disclosed by the Valuer, the main valuation approaches used are:**

- (a) The Direct Comparison Method of valuation for freehold properties, based on transactions within the close vicinity of the subject site with adjustments for dissimilarity and specificities.
- (b) The Investment Method of valuation for leasehold property.

**(ii) The following assumptions were made by the Valuer:**

- (a) The properties have good and marketable title;
- (b) The properties are free of any undisclosed onerous burdens, outgoings or restrictions;
- (c) The properties are occupied and used in accordance with all requisite consents (except where advised otherwise);
- (d) There are no outstanding statutory notices;
- (e) The building contains no deleterious materials and sites are unaffected by adverse soil conditions (except where advised otherwise);
- (f) There is no potential contamination from uses of the properties or sites adjacent to the subject properties.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 10. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold/ Leasehold Land MUR	Buildings MUR	Improvement to Land and Buildings MUR	Furniture & Other Equipment MUR	Motor Vehicles MUR	Computer Equipment & Software MUR	Total MUR
<b>COST AND VALUATION</b>							
At 31 December 2010	52,275,000	66,325,000	5,185,311	13,250,111	3,037,359	11,142,081	151,214,862
Additions	-	-	990,011	533,952	1,823,500	5,624,428	8,971,891
Disposals	-	-	-	(57,001)	(1,187,359)	-	(1,244,360)
At 31 December 2011	52,275,000	66,325,000	6,175,322	13,727,062	3,673,500	16,766,508	158,942,392
Surplus on Revaluation	7,182,842	10,625,000	-	-	-	-	17,807,842
Additions	-	-	356,920	638,791	1,066,450	2,602,445	4,664,606
Disposals	(77,842)	-	-	(45,223)	(250,000)	(290,490)	(663,555)
At 31 December 2012	59,380,000	76,950,000	6,532,242	14,320,630	4,489,950	19,078,463	180,751,285
<b>DEPRECIATION</b>							
At 31 December 2010	-	7,079,896	1,528,893	11,020,265	2,253,623	7,966,544	29,849,222
Charge for the year	-	2,572,706	617,536	246,623	709,700	2,008,167	6,154,732
Disposals	-	-	-	(352)	(1,068,623)	-	(1,068,975)
At 31 December 2011	-	9,652,602	2,146,428	11,266,537	1,894,701	9,974,712	34,934,980
Charge for the year	-	3,447,676	636,541	281,116	897,990	2,850,924	8,114,247
Disposals	-	-	-	-	(3,015)	(250,000)	(290,490)
Elimination on Revaluation	-	(9,652,602)	-	-	-	-	(9,652,602)
At 31 December 2012	-	3,447,676	2,782,969	11,544,638	2,542,691	12,535,146	32,853,120
<b>NET BOOK VALUE</b>							
At 31 December 2012	59,380,000	73,502,324	3,749,273	2,775,992	1,947,259	6,543,317	147,898,165
At 31 December 2011	52,275,000	56,672,398	4,028,894	2,460,525	1,778,799	6,791,796	124,007,412

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 11. INVESTMENT PROPERTY

	31 December 2012 MUR	31 December 2011 MUR
At start of year	58,000,000	59,250,000
Surplus on revaluation	-	3,175,000
Transfer to Assets held for sale (Note 7)	-	(4,425,000)
At end of year	<b>58,000,000</b>	<b>58,000,000</b>

Investment property relates to bare land at Mere Barthelemy Street Port Louis, which was last revalued in December 2012 by Alan Tinkler, Ramlackhan & Co. (Principal - Rhoy Ramlackhan, B.Sc (Hons), M.R.I.C.S., M.M.I.S. Chartered Valuation Surveyor).

## 12. LONG TERM LOANS

	31 December 2012 MUR	31 December 2011 MUR
Loan to Mauritius Housing Company Ltd (i)	-	8,000,000
Motor Vehicles Loans (ii)	2,976,481	3,874,133
Personal Loans (iii)	69,743	30,591
Other Loans (iv)	1,928,063	3,523,276
	<b>4,974,287</b>	<b>15,428,000</b>

### (i) Loan to Mauritius Housing Company Ltd

Total amount due	8,000,000	16,000,000
Deduct: Amount falling due within one year (Note 5)	(8,000,000)	(8,000,000)
Amount falling due after more than one year	-	<b>8,000,000</b>

The loan repayable in 15 yearly instalments is guaranteed by the Government of Mauritius. At 31 December 2012, a last instalment of Rs 8 M is due for repayment in December 2013. Interest is payable quarterly at the prevailing Repo Rate plus four decimal fifty percent p.a capped however, to a minimum of 8.5% p.a (9.40% p.a. as at 31 December 2012).

### (ii) Motor Vehicles Loans (staff)

	31 December 2012 MUR	31 December 2011 MUR
Total amount	4,570,836	5,518,580
Deduct: Amount falling due within one year (Note 5)	(1,594,355)	(1,644,447)
Amount falling due after more than one year	<b>2,976,481</b>	<b>3,874,133</b>

Motor vehicle loans to staff bear interest at 7.5% per annum

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 12. LONG TERM LOANS (cont'd)

### (iii) Personal Loans (staff)

	31 December 2012 MUR	31 December 2011 MUR
Total amount due	259,050	253,342
Deduct: Amount falling due within one year (Note 5)	(189,307)	(222,751)
Amount falling due after more than one year	<b>69,743</b>	<b>30,591</b>

Personal loans to staff bear interest at Prime Lending Rate (Commercial Bank) plus 2.5% per annum.

### (iv) Other Loans (staff)

	31 December 2012 MUR	31 December 2011 MUR
Total amount due	2,906,178	4,694,269
Deduct: Amount falling due within one year (Note 5)	(978,115)	(1,170,993)
	<b>1,928,063</b>	<b>3,523,276</b>

Loans to staff bear interest at rates ranging from 9.0% to 13.0 % per annum as per the staff's conditions of service, as well as the amount of the loan.

## 13. ACCOUNTS PAYABLE

	31 December 2012 MUR	31 December 2011 MUR
Provision for insurance compensation <sup>(*)</sup>	5,304,553	199,929,582
Reinsurance premiums payable <sup>(**)</sup>	-	4,167,268
Advance receipt on sale of land at Bramsthan	2,500,000	-
Accruals	2,478,313	2,809,716
Provision for passage benefits (note 14)	2,600,000	2,400,000
Short term employee benefits (note 15)	8,008,160	7,938,136
Others	125,265	179,792
	<b>21,016,291</b>	<b>217,424,494</b>

\* Islandwide crop reduction for Crop 2012 being 10.7%, well below the threshold of 20%, no event year is declarable under the law.

