



Annual Report

2020-2021

TABLE OF CONTENTS

<i>Chairperson's Letter</i>	<i>1</i>
<i>Chairperson's Report</i>	<i>2</i>
<i>Officer in Charge Report</i>	<i>3</i>
<i>About The Sugar Insurance Fund Board.....</i>	<i>4</i>
<i>Crop 2020 Highlights.....</i>	<i>5</i>
<i>Corporate Governance Report.....</i>	<i>10</i>
<i>Statement of Compliance</i>	<i>27</i>
<i>Address Of Offices</i>	<i>28</i>
<i>Financial Performance</i>	<i>29</i>
<i>Report of the Director of Audit</i>	<i>32</i>
<i>Financial Statements For The Year Ended 30 June 2021</i>	<i>40</i>
<i>Financial And Statistical Tables</i>	<i>76</i>

CHAIRPERSON'S LETTER

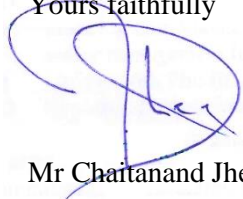
The Honourable Maneesh GOBIN
Attorney General
Minister of Agro Industry and Food Security
9th floor, Renganaden Seeneevassen Bldg
Port Louis

Sir,

In accordance with Section 9 (1) and (2) of the Statutory Bodies (Accounts and Audit) Act, the Board of the Sugar Insurance Fund is pleased to present its Annual Report including the audited Financial Statements ended 30 June 2021 to be laid before the National Assembly.

The Annual Report was approved by the SIFB on 26 April 2022.

Yours faithfully



Mr Chaitanand Jheengun
Chairperson
Sugar Insurance Fund Board

Date: 9 May 2022

CHAIRPERSON'S REPORT

On behalf of the Board, I am pleased to present the Annual Report of the Sugar Insurance Fund Board for the Financial Year ending June 2021.

The Annual Report which comprise of the Corporate Governance Report and the Audited Financial Statements was approved by the Board of SIFB on 26 April 2022.

Appreciation

On behalf of the Board, I would like to express our gratitude to the Ministry of Agro Industry & Food Security, the Mauritius Cane Industry Authority, the Farmers Services Authority, the Mauritius Sugar Syndicate, the Mauritius Chamber of Agriculture, Millers and Planters for their valuable support. I would also like to thank the Management team and all the staff for their dedication and engagement.

OFFICER IN CHARGE'S REPORT

To All partners and stakeholders

The financial year 2020/2021 was marked by the persistence of the Covid 19 pandemic over the world with the second and third waves. Although vaccines have raised hopes of a turnaround, renewed waves of virus spread and new variants of the virus coupled with limited availability of vaccines pose concern for the near future.

The country-wide second lockdown had limited impact on the activities of the Fund as a result of experiences gained from the first lockdown. Senior and middle management was facilitated with work from home and access to the Fund's database and IT network through VPN connections which enabled continuity in activities.

Due to continuous support given to the industry in forms of financial assistances during the past decade, the Fund's long term financial viability and solvency had to be tested. As a result, an Actuarial Review is currently underway; the outcome of which is expected to be effective as from Crop 2021.

To counter the problematics of capture of field data namely the ageing field staff, labour intensiveness of inspecting activities, and subjectivity of findings collected among others, the Fund has embarked on a drone project for field inspection and survey of cane plantation.

The key highlights from the financial statements for the year ended 30 June 2021 includes an increase in total assets by some MUR 694 million and an increase in net assets by 3.4%. Crop 2020 reported in this financial year was declared as an event year under General Insurance (for all categories of Insureds in EFAs Alteo and Omnicane) and provision for compensation payable amounted to some MUR 427.76M.

The Fund's Total Assets is held at 32% in foreign currencies namely the Euro and USD and the appreciation of these currencies vis-à-vis the Mauritian rupee benefitted the Fund.

GOOROOCHURN GAOUTAM

Officer-in-Charge

27 September 2021

ABOUT THE SUGAR INSURANCE FUND BOARD

1. BACKGROUND / INTRODUCTION

The vulnerability of the monoculture economy to unpredictable adverse weather posed serious threat to the smooth growth of the mono-crop based economy and prompted policymakers to ponder on ways and means to financially protect the farming community. Thus, the idea of insuring the sugar cane crop was first evoked by the British Colonial Government in 1906. The recurrence of cyclones and consequential damages always led to representations by stakeholders of the sugar industry. In 1944, a cyclone caused 25% fall in crop yield; Mauritius was hit by 3 more cyclones in 1945 which brought heavy damage to sugarcane. In the aftermath of these catastrophes, the Colony was brought to its knees and the inhabitants faced insurmountable difficulties. Financial aid from the Imperial Government for rehabilitation of farms/estates was conditional to the setting up of an insurance fund.

After the 1945 cyclone, matters precipitated at Government level with the Chamber of Agriculture, Control Board and representatives of small planters to set up an insurance scheme as a measure of stability and viability of sugar cane crop. **The Cyclone and Drought Insurance Board** came into operation putting Mauritius in the forefront in the world as provider of such a unique crop insurance scheme in the British territory. The move was widely acclaimed as a success in bringing all categories of sugar producers in the same pool of a mutually-funded insurance scheme.

2. EARLY STAGES / DEVELOPMENT OF THE FUND

The first premiums paid covered crop 1947. No claims were admitted by the Board, which allowed the Fund to build up and the first “Event Year” was declared in 1957. The acid test for the Fund was the year 1960 after cyclones Alix and Carol in January and February 1960 damaging 62% of the crop. The Fund collected Rs 12 Million as premium and paid out Rs 140 Million as compensation. This scenario prompted the Fund to strengthen its methods of assessing claims. Verification of acreages cultivated by small planters first began in February 1960. Registration of planters was first resorted to in May 1960 in respect of the 1960 crop.

3. THE SUGAR INSURANCE FUND BOARD

In 1974, by a new legislation, the **Sugar Insurance Fund Board** emerged. Shortly after, the Fund was faced with intense tropical cyclone Gervaise in 1975 and cyclones Claudette, and Hyacinthe & Jacinthe in 1979/1980, damaging 35% of the crop. In 1975, the Fund was on the verge of insolvency and a special levy was imposed on the 1974 crop. The subsequent crucial cyclonic impact was caused by cyclone Hollanda in the year 1994 resulting in a crop destruction of 29% and disbursement of some Rs 1 Billion. Crop 1999 encountered the most severe drought, leading to the ruin of 47% of crop loss. The SIFB again stood by the side of all producers. Following replantation of fields after the 1999 drought, sugar production hiked to its peak of 648,000 metric tons in 2001.

4. THE 21st CENTURY DEVELOPMENTS

The 21st century was marked by the gradual erosion of trading preferences with the EU and the implementation of a series of industrial reforms. The end of the ACP-EU Sugar Protocol in October 2009 resulted in drastic fall in sugar prices, negatively impacting on producers’ revenue. Since 2009, the industry entered into a phase of transition and was confronted with looming threats to the viability of the sugar sector. The absence of major compensable events, sound assets management and the Board’s investment philosophy improved the finances of the Fund to reach a comfortable level of reserves exceeding Rs 5 Billion in 2010; and became the allure of stakeholders. In view of the then financial strength of the Fund, the SIFB stood by the side of the industry in its turbulent times by offering assistance to insureds in terms of Discounted General Premiums, Premium Holidays and Financial Assistance. During the past decade, the Fund collected premium (General + Fire) amounting to some Rs 1.98 Billion (net of discounts) and made disbursements to the tune of some Rs 4.41 Billion in forms of compensation and financial assistances to Insureds. The gradual drop in total area under cane from 64,132 hectares for crop 2010 to 46,700 hectares for crop 2020 (more details available under the crop highlights section) has been an element of serious concern. Various moves have been made by regulatory institutions in the cane sector to curb this tendency.

CROP 2020 HIGHLIGHTS

5. REGISTRATION OF FACTORIES AND PLANTATIONS

- 5.1** In order to contain the spread of COVID-19 virus, Mauritius went on national confinement effective 20th March 2020 which was extended thrice to end on 30th May 2020. As a consequence of the lockdown, pre-registration inspection (i1) for Crop 2020 could not be completed and no pre-registration field data could be collected to serve as benchmark for Crop 2020 registration.
- 5.2** With a view to maintain social distancing and avoid social gathering, the SIFB exceptionally decided to automatically renew the last year's registration of each growing unit planter for Crop 2020 provided that there has been no change in respect of the area of land which the planter or métayer has under cane cultivation or the area which he intends to harvest during crop 2020. Likewise, the SIFB extended the deadline of 31st May for amendments and new registration of cane plantations for 2020 crop harvest till 30th June 2020.
- 5.3** To that effect, a communiqué was aired on radios and released to all stakeholders with a hotline and office desk for enquiries.