\*\* No reinsurance cover has been subscribed for Crop 2012.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 14. PROVISION FOR STAFF PASSAGE BENEFITS

	31 December 2012 MUR	31 December 2011 MUR
At 1 January	11,065,149	10,225,345
Payment during the year	(2,683,710)	(2,401,672)
Provision for the year	3,306,744	3,241,476
	11,688,183	11,065,149
<u>Less: Amount due within one year (Note 13)</u>	<u>(2,600,000)</u>	<u>(2,400,000)</u>
<b>At 31 December</b>	<b>9,088,183</b>	<b>8,665,149</b>

## 15. LONG TERM EMPLOYEES BENEFITS

At 1 January	60,734,509	60,274,845
Charge for the year	5,658,682	3,252,823
	<b>66,393,191</b>	<b>63,527,668</b>
<u>Less: Payment during the year</u>	<u>(3,849,908)</u>	<u>(2,793,159)</u>
	<b>62,543,283</b>	<b>60,734,509</b>
Short term employee benefits (Note 13)	(8,008,160)	(7,938,136)
<b>At 31 December</b>	<b>54,535,123</b>	<b>52,796,373</b>

## 16. RETIREMENT BENEFIT OBLIGATIONS

The pension plan is a final salary defined benefit plan for employees funded by the employer and the employees. The assets of the plan are held independently and are administered by the State Insurance Company of Mauritius Ltd (SICOM).

The following employee benefits information is based on the report submitted by the State Insurance Company of Mauritius Ltd (SICOM).

Any actuarial gain/loss is recognised within the Statement of financial performance using the Corridor Approach.

### (i) Amounts recognised in statement of financial position:

	31 December 2012 MUR	31 December 2011 MUR
Present value of funded obligation	485,944,924	465,994,150
Fair value of plan assets	(374,967,115)	(355,355,118)
	110,977,809	110,639,032
Unrecognised actuarial (loss)/gain	6,167,842	757,819
<b>Liability in statement of financial position</b>	<b>117,145,651</b>	<b>111,396,851</b>

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 16. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

### (ii) Amounts recognised in statement of financial performance:

	31 December 2012 MUR	31 December 2011 MUR
Current service cost	9,513,318	9,387,011
Employee Contribution	(4,243,806)	(4,318,570)
Fund Expenses	226,972	377,397
Interest cost	46,599,415	47,768,944
Expected return on plan assets	(35,120,475)	(36,692,826)
Total included in staff costs	16,975,424	16,521,956
Actual return on plan assets	27,912,741	8,940,679

### (iii) The figures have been arrived at by using the following actuarial assumptions:

	31 December 2012 %	31 December 2011 %
Discount Rate	10.00	10.50
Expected Rate of Return on plan assets	10.00	10.50
Future salary increases	7.00	7.50
Future Pension increases	5.00	5.50

### (iv) Movements in liability recognised in the statement of financial position:

	31 December 2012 MUR	31 December 2011 MUR
At 1 January	111,396,851	107,850,472
Total staff cost as above	16,975,424	16,521,956
Contributions paid by employer	(11,226,624)	(12,975,577)
Actuarial reserves transferred in	-	-
<b>At 31 December</b>	<b>117,145,651</b>	<b>111,396,851</b>

### (v) Reconciliation of the present value of defined benefit obligation:

	31 December 2012 MUR	31 December 2011 MUR
Present value of obligation at start of period	465,994,150	454,942,323
Current service cost	9,513,318	9,387,011
Interest cost	46,599,415	47,768,944
Benefits paid	(23,544,202)	(22,998,852)
Liability (gain)/ loss	(12,617,757)	(23,105,276)
Present value of obligation at end of period	485,944,924	465,994,150

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 16. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

### (vi) Reconciliation of fair value of plan assets:

	31 December 2012 MUR	31 December 2011 MUR
Fair value of plan assets at start of period	355,355,118	352,496,541
Expected return on plan assets	35,120,475	36,692,826
Employer contributions	11,226,624	12,975,577
Employee contributions	4,243,806	4,318,570
Actuarial Reserves transferred in	-	-
Benefits paid + other outgo	(23,771,174)	(23,376,249)
Asset gain/(loss)	(7,207,734)	(27,752,147)
Fair value of plan assets at end of period	374,967,115	355,355,118

### (vii) Distribution of plan assets at end of period were:

Percentage of assets at end of year	% of fair value of total plan assets 31 December 2012	31 December 2011
Government securities and cash	58.8	50.6
Loans	6.6	7.8
Local equities	21.0	23.2
Overseas equities and bonds	12.8	17.5
Property	0.8	0.9
Total	100.0	100.0

The assets of the plan are invested in funds managed by State Insurance Company of Mauritius Ltd.  
The discount rate is determined by reference to market yields on bonds.

### (viii) History of obligations, assets and experience adjustments:

	31 December 2012 MUR	31 December 2011 MUR
Fair value of plan assets	374,967,115	355,355,118
Present value of defined benefit obligation	(485,944,924)	(465,994,150)
Surplus /(deficit)	(110,977,809)	(110,639,032)
Asset experience gain/ (loss) during the period	( 7,207,734)	(27,752,147)
Liability experience gain/(loss) during the period	12,617,757	23,105,276

### (ix) Expected Employer's contributions (estimate to be reviewed by the Sugar Insurance Fund Board) for the year ending 31 Dec 2013: **Rs. 12,023,074.**

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 16. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

### (x) Five year summary – Experience adjustment

Amounts recognised in statement of financial position:

	31 December 2012 MUR	31 December 2011 MUR	31 December 2010 MUR	31 December 2009 MUR	31 December 2008 MUR
Present value of funded obligation	485,944,924	465,994,150	454,942,323	443,189,705	454,207,656
Fair value of plan assets	(374,967,115)	(355,355,118)	(352,496,541)	(323,092,281)	(277,172,443)
	110,977,809	110,639,032	102,445,782	120,097,424	177,035,213
Unrecognised actuarial (loss)/gain	6,167,842	757,819	5,404,690	(14,963,172)	(85,359,444)
Liability in statement of financial position	117,145,651	111,396,851	107,850,472	105,134,252	91,675,769

Reconciliation of the present value of defined benefit obligation:

	Year ended 31 December 2012 MUR	Year ended 31 December 2011 MUR	Year ended 31 December 2010 MUR	Year ended 31 December 2009 MUR	Year ended 31 December 2008 MUR
Present value of obligation at start of period	465,994,150	454,942,323	443,189,705	454,207,656	366,872,654
Current service cost	9,513,318	9,387,011	9,402,368	9,194,125	9,643,494
Interest cost	46,599,415	47,768,944	46,534,919	47,691,804	38,521,629
Benefits paid	(23,544,202)	(22,998,852)	(20,176,758)	(18,031,898)	(16,597,004)
Liability (gain)/ loss	(12,617,757)	(23,105,276)	(24,007,911)	(49,871,982)	55,766,883
Present value of obligation at end of period	485,944,924	465,994,150	454,942,323	443,189,705	454,207,656

Reconciliation of fair value of plan assets:

	Year ended 31 December 2012 MUR	Year ended 31 December 2011 MUR	Year ended 31 December 2010 MUR	Year ended 31 December 2009 MUR	Year ended 31 December 2008 MUR
Fair value of plan assets at start of period	355,355,118	352,496,541	323,092,281	277,172,443	299,924,296
Expected return on plan assets	35,120,475	36,692,826	33,880,775	30,362,242	32,974,568
Employer contributions	11,226,624	12,975,577	14,958,254	16,048,758	16,618,384
Employee contributions	4,243,806	4,318,570	4,768,660	-	-
Actuarial Reserves transferred in	-	-	6,745	-	-
Benefits paid + other outgo	(23,771,174)	(23,376,249)	(20,570,125)	(18,352,873)	(16,929,372)
Asset gain/(loss)	(7,207,734)	(27,752,147)	(3,640,049)	17,861,711	(55,415,433)
Fair value of plan assets at end of period	374,967,115	355,355,118	352,496,541	323,092,281	277,172,443

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 17. REINSURANCE PREMIUM

Due to hardened crop reinsurance market and the Fund's strength, the Board decided not to take any re-insurance cover for Crop 2012.