6. CROP HARVEST & MILLING OPERATIONS

- 6.1** The total area under cane plantations (plant, virgin and ratoon canes) stood at **46,700** Ha for Crop 2020. Crop 2020 witnessed an effective drop in extent under cane of **2,589** hectares of cane land from last crop year. **Figure 1** below depicts the trend in extent under cane and harvest extent since Crop 2010.

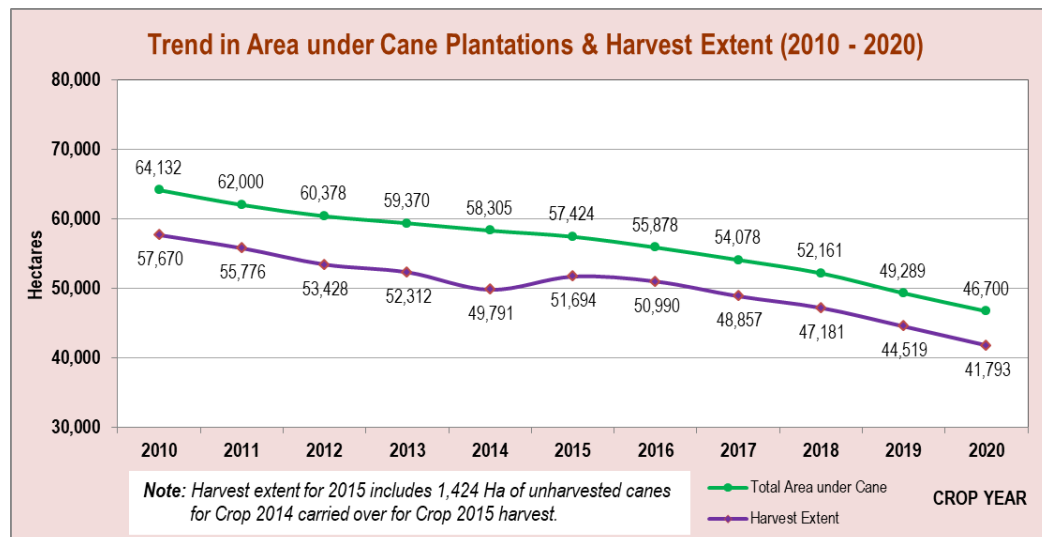


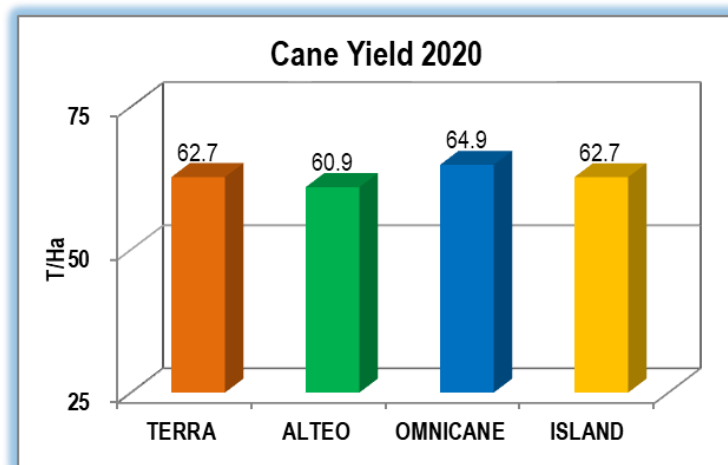
Figure 1

- 6.2** On 29 March 2019, Cabinet agreed to the closure of Medine sugar factory with effect from the end of Crop 2018. Post-closure, arrangements were made with the 3 other sugar factories in operation namely TERRA, ALTEO and OMNICANE to receive the canes grown in the enlarged factory area of MEDINE to be delivered to the 3 remaining sugar mills in operation. Consequently, all the MCIA-CAD test codes pertaining to the EFA of Medine have been re-allocated to the 3 other EFAs. **Thus, in line with the SIF Act, there exists only 3 EFAs namely TERRA, ALTEO and OMNICANE.**

- 6.3** Milling operations for Crop 2020 first started at ALTEO factory on the 17th June 2020 and ended with TERRA factory on 21st December 2020.
- 6.4** The total area harvested for Crop 2020 for milling purposes stood at **41,793** Ha as compared to 44,519 Ha for Crop 2019. The highest harvest extent is seen in ALTEO enlarged factory with 16,834 hectares under cane harvested for milling whilst TERRA enlarged factory area had the lowest (11,406 Ha).
- 6.5** The highest cane yield per hectare recorded at enlarged factory level is 64.9 T/Ha for OMNICANE, whilst ALTEO had the lowest cane yield (60.9 T/Ha). **Table 1** shows the harvest extent, cane weight and cane yield for each enlarged factory area.

Table 1 – Harvest Extent and Cane Yield

Enlarged Factory Area	Harvest Extent (Ha)	Cane Weight (T)	Cane Yield [T/Ha]
TERRA	11,406	715,208	62.7
ALTEO	16,834	1,025,906	60.9
OMNICANE	13,553	879,006	64.9
TOTAL	41,793	2,620,121	62.7

**Figure 2**

7. SUGAR PRODUCTION

- 7.1** For Crop 2020, the total tonnage of canes harvested and sent to mills for sugar production island-wide by planters was 2,620,121 tonnes, as compared to **3,405,250** tonnes for the last crop season.
- 7.2** For Crop 2020, the amount of sugar produced “*tel quel*” was **272,348** tonnes as compared to 333,192 tonnes manufactured in 2019.
- 7.3** Island average sucrose content per tonne of cane crushed for Crop 2020 was **10.39%** as compared to 9.78% in 2019, a rise by 0.61 percent. The highest extraction rate was recorded at TERRA (11.28%) and the lowest at ALTEO (10.01%).

Table 2 – Final Assessment of Sugar

ENLARGED FACTORY	Crop 2020	Crop 2019
TERRA	11.28%	10.37%
ALTEO	10.01%	9.49%
OMNICANE	10.12%	9.64%
ISLAND AVERAGE	10.39%	9.78%

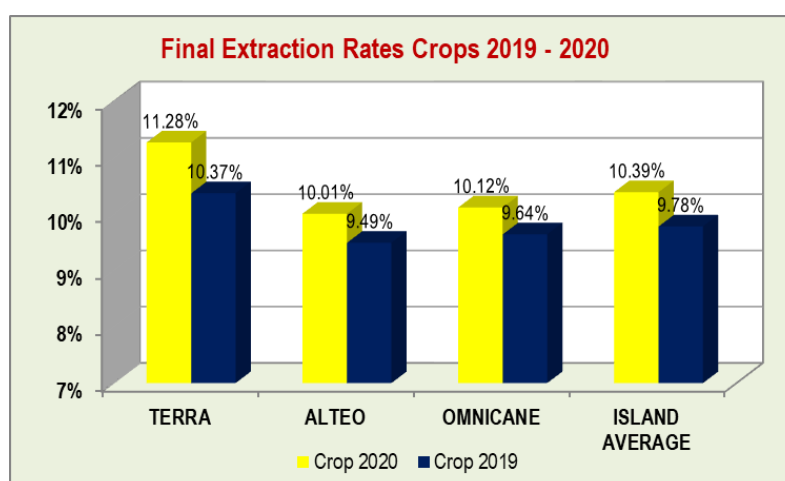


Figure 3

8. NUMBER OF SUGAR PRODUCERS

- 8.1** The total number of insured accounts stands at **11,421**. However, the total number of sugar producers for Crop 2020 stands **10,390** as compared to 10,822 for Crop 2019. This consists of:
- (i) **10,387 planters/ métayers** having consigned canes for milling (as compared to **10,819** for Crop 2019); and
 - (ii) **3 millers** each having a sugar accruing corresponding to 22% of sugar share from all canes consigned to mill by cane growers.

9. GENERAL INSURANCE

9.1 Sugar Price for Insurance Purposes

9.1.1 In accordance with Section 47 of the Sugar Insurance Fund Act, the sugar price for insurance purposes in respect of Crop Year 2020 was determined at the rates of:

- (i) **Rs. 12,780** per metric ton of sugar for the growing side, inclusive of added value of molasses.
- (ii) **Rs. 12,000** per metric ton of sugar for milling side.

9.1.2 These rates were published under General Notice No. 11 of 2021 in the Government Gazette.

9.2 Declaration of Event Year

9.2.1 Section 25 of the Sugar Insurance Fund Act provides for the declaration of an Event Year by the Board on account of the occurrence of cyclone, drought or excessive rainfall where, in any crop year, the total sugar accrued for an enlarged factory area is not more than 80% of the total insurable sugar for any group of planters in any enlarged factory area.

9.2.2 For Crop 2020, the Board has declared an Event Year on account of Drought for:

- (i) Growing Units in ALTEO and OMNICANE Enlarged Factory Areas; and
- (ii) Large Planter groupings in ALTEO and OMNICANE Enlarged Factory Areas.

9.2.3 The Declaration of Event Year for Crop 2020 was published in the Government Gazette under General Notice No. 1119 of 2021.

9.3 General Assessment

9.3.1 For Crop Year 2020, the total amount of sugar accruing was 272,348 tonnes against a final Total Insurable Sugar of 342,741 tonnes, i.e. a crop reduction of 20.5% island-wide.

9.3.2 The General Premium Income (GPI) receivable for the year was **Rs 140.8 Million** from all insureds, inclusive of a Government grant of Rs 24.4 Million for reduced general premiums in favour of small planters/métayers having not more than 60 T of sugar accrued for Crop Year 2020.

9.3.3 For Crop 2020, an Event Year has been declared in respect of both the Growing Units and the Large Planter groupings of the EFAs of OMNICANE and ALTEO.

9.3.4 The total general compensation payable to eligible insureds for the year was **Rs 427.8 Million** for losses suffered in sugar production.

9.3.5 **Table 3** below shows the Total General Premium Receivable, the Total General Compensation payable and the loss ratio for each enlarged factory area.

Table 3 – Crop 2020 General Assessment

ENLARGED FACTORY AREA	General Premium Receivable [Rs]	General Compensation Payable [Rs]	Loss Ratio
TERRA	33.5 M	-	0%
ALTEO	65.0 M	188.5 M	290%
OMNICANE	42.3 M	239.3 M	566%
TOTAL	140.8 M	427.8 M	304%

10. FIRE INSURANCE

10.1 Inter-crop Fire 2020

10.1.1 For Crop 2020, the total number of compensated fire cases caused by inter-crop fire was **82** representing a total extent of **197** hectares of canes was destroyed island-wide.

10.1.2 An increase in compensable cases has been observed compared to Crop 2019 which stood at 72 eligible insureds for a total extent of 264 hectares. However, the inter-crop fire compensation paid amounted to **Rs 7.6 M**, compared to Rs 11.0 M for Crop 2019. This decrease in amount paid is attributable to the fact that compensable extents burnt were lower than the last inter-crop season.

10.1.3 The number of compensable fire cases was more prominent in the North sector of the island followed by the South sector.

10.2 Fire during Harvest 2020

10.2.1 The number of fire occurrences during harvest season was observed to be highly prominent in the North sector of the island.

10.2.2 A total amount of **Rs 1.4 M** was disbursed to **41** eligible insureds as road transport allowance for transportation of burnt canes for milling at another sugar factory outside their respective enlarged factory areas, compared to Rs 0.99 M for the last harvest season.

10.3 Fire Insurance Account Status

10.3.1 The loss ratio under the Fire insurance Account for Crop 2020 was **106%**, representing an island-wide compensation of **Rs 9.1 M** against an island-wide premium of **Rs 8.6 M**.

10.3.2 As a result of the claims experience with respect to Crop 2020, the balance in the Fire Fund has reduced from Rs 2.77 M as at 30 June 2020 to **Rs 2.07 M** as at 30 June 2021.

CORPORATE GOVERNANCE REPORT

The Sugar Insurance Fund Board (SIFB) is governed by the Sugar Insurance Fund (SIF) Act (1974)

In accordance with Section 62 of the Constitution, the Hon Minister of Agro Industry and Food Security was assigned the responsibility of the Sugar Insurance Fund Board as from 29 November 2018.

The SIFB is required to comply to the eight (8) principles of the Code of Corporate Governance in accordance with the National Code of Corporate Governance for Mauritius, 2016 (the 'Code') by virtue of the provisions of the Financial Reporting Act 2004.

The Corporate Governance Report highlights how the SIFB has implemented the recommendations of the Code.

Principle 1: Governance Structure

The SIFB is led by its Board of Directors ('The Board') as established under the Sugar Insurance Fund (SIF) Act.

The Board derives its authority to act from the Sugar Insurance Fund Act and the relevant laws.

- (1) The Board shall consist of:
 - (a) a Chairperson, to be appointed by the Minister on such terms and conditions as the Minister may determine;
 - (b) the supervising officer of the Ministry responsible for the subject of agriculture or his representative;
 - (c) the Financial Secretary or his representative;
 - (d) the Director of the Control and Arbitration Department of the Mauritius Cane Industry Authority;
 - (e) a representative of the Chamber of Agriculture;
 - (f) 4 representatives of planters;
 - (g) a representative of millers;
 - (h) a representative of the Mauritius Cane Industry Authority.
- (2) The Directors specified in subsection (1)(f) (g) and (h) shall -
 - (a) be appointed or designated by the Minister, as the case may be; and
 - (b) hold and vacate office on such terms as the Minister may determine.
- (3) Every director shall be paid such allowance as may be determined by the Minister.

The quorum of the Board shall be 5.

The roles and responsibilities of the Board include interalia:

- a) The Board is ultimately responsible and accountable for the performance and activities of the Institution.
- b) The Board has delegated authority for the operations and administration of the organization to the General Manager.
- c) The Board is responsible for: adoption of strategic plans and policies as proposed by Management; monitoring the operational performance; establishing policies and processes that ensure integrity of the Institution's internal controls; and risk management.
- d) The role of the Board is to oversee executive management and the proper functioning of the organisation.

- e) The Board is to ensure that the Fund is managed in an effective and responsible manner in accordance with the SIF Act.
- f) The Directors have a legal duty to act in the best interest of the Fund.
- g) The Board is responsible for ensuring that management actively cultivates a culture of ethical conduct and sets the values to which the institution will adhere.
- h) The Board is responsible for ensuring that the strategies adopted promote the sustainability of the Institution.

The Board shall with the approval of the Minister, appoint a General Manager who shall be the Chief Executive Officer (CEO) of the Board.

Chairperson of the Board

The role of the Chairperson of the Board is to:

- (1) Represent the Board, provide leadership to the Board and ensure its effectiveness in all aspects of its role.
- (2) Set the Board agenda with the assistance of the General Manager and Secretary to the Board.
- (3) Ensure that the Board is fully apprised of critical issues and has the opportunity to debate the strategic direction of the Institution.
- (4) Ensure the Board undertakes continuous development in order to enhance governance practices within the Board itself and in the interest of the Institution.

General Manager

The Role of the General Manager is to:

- (i) Develop and Recommend policies for Board adoption
- (ii) Ensure that policies already adopted are duly implemented.
- (iii) Strive consistently to achieve the company's financial and operating goals and objective.
- (iv) Ensure that the day-to-day business affairs of the company are appropriately monitored and managed;
- (v) Establish and maintain efficient and adequate internal control systems.
- (vi) Ensure that the Board is apprised about the operations of the institution through presentation of relevant board papers.
- (vii) Oversee the implementation of a framework on information, information technology and information security governance.
- (viii) Develop and implement health and safety policies and practices aligned with regulatory requirements.

Secretary

The Administrative Secretary acts as the Secretary to the Board and its Committees. The main responsibilities are, among others, to prepare and circulate agendas and papers to the Board and sub committees, to take minutes of meetings and ensure that the Fund complies with its Act and any procedure established by the Board.

Management Team

General Manager *	Mr. Koosh Raj Sooknah	<ul style="list-style-type: none"> FCCA Member of the Mauritius Institute of Professional Accountants
Chief Operations Officer	Mr. Yungkiong Jimmy Newkfonheyto	<ul style="list-style-type: none"> BSc in Computer Science Associate Member of the Society of Actuaries, North America
Chief Finance Officer **	Mr. Gaoutam Gooroochurn	<ul style="list-style-type: none"> FCCA MBA Member of the Mauritius Institute of Professional Accountants
Senior Software Engineer	Mr. Mohamed Yashin Mohamed Areff Fareed Esmael Peermamode	<ul style="list-style-type: none"> Diploma in Information Technology
Administrative Secretary	Mrs Baneeta Ramdhony	<ul style="list-style-type: none"> BSc (Hons) in Public Administration and Management MBA
Internal Auditor	Mr. Mohammad Ameen Ishack Noormahomed	<ul style="list-style-type: none"> BSc (Hons) in Economics & Accountancy Registered as a professional Accountant with the Mauritius Institute of Professional Accountants
Senior Network & Systems Administrator	Mr. Soo Shuing Chong Chap Sin	<ul style="list-style-type: none"> BSc in Electronic Engineer MBA
Manager (Finance) – <i>Leave without pay for 1 year as from 1 June 2021</i>	Rajshree Deeptee Boodhoo	<ul style="list-style-type: none"> BSc (Hons) in Banking and International Finance MSC in Finance and Investments
Operations Manager	Jayendra Sookdeb	<ul style="list-style-type: none"> BSc Statistics Executive MBA Associate member of the Institute and Faculty of Actuaries, UK.
Land Surveyor (<i>up to 31 December 2020</i>)	Mr. Sasan Buton	<ul style="list-style-type: none"> Diploma in Land Surveying Certificate from Land Surveyor's Commission
Land Surveyor (<i>as from 5 May 2021</i>)	Mr. Narainsamy Pydiah	<ul style="list-style-type: none"> Diploma in Land Surveying Certificate from Land's Surveyor's Commission
Area Manager	Mr. Soopramanien Ramsamy	<ul style="list-style-type: none"> Certificate in Animal Production BSc (Hons) in Agriculture Post graduate Diploma in Human Resource Management

* Following a case of conflict of interest, the employment of the General Manager was terminated on 16 December 2021 as per the terms of his contract.