## 18. INVESTMENT INCOME

	Year ended 31 December 2012 MUR	Year ended 31 December 2011 MUR
Interest Income (i)	131,818,530	139,153,727
Dividends	45,892,543	26,183,426
	<u>177,711,073</u>	<u>165,337,153</u>
<b>(i) Interest Income</b>		
Held to maturities deposits	88,826,954	102,290,149
Cash and cash equivalent	26,011,542	28,891,502
Loans & receivables	16,980,034	7,972,076
	<u>131,818,530</u>	<u>139,153,727</u>

## 19. INSURANCE COMPENSATION

The Island-wide crop reduction of 10.7% for Crop 2012 is well below the threshold of 20% and therefore no declaration of event year for General Compensation.

## 20. ADMINISTRATIVE EXPENSES

	Year ended 31 December 2012 MUR	Year ended 31 December 2011 MUR
<b>Included in administrative expenses are:</b>		
Staff costs	112,279,769	113,570,907
Provision for Employees Benefits	5,658,682	4,305,922
Depreciation	8,114,247	6,154,732
Directors fees	599,800	602,100
Auditors' remuneration	275,000	275,000
	<u>126,927,500</u>	<u>124,908,661</u>

## 21. EXCHANGE AND OTHER LOSSES

Exchange loss on revaluation of foreign currency deposit	-	49,132,002
Loss on disposal of available-for-sale financial assets	607,622	5,686,348
	<u>607,622</u>	<u>54,818,350</u>

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 22. BUDGET COMPARED TO ACTUAL

### (i) Insurance Premium

Actual insurance premium for Crop 2012 is higher than budgeted due to a higher sugar price (Rs16,994 per metric tonne for insurance purposes) obtained for Crop 2012 against the estimated sugar price (Rs15,300 per metric tonne) at time of budgeting.

### (ii) Interest Receivable

The actual interest receivable was lower than budgeted due to:

- (a) the 70% discount on general insurance premium receivable for Crop 2011 amounting to Rs 397.6M which reduced the funds available for investment purposes;
- (b) lower interest rates available on deposits and Government of Mauritius Treasury Bills ; and
- (c) further diversification of investments in funds/equities for which the yield are reported in Revaluation Reserve.

### (iii) Dividend Income

The higher actual dividend income compared to the budgeted dividend income is an outcome of a 125% dividend growth from SICOM Ltd (Rs7.25M in 2011 compared to Rs16.3M in 2012).

### (iv) Exchange Gains

Exchange gains on translation of foreign currency deposits is based on the spot exchange rates at year end which could not be budgeted.

### (v) Profit on sale of Available-for-sale securities

Market conditions did not favour disposal of Available-for-sale securities.

### (vi) Other Revenue

Whilst the budgeted amount includes only re-current sundry income receivable in the ordinary course of business, the actual amount also includes recoveries from liquidators of New Cap-Re in respect of re-insurance crop 1999 and reversal of an overprovision in respect of Insurance Compensation for crop 2011.

### (vii) Insurance Compensation

The Original Budget for the year 2012 was prepared in August 2011 but due to favourable climatic conditions, the estimated crop reduction was only 9% by December 2012. As this percentage is lower than the threshold of 20% introduced in the legislation for declaration of an 'Event Year', the budgeted compensation of Rs 665M was nullified by the Board at its meeting of 19th December 2012.

### (viii) Administrative Expenses

Included in Administrative Expenses is retirement benefit obligation charged (MUR 5.75M) and determined by SICOM Ltd, the Pension Fund Manager after an actuarial evaluation of the Staff Pension Fund at year end.

## 23. TAXATION

The Fund is exempt from income tax.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 24. RELATED PARTY TRANSACTIONS

The Fund is making the following related party transaction disclosures in accordance with IPSAS 20, Related Party Disclosures:

		31 December 2012 MUR	31 December 2011 MUR
<b>(a) Outstanding balances</b>			
<i>Loans advanced to:</i>			
Key management personnel	(i)	111,200	176,000
Entity under common control	(ii)	8,000,000	16,000,000
		<u>8,111,200</u>	<u>16,176,000</u>

- (i) Loans advanced to key management personnel under condition of service.  
(ii) Loans advanced to entity under common control represent loans granted to Mauritius Housing Corporation Ltd.

		31 December 2012 MUR	31 December 2011 MUR
<b>(b) Transactions with entity under common directorship</b>			
Deposits	(i)	427,556,359	436,001,738
Available-for-sale Financial Assets	(ii)	60,500,929	57,586,801
Short Term Loans	(iii)	509,570,174	585,002,202

Transactions with entity under common directorship represent:

- (i) deposits with Afrasia Bank and Axys Leasing Co. Ltd  
*Director Mr Jean Claude Béga ( up to June 2012)*  
(ii) Investment with Standard Bank (Mtius Ltd) in "Asian Foreign Currency Basket"  
*Director Mr Georges Leung Shing*  
(iii) Loans granted to Mauritius Sugar Syndicate  
*Director Mr Jean Li Yuen Fong ( Appointed in June 2012)*

These transactions have been effected at full arm's length.

		31 December 2012 MUR	31 December 2011 MUR
<b>(c) Compensation of key management personnel:</b>			
- Short term benefits		3,278,380	3,226,380
- Post-employment benefits contribution		512,093	597,494
- Other benefits		700,699	620,493
		<u>4,491,172</u>	<u>4,444,367</u>

As per provisions of the Act constituting the Fund, the directors represent the interest of stakeholders. However, the Board considers that such representation does not trigger any other related party transactions that would require any further disclosure.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 25. FINANCIAL INSTRUMENTS

### 25.1 SIGNIFICANT ACCOUNTING POLICIES

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenue and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.12 to the financial statements.

### 25.2 CATEGORIES OF FINANCIAL INSTRUMENTS

#### Financial assets

	31 December 2012 MUR	31 December 2011 MUR
- Held to maturity investments	1,632,503,751	1,408,280,368
- Loans and Receivables (including cash & Cash Equivalents and excluding prepayments)	2,332,112,662	2,220,198,833
- Available for sale financial assets	1,971,190,089	1,818,633,981
	<b>5,935,806,502</b>	<b>5,447,113,182</b>

#### Financial liabilities

Liabilities	<b>201,785,248</b>	<b>390,282,867</b>
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### 25.3 FINANCIAL RISK MANAGEMENT

The Fund is exposed to financial risks namely market risk (including currency risk, interest rate risk and market price risk), credit risk and liquidity risk.

#### (i) Market risk

The Fund's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

##### • Foreign currency risk management

The Fund undertakes certain transactions denominated in foreign currencies. Hence, the Fund is exposed to the risk that the exchange rate of the Mauritian rupee relative to the currencies listed below may change in a manner which has a material effect on the reported values of its financial assets and financial liabilities. The price paid to producers being influenced by the value of foreign currency exchange rates, reserves have been built in foreign currencies.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 25. FINANCIAL INSTRUMENTS (cont'd)

### 25.3 FINANCIAL RISK MANAGEMENT (CONT'D)

The currency profile of the financial assets and financial liabilities is summarised as follows:-

Currency profile

	Financial Assets 2012 MUR	Financial liabilities 2012 MUR	Financial Assets 2011 MUR	Financial liabilities 2011 MUR
Currency				
Mauritian Rupees	3,895,218,957	201,785,248	3,585,822,313	390,282,867
United States Dollars	1,005,333,399	-	912,494,803	-
Euro	1,006,100,023	-	922,835,434	-
British Pounds	29,154,123	-	25,960,632	-
	<b>5,935,806,502</b>	<b>201,785,248</b>	<b>5,447,113,182</b>	<b>390,282,867</b>

The Fund is mainly exposed to USD and Euro.

The following table details the Fund's sensitivity to a 1% increase and decrease in the Rupee against the relevant foreign currencies. The sensitivity analysis includes only foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the Rupee strengthens by 1% against the relevant currency. There would be an equal and opposite impact on profit and other equity, if the rupee weakens by 1%.

#### (a) USD Impact

	31 December 2012 MUR	31 December 2011 MUR
Profit or loss in statement of financial position	6,606,371	6,606,646
Revaluation Reserve in statement of financial position	3,447,963	2,518,302

#### (b) EURO Impact

Profit or loss in statement of financial position	9,216,398	8,535,391
Revaluation Reserve in statement of financial position	844,602	692,963

The above is mainly attributable to:

- (i) available-for-sale securities
- (ii) short term deposits

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 25. FINANCIAL INSTRUMENTS (cont'd)

### 25.3 FINANCIAL RISK MANAGEMENT (CONT'D)

#### • Interest rate risk management

The Fund is not exposed to interest rate risk as none of its financial liabilities is interest bearing and most of the Fund's loans receivable and fixed deposits are fixed-interest bearing.

The interest rate profile of the financial assets of the Fund as at 31 December 2012 was:-

Financial assets	Currency	Fixed Interest rate		Floating Interest rate	
		2012	2011	2012	2011
		%	%	%	%
Bank Deposits	MUR	-	3.500 - 4.250	3.50 - 4.40	-
Loan to MHC	MUR	-	-	9.40 - 9.90	9.25 - 10.00
Loan to MSS	MUR	4.25	3.000 - 5.000	-	-
Fixed deposits	MUR	5.050 - 6.500	6.000 - 7.030	6.00 - 6.25	4.10 - 6.50
Fixed deposits	GBP	0.991 - 1.600	1.040 - 1.390	-	-
Fixed deposits	USD	1.250 - 3.100	1.050 - 3.000	-	-
Fixed deposits	EUR	0.919 - 3.100	1.360 - 3.000	-	-
Yields on T.Bills	MUR	3.220 - 4.600	3.200 - 5.000	-	-

#### • Market price risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices no matter whether these changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The carrying amount of investments which are traded on the market may be subject to market price variations. The Fund manages this risk by holding a diversified portfolio of investments in Mauritius and overseas.

The following table details the Fund's sensitivity to a 1% decrease/increase in the price of its equity investments.

	2012 MUR	2011 MUR
Available-for-sale securities	19,711,900	18,186,340

#### (ii) Credit risk management

Credit risk is the risk that a counter party will default on its contractual obligations resulting in financial loss to the fund. The Fund's credit risk is primarily attributable to its insurance receivables. However, there was no concentration of credit risk at end of reporting period since there were no outstanding insurance receivables.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 25. FINANCIAL INSTRUMENTS (cont'd)

### 25.3 Financial risk management (cont'd)

#### (iii) Liquidity risk management

The Fund is exposed to calls on its available cash resources mainly from substantial claims arising from insurance contracts. The Fund manages this exposure through reinsurance.

The ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate framework for the management of the Fund's short, medium and long-term funding and liquidity management requirements. The Fund manages liquidity risk by maintaining adequate liquidity reserves, banking facilities and highly liquid investments, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets.

The following table details the Fund's expected maturity for its financial assets. The table has been drawn up based on the undiscounted cash flow of contractual maturities of the financial assets including interest that will be earned on those assets except where the fund anticipates that the cash flow will occur in a different period.

	Within 1 month MUR	1 to 3 months MUR	3 months to 1 year MUR	More than 1 year MUR	No fixed maturity MUR
Held to maturity (incl. interest)	142,495,285	210,260,188	914,584,991	294,916,901	-
Available-for-sale	-	-	-	-	1,971,190,089
Loans & Receivables (excluding prepayments)	5,029,175	509,570,174	10,767,977	4,974,287	153,364
Cash & cash equivalents	671,988,673	841,910,945	139,820,000	-	-
	819,513,133	1,561,741,307	1,065,172,968	299,891,188	1,971,343,453

The following table details the Fund's remaining maturity for its **contractual** liabilities. The table has been drawn up based on the undiscounted cash flow of financial liabilities based on the earliest date on which the fund can be required to pay.

	Within 1 month MUR	1 to 3 months MUR	3 months to 1 year MUR	More than 1 year MUR
Liabilities	2,478,313	5,304,553	-	-

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 26. MANAGEMENT OF INSURANCE RISKS

### INSURANCE RISK

The risk under any one insurance contract is the possibility of occurrence of any risk covered and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Fund faces under its insurance contracts is the actual claims and benefit payments not covered by the reinsurance contracts.

### *Insurance contracts*

#### (i) *Frequency and severity of claims*

If any, their severity is largely dependent upon climatic conditions prevailing such as the occurrence of cyclones, droughts and excessive rainfall.

#### (ii) *Concentration of insurance risks*

The Fund's main activities are restricted to providing insurance to the Sugar Industry against losses in sugar production; it faces similar risks in all of its insurance contracts such that the variability of the expected outcome cannot be reduced.

#### (iii) *Sources of uncertainty in the estimation of future claim payments*

Claims are payable on a claims-assessment basis. The Fund is liable for all insured risks that occurred during the crop year, even if the loss is discovered after the end of the crop year.

Although the Fund has in place estimation processes which consider all the factors that can influence the amount and timing of cash flows about the estimated costs of claims, such processes may prove to be very uncertain since the claims are mostly long tail. The Fund takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures.

## 27. SENSITIVITY ANALYSIS

The risks associated with the insurance contracts are complex and subject to a number of variables that complicate sensitivity analysis. The Fund uses assumptions based on internal and external data to measure its claims. Internal data is derived mostly from the Fund's records.