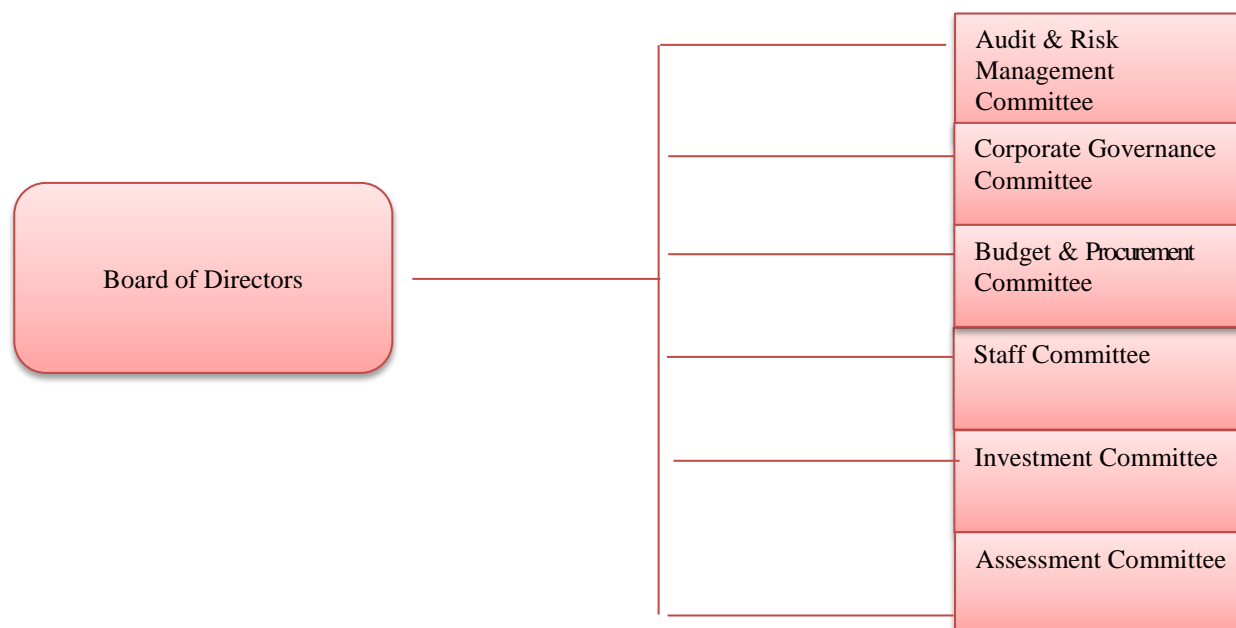
** The Chief Finance Officer has been assigned duties of Officer in Charge as from 30 July 2021, until further notice.

Principle 2: The Structure of the Board and its Committees

The Board is ultimately responsible for accountability and performance of the organization.

Sub committees of the Board are constituted to assist in the discharging of duties in a more effective manner. However, the Board is ultimately responsible.

Board Structure



Board of Directors

Directors of the Board constituted on 29 April 2019

Mr Azaad Aumeerally ¹ (up to 30 Sep 2020)	Chairperson
Mr Koosiram Conhye ² (as from 20 Oct 2020)	Chairperson
Mr Bojrazsingh Boyramboli ³	Representative of Ministry of Agro Industry & Food Security
Mr Vikraj Ramkelawon	Representative of Ministry of Finance & Economic Planning and Development
Mr Devendra Nath Busgeeth	Representative of the Control and Arbitration Department of the Mauritius Cane Industry Authority
Mr Sebastien Mamet	Representative of Mauritius Chamber of Agriculture
Mr Chabeelall Dabydoyal	Representative of Planters
Mr Madhoosoodhun Motah	Representative of Planters
Mr Kamless Seeam	Representative of Planters
Mr Reshad Bhaukaurally	Representative of Planters
Mr Jean Li Yuen Fong	Representative of Millers

Note: (1) Mr Azaad Aumeerally was Chairperson of SIFB up to 30 September 2020.
 (2) As from 20 October 2020, Mr Koosiram Conhye was designated as Chairperson of SIFB.
 (3) Mr Bojrazsingh Boyramboli was Representative of Ministry of Agro Industry & Food Security up to 15 October 2020.

The Board of SIFB was fully reconstituted on 25 January 2021 with the following Directors:

Mr Chaitanand Jheengun	Chairperson
Mr Koosiram Conhye	Representative of Ministry of Agro Industry & Food Security
Mr Vikraj Ramkelawon	Representative of Ministry of Finance & Economic Planning and Development
Mr Devendra Nath Busgeeth	Representative of the Control and Arbitration Department of the Mauritius Cane Industry Authority
Mr Sebastien Mamet	Representative of Mauritius Chamber of Agriculture
Mr Pramanund Newoor (M.S.K)	Representative of Planters
Mr Madhoosoodhun Motah	Representative of Planters
Mr Jugdutt Rampersad (O.S.K)	Representative of Planters
Mr Kumar Khelawon	Representative of Planters
Mr Jean Li Yuen Fong	Representative of Millers
Mr Satish Purmessur	Representative of MCIA

Note: As from 13 July 2021, Mr Medha Gunpath, Senior Chief Executive was appointed as Representative of Ministry of Agro Industry & Food Security

Board Members Profile:

Mr Chaitanand Jheengun (Chairperson)



Born in 1960, Mr Chaitanand (Rishi) Jheengun is presently the Head of the Trading & Market Information Department at the Stock Exchange of Mauritius Ltd (SEM) and the Company Secretary of the Central Depository & Settlement Co Ltd. He is also the Compliance Officer and Money Laundering Officer of SEM. He is a member of the Listing Executive Committee. He was the Company Secretary of the Stock Exchange Ltd from 1989 to 2018. He is a Fellow of the Chartered Governance Institute UK & Ireland (ICSA) and holds an MBA from Heriot Watt University. He is also an executive member of the ICSA - Mauritius Branch.

Mr Koosiram Conhye

(Member till end of June 2021) - Representative of Ministry of Agro Industry & Food Security



Born in 1960, Mr K. Conhye holds a graduate degree from the University of Mauritius and is an Associate Member at Institute of Chartered Secretaries & Administrators. Mr Conhye is presently Permanent Secretary at the Ministry of Agro Industry & Food Security.

Formerly, he was the Secretary of Mauritius Ministry of Technology, Communication & Innovation and Secretary at Mauritius Ministry of Social Security and Director-Corporate Affairs at Export Processing Zones Development Authority.

Mr Medha Gunpath

(Member as from 13 July 2021) - Representative of Ministry of Agro Industry & Food Security



Born in 1958, Mr M. Gunpath holds a Diploma in Public Administration and Management from the University of Mauritius and a BSc from the University of Punjab, India. He has attended training courses at the Royal Institute of Public Administrators in UK and l'École National d'Administration Publique in France. He started his career in the administrative cadre as Assistant Secretary in the Prime Minister's Office, and occupied the post of Clerk to the Cabinet for five years.

He served as Principal Assistant Secretary in several large Ministries before occupying the post of Secretary to the President for almost nine years. In 2015 joined the Private Office of the Prime Minister's Office as Permanent Secretary. In 2017 he was posted at the Minister Mentor's Office. In 2019, he was again posted at Prime Minister's Office (Rodrigues, Outer Islands and Territorial Integrity Division). He has served as Chairperson and Member to several Statutory Bodies and Committees. Currently, he occupies the post of Senior Chief Executive at the Ministry of Agro Industry and Food Security.

Mr Vikraj Ramkelawon

(Member) - Representative of Ministry of Finance, Economic Planning and Development



Born in 1976, Mr Ramkelawon holds a Master Degree from the University of Mauritius in Electronic Business and is also a member of the Association of Chartered and Certified Accountants (ACCA) He has a wide experience in the Finance Sector and he is presently Lead Analyst at the Ministry of Finance & Economic Planning and Development.

Mr. Devendra Nath Busgeeth

(Member) - Representative of Control and Arbitration Department



Born in 1958 Mr D.N. Busgeeth holds a BSc Honors in Sugar Technology from the University of Mauritius. He is the Acting Director of the Control and Arbitration Department.

Mr. Pramanund Newoor (M.S.K)

(Member) - Representative of Planters



Born in 1958, Mr P. Newoor is actually Advisor to the Ministry of Fisheries. He is also Chairperson of Metayer Sugar Cane Growers Association.