The assumptions used are as follows:

#### (i) *Climatic conditions*

Climatic conditions include effects of cyclonic winds, below long term mean rainfall and above long term mean rainfall.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*for the year ended 31 December 2012*

## 27. SENSITIVITY ANALYSIS (cont'd)

- (ii) *Estimated islandwide tonnage of canes of 3.95 millions*

Islandwide tonnage of canes is the total tonnage of canes harvested and received at mills.

- (iii) *Estimated islandwide extraction rate of 10.46%*

Islandwide extraction rate is the sugar to be extracted from canes milled for sugar production based on the average % polarisation of cane (richesse).

- (iv) *Estimated islandwide sugar production of 412,876 tonnes*

Islandwide sugar production is the total estimated sugar produced out of the total estimated tonnage of canes milled at the estimated islandwide extraction rate.

- (v) *Estimated Harvestable Extent of 53,413 Hectares*

Harvestable extent is the total land under cane cultivation meant for sugar production.

- (vi) *Estimated islandwide Total Insurable Sugar 462,154 tonnes*

Islandwide total insurable sugar is based on the individual sugar potential of each insured and the estimated harvestable extent of cane growers.

- (vii) *Estimated islandwide average ranking 10.5*

The islandwide average ranking is the average ranking of all insureds weighted by their total insurable sugar (potential).

The main variable which has the most material effect on insurance liabilities is islandwide Sugar Production expressed as a percentage of islandwide Total Insurable Sugar. The Directors believe that the liability for the claims carried at the year end is adequate.

## 28. CONTINGENT LIABILITIES

The Fund is making the following disclosures in respect to contingent liabilities in line with IPSAS 19.

- (i) *Deep River Beau Champ Ltd v/s Sugar Insurance Fund Board*

No event year was declared for Crop 2010. Deep River Beau Champ (DRBC) Ltd has appealed to the Supreme Court to alter the Board's decision. The matter is likely to be thrashed out during the year 2013. In the Board's view, the case has a very low probability favouring DRBC Ltd plaintiff. In the event DRBC Ltd's case goes through, the estimated liability is MUR 24 Million for that crop year, while reimbursement is expected for Crop Years 2011 and 2012 from Insureds' compensation for Crop 2010 as it would entail changes in subsequent rankings of those Insureds. Such reimbursement cannot be computed at this stage.

# NOTES TO THE FINANCIAL STATEMENTS (cont'd)

for the year ended 31 December 2012

## 28. CONTINGENT LIABILITIES (cont'd)

### (ii) Restructuration of SIFB

With on-going changes within the sugar sector, Service Providing Institutions have overhauled their activities to curtail cost. The Fund's administration is currently being reviewed and a restructuration plan is under way. There is the possibility of outflows in forms of compensation to employees, which at this stage cannot be measured with sufficient reliability and therefore only a disclosure is being made.

## 29. CLAIMS HISTORY AND DEVELOPMENT

The claims history and development is summarised below:

### General and Fire Insurance

Crop Year	General and Fire Compensation	General and Fire Premium (gross)	Loss Ratio
2012	7,731,929 (Fire only)	293,800,000*	2.6%
2011	199,744,600	574,000,000**	34.8%
2010	19,158,000 (Fire only)	512,194,395 ***	3.7%
2009	195,755,311	651,131,000****	30.1%
2008	413,151,817	718,619,771	57.5%
2007	857,278,983	838,498,228	102.2%
2006	583,572,641	849,437,679	68.7%

\* Based on new insurance terms.

\*\* Before deduction of a discount of Rs 397.6 Million given to Insureds.

\*\*\* Before deduction of a discount of Rs 354.2 Million given to Insureds.

\*\*\*\* Before deduction of a discount of Rs 64.46 Million given to Insureds.

No reinsurance proceeds were receivable for crop years 2006 to 2012.

## 30. CONTROLLING PARTY

The Government of Mauritius is regarded as the controlling party as it appoints the directors of the Fund.



SUGAR INSURANCE FUND BOARD

# APPENDIX B

## FINANCIAL AND STATISTICAL TABLES

Table I:	<i>Statement of Funds</i>
Table II:	<i>Reinsurance</i>
Table III:	<i>Fire Statistics, Crop 2012</i>
Table IV:	<i>Sugar Price</i>
Table V:	<i>Events (1957-2012)</i>
Table VI:	<i>Events by Factory Area, 2003 - 2012</i>
Table VII:	<i>Credit Co-operative Societies, Crop 2012</i>
Table VIII:	<i>Millers, Crop 2012</i>
Table IX:	<i>Analysis by Ranking, Crop 2012</i>
Table X:	<i>Area Harvested &amp; Cane Weight, Crop 2012</i>
Table XI:	<i>Number of Planters, Sugar Produced &amp; Insurable Sugar, Crop 2012</i>
Table XII:	<i>Premium, Compensation and Shortfall - Crop 2012</i>
Table XIII:	<i>Past Years Data (2003 -2012)</i>

Table I : Statement of Funds

Financial Year	Income				Expenditure			Operating Surplus/ (Deficit)	Cumulative Fund Reserves
	Gross Premium	Other contributions	Investments & Other Income	Total Income	Net compensation	Net Reinsurance Premium	Operating & Other Expenses		
	Note 2	Note 3	Note 4		Note 5	Note 6	Note 7		
Up to 2002/2003	10,980,886,432	2,109,608,146	2,291,208,617	15,381,703,195	10,391,388,123	1,982,949,817	1,113,328,193	1,894,037,062	1,894,037,062
2003/2004	837,256,065	-	432,189,979	1,269,446,044	629,033,959	145,377,305	93,884,812	401,149,968	2,295,187,030
2004/2005	896,012,073	-	177,893,428	1,073,905,501	575,718,022	91,126,553	101,975,541	305,085,385	2,600,272,415
2005/2006	849,437,679	-	244,393,634	1,093,831,313	583,572,641	83,143,754	128,419,854	298,695,064	2,898,967,479
2007	838,543,820	-	407,357,609	1,245,901,429	864,726,127	83,191,051	169,436,205	128,548,046	3,027,515,525
2008	717,886,029	-	369,475,477	1,087,361,506	411,675,744	61,745,852	128,694,493	485,245,417	3,512,760,942
2009	651,131,000	6,119,201	252,833,741	910,083,942	196,582,562	53,810,602	210,954,003	448,736,775	3,961,497,717
2010	512,194,395	-	231,699,399	743,893,794	191,158,000	39,077,537	530,339,521	155,318,736	4,116,816,453
2011	574,000,000	-	197,394,861	771,394,861	199,917,308	38,197,390	591,209,638	(57,929,475)	4,058,886,978
2012	293,800,000	-	288,122,302	581,922,302	7,731,929	-	140,573,741	433,616,632	4,492,503,610
<b>TOTAL</b>	<b>17,151,147,493</b>	<b>2,115,727,347</b>	<b>4,892,569,047</b>	<b>24,159,443,887</b>	<b>13,879,504,415</b>	<b>2,578,619,861</b>	<b>3,208,816,001</b>	<b>4,492,503,610</b>	