Mr Newoor was Advisor to the Ministry of Environment (2015 to 2017), Chairperson of Moka Flacq District Council (1992 to 1993) and Secretary of the Mauritius Sanatan Dharma Temples Federation (1997-2005).

He is current Director of M.S.S Multipurpose Cooperative Society Ltd. He has participated in International Conferences on Environment, Local Authorities, Religious and Cultural Matters and has also received recognition for service rendered to the Community.

Mr Madhoosoodhun Motah

(Member) - Representative of Planters



Born in 1957, Mr Motah, recently elevated to the rank of M.S.K, holds a “Diplome en Journalisme de L’Alliance Française”. A social worker since his teenage, he has been President of Grand Bois CCS at intervals for some twelve years. Mr Motah has been a cane and tea planter for more than 40 years.

He has been Director on the Board on the Board of SIT Land Holdings and SIT Property Development during the years 2016-2019. Mr Motah was also Director on the Board of Cie Sucriere de Riche en Eau and Omnicane Millings Holdings Ltd for the same period. He has attended several workshops and seminars.

Mr Jugdutt Rampersad (O.S.K)

(Member) - Representative of Planters



Born in 1947, Mr Rampersad holds a Diploma in Public Administration. He was the Chief Executive of the Moka-Flacq District Council up to year 2005. He is also Director at the Mauritius Sugar Syndicate, Director of MSS Multipurpose Cooperative Society Ltd and member of the Mauritius Heart Foundation.

Mr Rampersad was President of the Mauritius Cooperative Agricultural Federation from 1998 to 1999 and President of the Mauritius Cooperative Central Bank Ltd in 1990.

Mr Kumar Khelawon

(Member) - Representative of Planters



Born in 1952, Mr. Kumar Khelawon is a retired Civil Servant. He retired as Ag Registrar of Co-operatives in 2012 at the age of 60.

Mr Khelawon holds a Diploma in Cooperative Studies both from the University of Mauritius and the Institute of Cooperatives in Moscow. In addition to that he is also the holder of a certificate in banking from the National Institute of Bank Management (Pune)

During his tenure of office he had had the opportunity to serve as member of the Agricultural Marketing Board for two years.

On retirement Mr Khelawon was elected as Director of the Mauritius Cooperative Agricultural Federation Ltd. where he held office as such for three consecutive years

In 2015 Mr Khelawon was nominated as Director of the Rose Belle Sugar Estate Board and in September 2018 he became the Chairperson of the Board until November 2020.

Mr Sebastien Mamet

(Member) - Representative of Chamber of Agriculture



Born in 1975, Mr Mamet is the holder of a Bachelor of Art in Managerial Statistics, graduated with a 1st class (with Honours), from the University of Exeter, England. He is an associate of the Institute of Chartered Accountants in England and Wales. He is currently General Manager of Terragri Ltd (Agriculture).

Directorship in Listed companies:

Intendance Holding Ltd, Ivoirel Limitee, Sucrivoire, Swan General Ltd, Swan Life Ltd, , Terra Services Ltd, Terragen Ltd, Terragen Management Ltd, Terra Milling Ltd, Terrarock Ltd.

Mr. Jean Li Yuen Fong

(Member) - Representative of Millers



Born in 1955, Mr Jean Li Yuen Fong was the Director of the Mauritius Sugar Producers' Association until the dissolution of the organization in November 2015. Since January 2016, he is Director of TY Consulting Ltd whose services have been retained by the millers with regard to their representation in the various sugar institutions in Mauritius. He is thus a Board Member of the Mauritius Cane Industry Authority, the Mauritius Sugar Syndicate, Business Mauritius and the Sugar Industry Pension Fund. He is also the Chairperson of the Regional Training Centre and a Director (non-executive) of Capital Horizon Ltd.

Mr Satish Purmessur

(Member) - Representative of MCIA



Born in 1957, Mr Satish Purmessur holds a BSc and MSc from the University of Mauritius. He was previously Director at the Sugar Storage and Handling Unit. He is presently the Chief Executive Officer of the Mauritius Cane Industry Authority.

Board Charter

The Board adopted a Board Charter in September 2021 which details amongst others the framework for the composition, responsibilities, duties, procedures, powers, authority and accountability of the Board of Directors of the Sugar Insurance Fund Board.

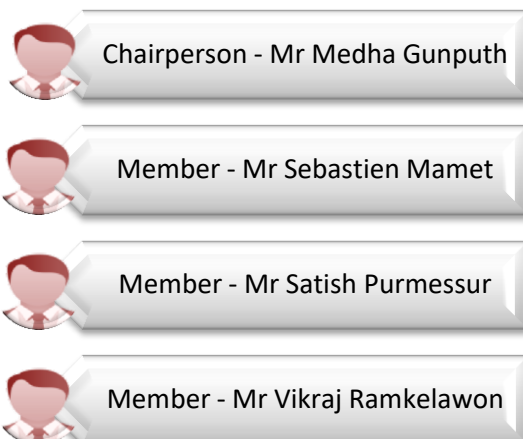
Board Meeting and Committee meetings held during the year under review

Below is a record of all Board and subcommittee meetings held during the financial year 2020/2021.

July 2020 to June 2021	
Board Meeting	10
Corporate Governance Committee	1
Assessment Committee	5
Audit & Risk Management Committee	6
Staff Committee	4
Investment Committee	2
Budget & Procurement Committee	3

Corporate Governance Committee

Composition



The Corporate Governance Committee has as members Chairpersons of all Sub Committees of the Board. Its main function is to ensure compliance with good corporate governance practice.

Investment Committee

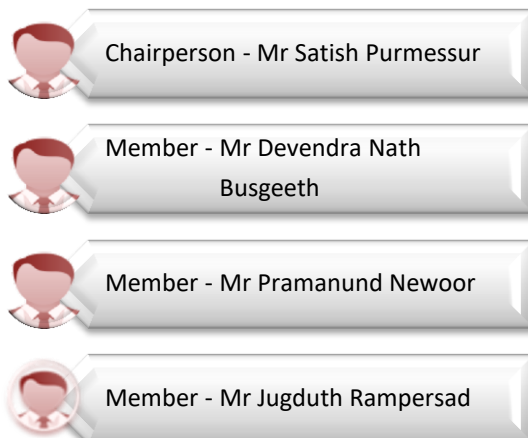
Composition



The Committee established by the Act has as attributes the investment strategies of the SIFB.

Assessment Committee

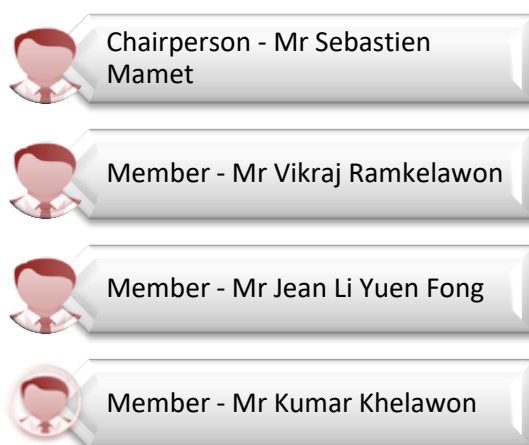
Composition



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.

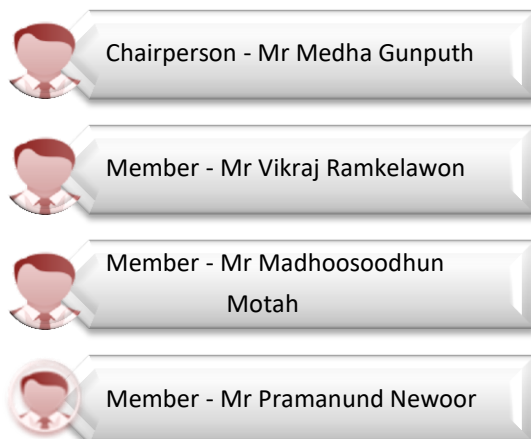
Audit and Risk Management Committee

Composition



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.

Staff Committee Composition



The 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.

Budget & Procurement Committee Composition



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

Principle 3: Directors Appointment Procedures

Section 5 of the SIF Act refers to appointment of Directors as elaborated in Principle one.

Principle 4: Directors Duties, Remuneration and Performance

The Board of Directors' key purpose is to lead and control the SIFB.

- To approve, monitor, review and evaluate the implementation of strategies, policies and business plans.
- To prepare a statement of corporate objectives.
- To ensure that the organisation complies with the highest standards of governance and that it has an effective system of controls in place so that risks can be properly assessed and managed.
- To ensure that communications of all material information to the stakeholders be made in a transparent manner.

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 Chairperson of each Committee periodically places reports of its proceedings before the Board for approval/information, as may be relevant.

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 unimpeded access to accurate, relevant and timely information.