## Notes

- Figures for financial years 2003/2004 , 2004/2005 and 2007 have been restated on application of new IFRS
- Gross Premium includes Total General and Fire Premium receivable from all insureds.
- Other contributions include receipts from Price Stabilisation Fund, cyclone and Drought Reserve Fund, Special levy, Recoveries from Reinsurers and other transfers from reserves.
- Other income includes all other items not classified under Note 2 and 3 and also includes items posted directly to reserves.
- Net compensation includes amounts payable during the financial year/period, net of adjustments.
- Reinsurance premium is based on amounts payable during the financial year/period, net of adjustments.
- Operating & Other expenses include all other items not classified under Note 5 and 6

Table II: Reinsurance

Financial Year	Reinsurance Premium Rs.	Reinsurance Compensation Rs.
Up to 2001/2002	1,819,840,664	1,746,907,836
2002/2003	194,555,974	-
2003/2004	273,734,284	-
2004/2005	114,970,722	-
2005/2006	98,956,256	-
2007	83,191,051	-
2008	61,745,852	-
2009	53,810,602	6,119,201
2010	39,077,537	-
2011	38,197,390	-
2012	-	-

Note:

- (i) Figures for financial year 2004/2005 have been restated on the application of IFRS in financial year 2005/2006
- (ii) The Fund did not subscribe to re-insurance for crop 2012

Table III: Fire Statistics, Crop 2012

Sector	Cases Compensated (Number)	Effective Area Burnt (Hectares) (1)	Total Area Harvested (Hectares) (2)	Area Burnt as % of Area Harvested %(1)/(2)
North	67	38.113	12,067	0.3
East	37	27.230	15,433	0.2
South	34	55.899	16,642	0.3
West & Centre	16	49.813	9,286	0.5
Island	154	171.055	53,428	0.3

Table IV: Sugar Price

Crop Year	Planters	Millers	Weighted
	(Rupees )		
2003	15,316	15,200	15,290
2004	16,094	15,900	16,051
2005	17,392	17,050	17,317
2006	17,120	16,700	17,028
2007	18,206	17,900	18,139
2008	16,444	16,000	16,346
2009	15,627	15,000	15,489
2010	13,409	12,700	13,253
2011	16,013	15,300	15,856
2012	17,133	16,500	16,994

Table V: Events (1957 - 2012)

Events	1957 to 1959	1960 to 1969	1970 to 1979	1980 to 1989	1990 to 1999	2000 to 2009	2010 to 2012	Total
<b>C</b>	1	4	2	1	1	--	--	9
<b>C &amp; D</b>	--	2	2	--	2	--	--	6
<b>C, D &amp; E</b>	--	--	1	--	--	4	--	5
<b>C &amp; E</b>	--	--	--	2	--	--	--	2
<b>D</b>	2	4	2	4	5	1	1	19
<b>D &amp; E</b>	--	--	2	2	2	4	--	10
<b>E</b>	--	--	1	1	--	1	--	3

Table VI: Events by Factory Area, 2003 - 2012

Factory Area	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>North</b>										
Belle Vue	C&D	---	D&E	D&E	C&D&E	D&E	D&E	---	D	---
Mon Loisir	C&D	---	D&E	D&E	C&D&E	D&E	D&E	---	D	Mill Ceased Operation
<b>East</b>										
Beau Champ	C&E	E	E	C&D&E	C&D&E	E	D&E	---	D	---
FUEL	C&E	E	E	C&D&E	C&D&E	E	D&E	---	D	---
<b>South</b>										
Mon Tresor	C&E	E	E	C&D&E	Mill Ceased Operation					
Riche en Eau	C&E	E	E	C&D&E	Mill Ceased Operation					
Savannah	C&E	E	E	C&D&E	C&D&E	E	E	---	D	---
St Felix	C&E	E	E	Mill Ceased Operation						
Union	C&E	E	E	C&D&E	C&D&E	E	E	Mill Ceased Operation		
<b>West &amp; Centre</b>										
Medine	D	---	D&E	D&E	C&D&E	D&E	D&E	---	D	---
Mon Desert Alma	C&E	E	E	C&D&E	C&D&E	Mill Ceased Operation				

C: Cyclone      D: Drought      E: Excessive Rainfall

Table VII: Credit Co-operative Societies, Crop 2012

Sector	Planters	Area Harvested	Sugar Produced	Insurable Sugar	General Premium	General Compensation
	(Number)	(Hectares)	(Tonnes)		(Rupees)	
North	2,036	1,332	7,091	9,143	6,591,018	-
East	2,921	2,035	11,314	12,839	8,908,595	-
South	2,369	1,449	7,458	8,633	6,019,218	-
West & Centre	811	574	3,158	3,167	2,260,853	-
Island	8,137	5,390	29,021	33,782	23,779,684	-

Table VIII: Millers, Crop 2012

Sector	Millers	Sugar Produced	Insurable Sugar	General Premium	General Compensation
	(Number)	(Tonnes)		(Rupees)	
North	1	19,710	23,641	15,563,965	-
East	2	34,038	36,201	22,474,777	-
South	1	28,179	31,644	18,483,107	-
West & Centre	1	8,500	10,154	6,249,666	-
<b>Island</b>	<b>5</b>	<b>90,427</b>	<b>101,640</b>	<b>62,771,515</b>	<b>-</b>

Table IX: Analysis by Ranking, Crop 2012

Ranking	Planters (Number)	Area Harvested (Hectares)	Canes Milled	Insurable Sugar (Tonnes)	Sugar Produced	Shortfall	General Premium (Rupees)	General Compensation
Up to 5.4	5,345	4,207	228,066	25,318	18,387	-	19,014,912	-
5.5- 5.9	1,301	1,477	86,447	8,725	7,056	-	6,476,560	-
6.0- 6.4	1,414	1,817	116,544	10,864	9,421	-	7,955,564	-
6.5- 6.9	1,570	1,817	121,032	11,217	9,762	-	8,129,734	-
7.0- 7.4	1,504	2,339	157,184	14,810	12,784	-	10,594,201	-
7.5- 7.9	1,325	4,494	301,089	29,495	24,532	-	20,816,915	-
8.0- 8.4	1,074	1,643	117,159	25,453	21,472	-	17,361,566	-
8.5- 8.9	739	762	53,680	4,710	4,346	-	3,250,626	-
9.0- 9.4	634	4,033	310,395	51,773	44,550	-	34,575,041	-
9.5- 9.9	551	471	35,667	3,152	2,900	-	2,104,161	-
10.0-10.4	427	3,924	275,186	26,514	23,023	-	17,397,487	-
10.5-10.9	343	5,265	403,627	48,099	41,778	-	30,628,276	-
11.0-11.4	312	330	24,577	2,159	2,019	-	1,355,026	-
11.5-11.9	261	268	21,380	55,337	52,186	-	32,444,051	-
12.0-12.4	155	3,080	228,132	21,238	18,239	-	12,591,416	-
12.5-12.9	136	1,918	164,035	13,962	12,955	-	8,029,660	-
13.0-13.4	103	5,075	428,940	33,834	35,052	-	19,011,851	-
13.5-13.9	90	2,269	177,684	13,312	14,606	-	7,028,489	-
14.0-14.4	73	420	38,184	2,830	3,018	-	1,424,451	-
14.5-14.9	46	4,681	379,499	34,889	31,771	-	16,897,407	-
15.0 or more	143	3,138	278,778	24,423	23,019	-	11,507,120	-
<b>Island</b>	<b>17,546</b>	<b>53,428</b>	<b>3,947,285</b>	<b>462,114</b>	<b>412,876</b>	<b>-</b>	<b>288,594,514</b>	<b>-</b>

Table X: Area Harvested & Cane Weight, Crop 2012

Sector		Up to 0.49 H	0.5 to 0.99 H	1 to 1.99 H	2 to 4.99 H	5 to 9.99 H	10 to 99.99 H	100 H and above	Total
North	Area Harvested (Hectares)	621	640	770	747	204	377	8,708	12,067
	Cane Weight (Tonnes)	40,773	41,241	50,223	47,657	12,597	17,457	647,287	857,235
East	Area Harvested (Hectares)	774	979	1,082	1,332	494	482	10,290	15,433
	Cane Weight (Tonnes)	51,748	62,562	71,328	89,267	31,426	31,939	808,954	1,147,224
South	Area Harvested (Hectares)	736	1,010	846	856	423	825	11,947	16,643
	Cane Weight (Tonnes)	47,783	62,699	53,614	53,361	28,271	53,271	938,081	1,237,080
West & Centre	Area Harvested (Hectares)	260	604	478	403	281	560	6,699	9,285
	Cane Weight (Tonnes)	16,699	37,189	31,749	27,250	20,986	38,497	533,376	705,746
Island	Area Harvested (Hectares)	2,391	3,233	3,176	3,338	1,402	2,244	37,644	53,428
	Cane Weight (Tonnes)	157,003	203,691	206,914	217,535	93,280	141,164	2,927,698	3,947,285

Table XI: Number of Planters, Sugar Produced &amp; Insurable Sugar, Crop 2012

Sector		Up to 0.49 H	0.5 to 0.99 H	1 to 1.99 H	2 to 4.99 H	5 to 9.99 H	10 to 99.99 H	100 H and above	Miller	Total
	Number of Planters	2,564	905	561	251	31	15	9	1	4,337
North	Sugar Produced (Tonnes)	3,331	3,377	4,107	3,929	1,033	1,473	53,895	19,710	90,855
	Insurable Sugar (Tonnes)	4,344	4,347	5,276	5,168	1,398	2,554	60,731	23,641	107,459
East	Number of Planters	3,066	1,364	783	457	73	27	3	2	5,775
	Sugar Produced (Tonnes)	4,182	5,057	5,768	7,190	2,542	2,616	65,439	34,038	126,832
	Insurable Sugar (Tonnes)	4,934	5,960	6,732	8,238	2,962	3,011	69,573	36,201	137,611
	Number of Planters	2,713	1,380	602	292	64	25	19	1	5,096
South	Sugar Produced (Tonnes)	3,869	5,068	4,316	4,280	2,234	4,129	75,737	28,179	127,812
	Insurable Sugar (Tonnes)	4,603	5,794	5,041	5,126	2,486	4,817	84,292	31,644	143,803
	Number of Planters	986	791	350	142	39	21	8	1	2,338
West & Centre	Sugar Produced (Tonnes)	1,370	2,997	2,570	2,224	1,770	3,203	44,743	8,500	67,377
	Insurable Sugar (Tonnes)	1,422	3,083	2,601	2,304	1,897	3,943	47,837	10,154	73,241
	Number of Planters	9,329	4,440	2,296	1,142	207	88	39	5	17,546
Island	Sugar Produced (Tonnes)	12,752	16,499	16,761	17,623	7,579	11,421	239,814	90,427	412,876
	Insurable Sugar (Tonnes)	15,303	19,184	19,650	20,836	8,743	14,325	262,433	101,640	462,114

Table XII: Premium, Compensation & Shortfall, Crop 2012

Sector		Up to 0.49 H	0.5 to 0.99 H	1 to 1.99 H	2 to 4.99 H	5 to 9.99 H	10 to 99.99 H	100 H and above	Miller	Total
North	Premium (Rs)	3,148,697	3,147,964	3,816,115	3,687,321	982,828	1,806,197	39,940,123	15,563,965	72,093,210
	Compensation (Rs)									-
	Shortfall (Tonnes)									-
East	Premium (Rs)	3,467,036	4,199,917	4,714,352	5,791,732	2,087,466	2,070,968	43,692,929	22,474,777	88,499,177
	Compensation (Rs)									-
	Shortfall (Tonnes)									-
South	Premium (Rs)	3,226,748	4,075,810	3,513,319	3,573,281	1,723,891	3,036,416	47,548,945	18,483,107	85,181,517
	Compensation (Rs)									-
	Shortfall (Tonnes)									-
West & Centre	Premium (Rs)	1,023,255	2,219,570	1,871,623	1,659,766	1,378,962	2,786,162	25,631,606	6,249,666	42,820,610
	Compensation (Rs)									-
	Shortfall (Tonnes)									-
Island	Premium (Rs)	10,865,736	13,643,261	13,915,409	14,712,100	6,173,147	9,699,743	156,813,603	62,771,515	288,594,514
	Compensation (Rs)	-	-	-	-	-	-	-	-	-
	Shortfall (Tonnes)	-	-	-	-	-	-	-	-	-

Table XIII: Past Years Data (2003 - 2012)

Crop Year	Planters (Number)	Area Harvested (Hectares)	Canes Milled	Sugar Produced	Insurable Sugar	Shortfall	General Premium	General Compensation (Rupees Th)	Crop Reduction %	Events
2003	28,046	69,995	5,200,045	538,904	662,649	66,943	830,615	628,513	19	D; E; C: Gerry, Manou
2004	27,617	68,745	5,281,455	574,140	644,356	36,120	849,606	349,302	11	E
2005	26,898	67,404	4,984,315	521,541	628,854	54,188	889,665	566,857	17	D & E
2006	25,693	65,243	4,695,173	506,576	608,730	56,736	843,454	581,800	17	D; E; C: Diwa
2007	24,342	63,188	4,236,793	438,068	567,003	77,774	830,595	848,782	23	D; E; C: Gamede
2008	22,747	60,381	4,533,384	455,374	540,382	40,718	711,852	406,633	16	D & E
2009	21,498	59,108	4,666,949	470,895	523,354	18,919	644,223	178,644	10	D & E
2010	20,311	57,670	4,365,794	457,131	493,306	-	505,976	-	7	---
2011	18,816	55,777	4,230,173	439,406	481,003	19,102	567,738	191,283	9	D
2012	17,546	53,428	3,947,285	412,876	462,114	-	288,595	-	11	---