The Directors acknowledge their responsibilities for:

- a) adequate accounting records and maintenance of effective internal control systems;
- b) the preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the results of its operations and cash flows for that period and which comply with International Public Sector Accounting Standards (IPSAS);
- c) the selection of appropriate accounting policies supported by reasonable and prudent judgements.

Duties of Board Members

Each Board member has the fiduciary duty to -

- a) Exercise a reasonable degree of care, skill and diligence;
- b) act in good faith and in the best interests of the Institution and not for any other purpose;
- c) act honestly at all times and must not place themselves in a situation where personal interests conflict with those of the Institution;
- d) exercise independent judgement at all times;
- e) devote sufficient time to carry out their responsibilities and enhance their skills;
- f) promote and protect the image of the Institution; and
- g) owe the Institution a duty to hold in confidence all information available to them by virtue of their position as a Board member.

Directors' fees are fixed in accordance with section (5) of the SIF Act No 4 of 1974. Details from July 2020 to June 2021 are given below:

	MUR (Gross)
Mr AUMEERALLY Azaad	210,000.00
Mr JHEENGUN Chaitanand	365,806.00
Mr BHAUKAURALLY Reshad	175,000.00
Mr BOJRAZSINGH Boyramboli	86,290.00
Mr BUSGEETH Devendra Nath	300,000.00
Mr CONHYE Koosiram	362,097.00
Mr DABYDOYAL Chabeelall	175,000.00
Mr JEAN LI Yuen Fong	300,000.00
Mr KHELAWON Kumar	125,000.00
Mr MAMET Evenor Jean-Sebastien	300,000.00
Mr MOTAH Madhoosoodhun	300,000.00
Mr NEWOOR Pramanund	125,000.00
Mr PURMESSUR Satish	125,000.00
Mr RAMKELAWON Vikraj	300,000.00
Mr RAMPERSAD Jugduth	125,000.00
Mr SEEAM Kamless	175,000.00

Assessment and Evaluation of Board Members

A Board questionnaire to evaluate of the effectiveness of the Board, its committees and the Chairperson has been adopted by the Board in September 2021.

Induction of Board members

Upon appointment, all new Directors have received suitable induction programme. Former Directors on Board were also invited to the induction session.

Directors on the Board are aware of their fiduciary duties and responsibilities. New Directors are given a copy of the Sugar Insurance Fund Act regarding their statutory duties and responsibilities. During the induction session, Directors were also given an exposé of the legal framework in which the SIFB operates.

Conflicts of Interest

Directors are required to disclose their interest (if any) including any related party transactions, to the Board. Directors are requested to fill in a disclosure of interest form.

An Interest Register will be maintained by the Board Secretary and will be updated as and when required.

Information Technology Steering Group

The Corporate Governance Committee was mandated to look into IT related matters.

The Board of SIF shall endeavor to put in place the necessary forum to assist with its governance of information technology in line with the Code of Corporate Governance.

Principle 5: Risk Governance and Internal Control

The Board of SIF is fully responsible for the development and execution of an overall vigorous risk management framework.

The Board has delegated its oversight responsibility to the Audit & Risk Management Committee. Senior Management is responsible for designing a sound risk governance system and implementing it effectively. Senior management works in close collaboration with the Audit & Risk Management Committee.

A draft Risk Management Policy is currently underway.

Principle 6: Reporting with Integrity

The full set of Annual Report is published on the organisation's website (www.sifb.mu).

The financial statements of the Sugar Insurance Fund Board have been prepared on a going concern basis and in accordance with the Statutory Bodies (Accounts and Audit) Act and in line with International Public Sector Accounting Standards (IPSASs).

Principle 7: Audit

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 unit 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 the Internal Auditor.

The internal auditor helps management in improving organization practice. By reporting to management that important risks have been evaluated and highlighting where improvements are necessary, the internal auditor helps management and the Board to demonstrate that they are managing the organisation effectively on behalf of their stakeholders.

An Internal Audit Management manual is currently at the finalization stage and after Board approval, same will be implemented and training will accordingly be given to those concerned.

The external auditors are responsible for reporting on whether the Financial Statements are fairly presented.

Principle 8: Relations with Shareholders and other Key Stakeholders

The Board of Directors of SIF is fully committed to achieving and sustaining the highest standards of corporate governance with the aim of maximizing long term value for all stakeholders. The Board is committed to attaining high standards of corporate governance and recognizes the importance of good governance to safeguard continual growth, success and to boost stakeholders' confidence.

2.0 Code of Conduct and Ethics for Staff of SIFB

The code of conduct for Staff of SIFB which was approved by the Board in 2006 provides guidance concerning the standards of ethical conduct by employees of the SIFB. The Code outlines the broad principles of legal and ethical business conduct embraced by the SIFB. The Board through the Corporate Governance Committee monitors compliance and review the Code of Ethics (including conflict of interest guidelines) as appropriate.

A first draft of an updated code of conduct and ethics has been reviewed by ICAC and reviewed by the Anti-Corruption Committee and will be submitted for Board's approval. Upon approval, all Staff will be made aware of the requirement of the Code.

3.0 Equal Opportunity Policy

In line with the requirements of the Equal Opportunity Act 2008 and good governance practices, the SIFB has established an Equal Opportunity Policy in year 2013 to safeguard employees and prospective recruits against the risks of discrimination and to promote recruitment, selection, training and employment based on merit.

The SIFB is also in conformity to the Training and Employment of Disabled persons Act.

4.0 Complaints Policy

In line with good Corporate Governance, the SIFB formulated a Complaints Policy in 2012 to ensure that complaints and representations from our insureds/stakeholders are dealt with promptly and systematically. Complaints addressed to the SIFB are now handled digitally and their status tracked systematically through a ticket number posted on the Citizen Support Portal if the complaint is channeled directly to the parent Ministry or through the EDMRS of SIFB's Registry if channeled directly to the SIFB.

5.0 Manuals

The drafting of (i) Financial Management Manual (FMM) (ii) Internal Control Manual (ICM) and (iii) Human Resource Management Manual (HRM) are in progress and will soon be finalized for implementation.

6.0 Health & Safety

The SIFB has on its establishment, a part time Health and Safety Officer who is responsible amongst other for:

- (i) preparing, reviewing and updating this policy, accident/hazard reporting procedures.
- (ii) fire and safety procedures and evacuation guidance.
- (iii) Accepting accident/ hazard reporting forms and initiating action thereon.
- (iv) Ensuring compliance with responsibilities laid down in this policy and reporting noncompliance to senior management for actions to be taken.
- (v) Liaison with Fire Brigade, insurers, etc and ensure appropriate recommendations are effected.
- (vi) Implement requirements of Safety and Health legislation as may be applicable.

A safety and health policy has been devised to establish the approach to health and safety matters, affirms commitment to preventing harm, and helps to promote safe working practices at the Sugar Insurance fund board. This policy statement has been made to provide useful direction for management and staff and serves to get everyone within the SIFB working towards the same goal of a healthy and accident-free workplace.

SIFB has set up a Safety and Health Committee which meets once every two month in conformity with the OSHA act 2005.

➤ **Training and Induction**

Safety and health induction, fire and first aid training is given to staff at the SIFB. Training such as fire and first aid is updated at regular intervals and whenever changes in legislation or working methods require.

➤ **Risk assessment**

The OSHA Act 2005 requires employers to protect their employees against work place hazards. In that respect, a risk Assessment was prepared to carry out to identify the hazards and risks associated with each working activity and highlight the controls to be instigated to minimize the risks and hazards at the SIFB.

➤ **Covid-19 Protocol**

A sanitary safety and health protocol has been devised. The protocol has been communicated to all staff of SIFB through training (Toolbox Talk) and mails. The aims are to establish guild line/procedures to deal with an emergency related to covid-19 at the workplace and to reduce the risk of contracting the virus. A Risk Assessment on covid-19 has also been prepared to identify the hazards in the workplace, assess the potential risks to health and determine appropriate control measures so as to mitigate, if not, eliminate risks thereby improving Safety and Health at the SIFB.

No major work related incident was recorded for the period of reporting and the SIFB is further committed to improve the working environment of its employees.

8.0 Related Party Transactions & Key Risks

Related party transactions and key risks areas have been fully disclosed in the financial statements.

9.0 Professional Services



BLC Robert & Associates Ltd
Benoit Chambers
State Law Office



National Audit Office

Acknowledgement and Thanks

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

**STATEMENT OF COMPLIANCE****WITH THE CODE OF CORPORATE GOVERNANCE UNDER SECTION 75(3)****OF THE FINANCIAL REPORTING ACT**

Name of Public Interest Entity: **Sugar Insurance Fund Board**

Reporting Period: **1 July 2020 to 30 June 2021**

Throughout the year ended 30 June 2021, to the best of the Board's knowledge, the Sugar Insurance Fund Board has applied most of the recommendations of the Code. The Board will endeavour during the next financial year to address the parts which have not been complied with as listed below and disclosed in the Corporate Governance Report:

Principle 4:

➤ **Information Technology Steering Group**

IT related matters were dealt with by the Corporate Governance Committee. In line with the requirement of the code of Corporate Governance, an appropriate forum will be put in place.