## Staff Matters

### I. STAFF LIST

#### Head Office

Lucette M D Athion, Aniffa B Aumeerally, Soochitra D Bachoo, Roopnarain Ballgobin, Sarowsati D Basant Rai, Shilamanee Belut, Rajshree D Boodhoo, Subhashini D Boodhoo, Vijaya Bundhoo, Usha D Bundhun, Shashikala D Chamroo, Veenah D M D Chinappen, Johnny S S Chong Chap Sin, Fritz J L Chowrimootoo, Rajcoomaree Dabee, Kavita Damry, Maha Devi Dewan, Mahendranath Dewkurrin, Amarsing Dinajsingh, Kavita Doollub, Jayshree Gangaram, Deorajnuth Gansam, Chandarman Ghumondee, Gaoutam Gooroochurn, Dayen Gujadhur, Madhvee Gunesh, Titrunjansing Gunesssing, Basmattee Gunness, Amrita M Huree, Rameshwari Jagun, Devina M Jankee, Saffick Janoo, Suresh Jatoonah, Vijay K Jeewooth, Sonalall Jhurree, Vishnuduth Jooron, Seevananda Kathapermal, Yantee D Khemraz, Kaliani Koolash, Sheela D Koonja, Ram Kuniah, Umadevi Kurreeman, Ranita H J R S Mahadeo, Naraindre Motee, Jimmy Y K Newk-Fon Hey Tow, Mohammad Ameen I Noormahomed, Krishna J Pareemanun, Sabita Pattoo, Cheryl M V Payet, Yashin M Peermamode, Arvin Poreema, Devendra K Purmessur, Diness Purryag, Kanta Purryag, Sarojun Ragen-Beeharry, Mirabai S Ragudu, Sarojni Ramanna, Vidia Ramaswami, Rajwantee Rambojun, Lakshika D Ramkissoon, Chandnee Ramlall, Prathiba Ramlochund, Pritee Ramnochane, Devika Ramrecha, Rajwantee D Ramrichia, Hemwantee Ramsokul, Roshila Devi Rekhaye, Brijanand Runglollsing, Asraf A Sahajasein, Florence Seblin, Shashimala Seeboo, Shashimala Servansingh, Roshni Sonahee, Surekha N D Soobrayen, Jayendra Sookdeb, Amarnath Sookun, Rajkarrun Sookun, Phoolmani Sooruyah, Nandinee Sreemantoo, Rita Surjoo, Rajkumari Tauckoor

#### Bon Accueil

Raouf Bhaukaurally, Gowtam Bulato, Dhaneswar Bumma, Appanah S Cuniah, Deodass Emerith, Premduth Jugnarain, Tayeb M Kaderbathia, Shyamduth Luttoo, Ramjeet Moorut, Rakesh Naiko, Shiam Narsimulu, Saoud M Nunhuck, Noorani M Peerun, Narainsamy Pothan, Ramesh Rambhojoo, Raz Siburuth, Hassen Soodhoo

#### Mare D' Albert

Brown Appadoo, Sadasiven Arnasalon, Goorodeo Bansy, Manoj K Beedasy, Anandpersad Beeharry, Koomar Bhunjun, Tikaram Boodhooa, Jagdice Buchoo, Rajen Bundhun, Toolsee Groodoyal, Nundkishore Kissensing, Jaideo Mokoonlall, Harrish Mungur, Dharmanand Nathoo, Sanjeet Nistar, Rafick M Nunnoo, Goraj Peryagh, Narainsamy Pydiah, Asutosh S Ramsahye, Sanassee Sanassee, Ignace Sandean, Kissorlall Seechurn, Romeswar Seegolum, Anthony Seenevassenpillay, Jose M Soobrayen, Pravin Sooklaul, Lutchmeenarain Sunassee

#### Pamplemousses

Moossa Aiahsaib, Anand Appa, Rajendra K Baboolall, Subash L Bamma, Rajnish Bhuckory, Rajcoomarsing Bijlall, Sookraj Bissessur, Beepraj Bohorun, Annoopamshyam S Buljeeon, Sasan Buton, Sanjeev K Callychurn, Nundeo Chacoory, Clovis L J Charlot-Colomes, Omduth Choolun, Darshan Dookhy, Vivendra Goorah, Satyanand Hulkua, Chutterghoon Khettoo, Harrish Khoodeeram, Issoop Leddha, Ramcharan Maywah, Hun-sraj Mungur, Sooriadeho Punchu, Devanand Rajoo, Ishwarduth Ramchurn, Ootamduth Ramkeesoon, Dewjit Ramsahye, Soopramanien Ramsamy, Pardoomandass Seebaluck, Yahsin Sheik Fareed, Satiavrat Sookaloo, Rajandra R Surjoo, Khelawon Teeluck, Soopayah Veeren

#### Quartier Militaire

Sadaseeven Anadachee, Rishikumar Arsadi, Yogeshwar Bachasingh, Rajnan Baldeo, Kesswar Balgobin, Rengasamy Beemadoo, Rajcoomar Bhoondah, Doorwanand Bissessur, Bohwaneswar Chitamun, Nandarajen Coolanaden, Devadasen Curpen, Vijayatma Daby, Shaheed Dargaye, Ishwardeo Golam, Nazirkhan Hos-sen, Rohit Jahajeeah, Vishal Kadoo, Dawandranath Maghun, Amal D Mohabeer, Rajeshwur Mohajeer, Shan-moogum Mookien, Soodesh Multra, Moonoosawmy Paniken, Brijesh B Ramdewor, Sakuntala Ramhit, Door-gacharrun Singh Ramiad, Bhojuswar Ramkissoon, Deepak Ramtohol, Benymadho Roopun, Asokumardass Seebaluck, Arveen Seewooram, Soodesh Sohabul, Danilall Sookun

## Souillac

Atchanah Appiah, Dharma Rajen Beelattoo, Bramdath Bhooabul, Beerjanand Bhunjun, Shantaram Bhurtun, Veeraj Coondiah, Sumangal Dewoo, Vatanlall Gangoo, Lutchmee Persad Ghoora, Sookram Goberdhan, Rishi K Greedharee, Yemraj Jamansing, Dinanath Jayeprokash, Mohundranath Jumnah, Randhir Kissensing, Sudess Luchman, Sada Mooneesawmy, Sarvam Nuckcheda, Oomraj Nundun, Sooriedeo Ramdowar, Ravi Sham, Christian Soobroydoo, Devkumarsing Sreepaul, Jayduth Teeluck, Amritlall Toory

## Vacoas

Reshad Bhaukaurally, Parthiben P Coopamah, Surendranath Gopal, Ravind Jeewooth, Shivrane Jhurkut, Sattyanand Kanhye, Bhimsen Mangra, Ibrahim Mathurah, Chatterjee Nathoo, Deven Perianen, Kaylass Ramsokul, Mohamedally Rosun, Ranjeet Seebun, Ramchundar Seekunto, Ishwar S Seewoonauth, Krishnanund Sheoraj, Krist Sooben, Sanjaye Tackopersadh

## 2. RETIREMENTS

- i. Mr Krishnamoorthy P Vayapooree, Manager Inspection, retired on 11.01.2012.
- ii. Mr Jeewan Garibdass, Senior Field Officer, retired on 27.03.2012.
- iii. Mr Youveraj Nathoo, Internal Auditor, retired on 07.09.2012.
- iv. Mr Tarkeshwarnath Soonarane, Assistant Inspector, retired on 07.11.2012.
- v. Mr Ramlagun Mautadin, Assistant Inspector, retired on 16.11.2012.





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