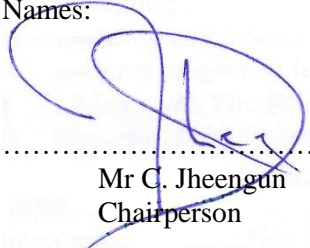
➤ **Interest Register**

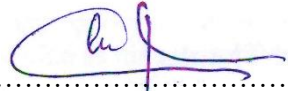
Directors have been disclosing their interest (if any) to the Board. The Secretary to the Board will henceforth ensure that an Interest Register is maintained.

SIGNED BY:

Chairperson and one Director

Names:


.....
Mr C. Jheengun
Chairperson


.....
Mr M. Gunpath
Director

Date: 26 April 2022

ADDRESS OF OFFICES



Head Office 18 Sir Seewoosagur Ramgoolam Street Port Louis Tel: 260 4700 Fax: 208-2634 E-Mail: sifb@sifb.mu Website: www.sifb.mu		
Sub-Offices / Outlets <i>(open on Wednesdays only except Public Holiday)</i>	Address	Factory Areas
Bon Accueil	FSC Building Royal Road Bon Accueil Tel: 418-1967	Constance Fuel
Union Park	FSC Building Union Park Tel: 677-2293	Savannah Mon Trésor Riche En Eau Rose Belle Union St Aubin Britannia St Félix Bel Ombre
Riviere du Rempart	FSC Building Behind Bus Terminal Riviere du Rempart Tel: 409 0490	Mon Loisir Belle Vue St Antoine Beau Plan
St Pierre	FSC Building Royal Road St Pierre Tel: 433-5146	Médine Highlands Mon Désert Alma Réunion
Beau Champ	FSC Building Royal Road Deep River Beau Champ Tel: 417 8884	Beau Champ

FINANCIAL PERFORMANCE

The financial year under review shows a net deficit of MUR 58.48M (General and Fire) compared to a net surplus of MUR 248.39M for the year ending 30 June 2020. The deficit is mainly attributable to crop 2020 being declared as an event year under general insurance and provision made for compensation payable at the tune of MUR 427.76M; compared to the previous crop year being a non-event year for general insurance purposes.

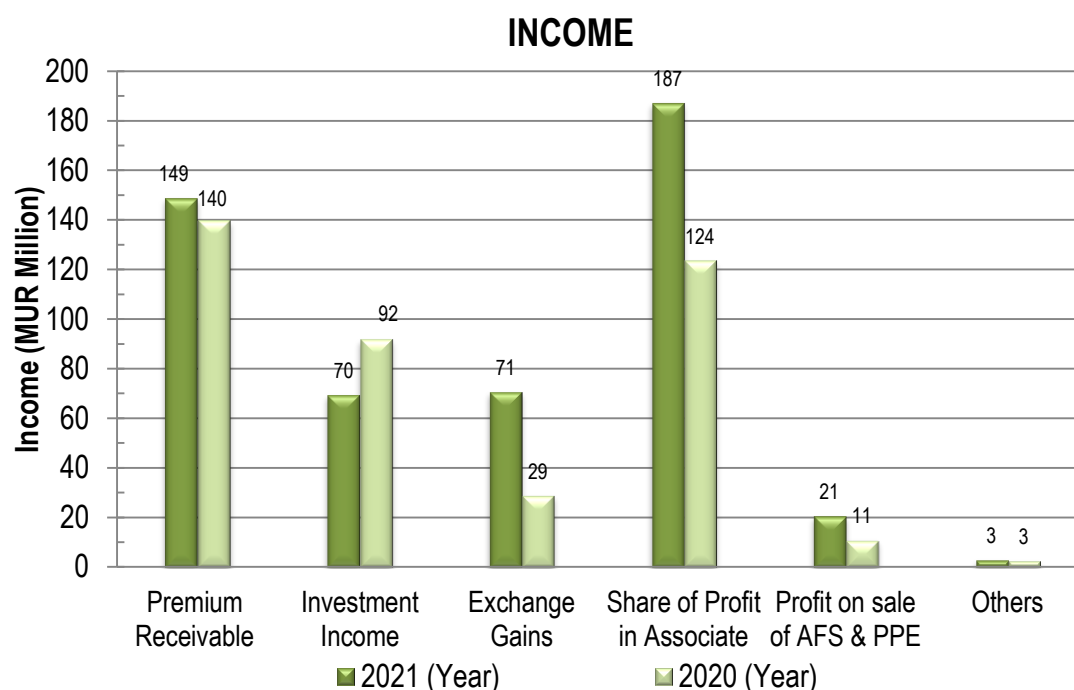
Summary of Income and Expenditure

Item	General Fund MUR Million	Fire Fund MUR Million	Total MUR Million
Gross Insurance Premium	140.50	8.52	149.02
Insurance compensation payable	(427.76)	(9.01)	(436.77)
	(287.26)	(0.49)	(287.75)
Other Expenses	(122.00)	(0.26)	(122.26)
Other Income	351.48	0.05	351.53
Net Surplus / (Deficit)	(57.78)	(0.70)	(58.48)

Income

Insurance premium received, investment income, share of surplus of Associate, fair value gains and profit on sale of securities form the bulk of the Fund's income amounting to MUR 500.5M for the period under review.

The composition of income is shown below:



Insurance Premium

Gross Insurance Premium (General and Fire) for crop year 2020 received during the financial year amounted to MUR 149.02M compared to MUR 139.85M for the previous crop year 2019.

Premium Income

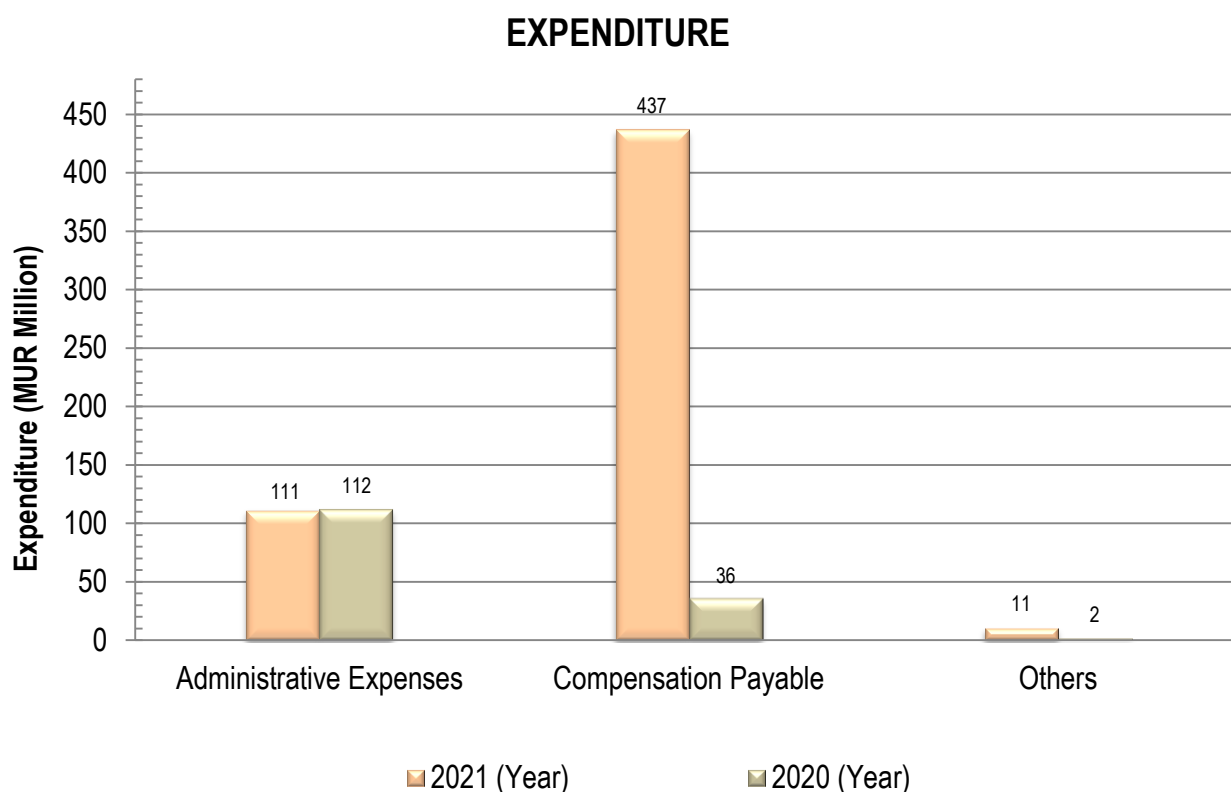
Premium (Gross)	Total MUR Million
General	140.50
Fire	8.52
Total	149.02

Investment Income

Investment income (Interest and Dividend) totaling MUR 69.62M for the year under review is down by 24.2% compared to the previous reporting period (MUR 91.94M). This fall is mainly as a result of some maturing fixed income generating investments which were redirected towards funds seeking capital appreciations, due to the fact that interest rates offered on fixed/term deposits are at very low levels.

Expenditure

The overall expenditure of the Fund for the year was MUR 558.8M compared to MUR 149.8M for the previous period. The higher expenditure is mainly attributable to the provision made for general insurance compensation for Crop 2020.



Accumulated Fund

The Accumulated Fund comprising of the General Fund and the Fire Fund regressed by only 5.66% during the year from MUR 3,327.7 M to MUR 3,139.4 M despite the fact that provision has been made for general insurance and fire insurance compensation payable for crop 2020 equivalent to some 13.12% of Accumulated Fund value.

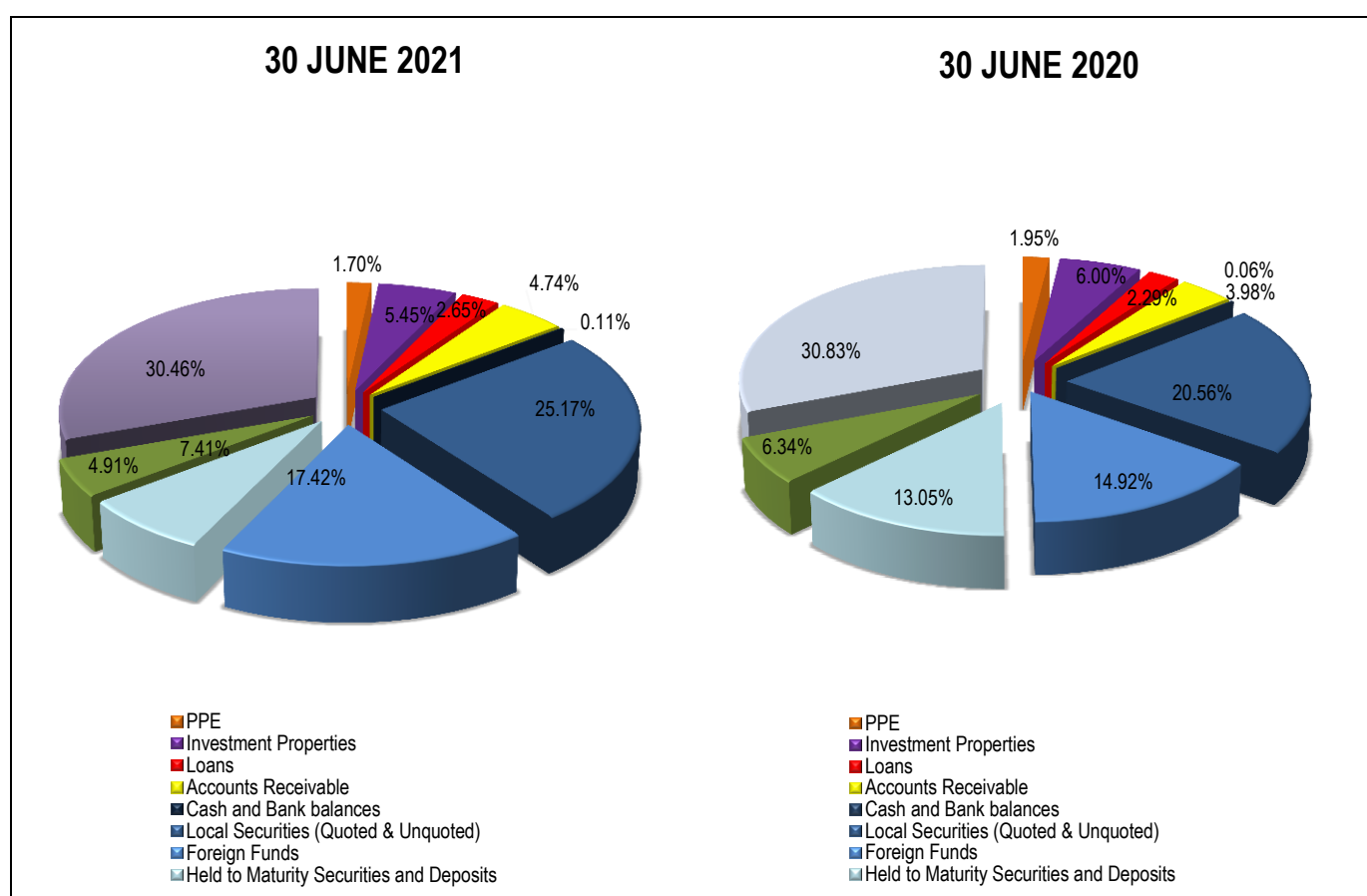
Accumulated Fund

Fund	MUR Million At 30 June 2021	MUR Million At 30 June 2020
General	3,137.3	3,324.9
Fire	2.1	2.8
Total	3,139.4	3,327.7

Assets under management

The Fund's total assets under management increased by MUR 693.65 M from MUR 4.15 Billion to MUR 4.84 Billion at 30 June 2021. This positive result is mainly attributable to capital appreciations and forex exchange gains on investments coupled with the remarkable performance of our Associate (SICOM Ltd)

A breakdown of total assets under management is shown below:



Report of the Director of Audit



REPORT OF THE DIRECTOR OF AUDIT

On the Audit of the Financial Statements

On the Financial Statements of the Sugar Insurance Fund Board for the year ended 30 June 2021

I conducted my audit in accordance with International Standards of Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements' section of my report. I am independent of the Sugar Insurance Fund Board in accordance with the INTOSAI Code of Ethics, together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance to my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined the matter described below to be key audit matter to be highlighted in my report.

General Insurance Compensation

NATIONAL AUDIT OFFICE

As disclosed at Note 23, Crop 2020 was declared an event of an account of drought for two Enlarged Factory Areas. In this respect, the Sugar Insurance Fund board agreed to pay out a sum of 428 million as general insurance compensation to farmers in the two Enlarged Factory groupings in the two Enlarged Factory Areas concerned. This was a significant matter for the following reasons:



NATIONAL AUDIT OFFICE

NAO/SB/SIFB/235

The Officer in Charge
Sugar Insurance Fund Board
18, Sir S Ramgoolam Street
Port Louis

2 May 2022

Sir,

Audit Report on Financial Statements of the Sugar Insurance Fund Board for the Year ended 30 June 2021

Please find enclosed two copies of the financial Statements of the Sugar Insurance Fund Board for the year ended 30 June 2021, together with the report of the Director of Audit thereon.

By virtue of Section 9 of the Statutory Bodies (Accounts and Audit) Act, a copy of the annual report including the audited financial statements together with the audit report on these financial statements are required to be forwarded to the Minister.

It would be much appreciated if this office could be notified of the date the above documents are forwarded to the Minister together with the date of same being laid before the National Assembly.

I am enclosing a claim for the audit fee now due.

Yours faithfully,

M.B Hoobayekhan (Mrs)
(for Director of Audit)



NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT TO THE SUGAR INSURANCE FUND BOARD

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Sugar Insurance Fund Board, which comprise the statement of financial position as at 30 June 2021 and the statement of financial performance, statement of changes in net assets/equity, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Sugar Insurance Fund Board as at 30 June 2021, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions. My responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report. I am independent of the Sugar Insurance Fund Board in accordance with the INTOSAI Code of Ethics, together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined the matter described below to be key audit matter to be communicated in my report.

General Insurance Compensation

As disclosed at Note 23, Crop 2020 was declared an event year on account of drought for two Enlarged Factory Areas. In this respect, the Sugar Insurance Fund Board had to spend some Rs 428 million as general insurance compensation to Growing Units and Large Planter groupings in the two Enlarged Factory Areas concerned. This was considered as key audit matter for the following reasons:

- the compensation payable was significant;
- declaration of an event year is not recurrent, Crop 2020 was declared an event year for the two Enlarged Factory Areas; and
- extensive effort was required to obtain sufficient appropriate audit evidence.

To address the key audit matter, the audit procedures included, amongst others:

- Reviewing Board and Government approval in respect of declaration of event year for Crop 2020.
- Obtaining the database of planters- Final Consolidated Compensation/Premium list for Crop 2020 and on a sample basis for the following tests were carried out:
 - Verifying that the registration and inspection process were in line with the Sugar Insurance Fund Act.
 - Examining the Provisional and Final Registrations and Inspection Field Books for Large Planters.
 - Crosschecking the findings in the Fund's insurance system with the records of the Inspection Field Books and vice versa.
 - Agreeing sugar price approved by the Government with the insurance compensation.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of the Sugar Insurance Fund Board, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Corporate Governance Report

My responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From my assessment of the disclosures made on corporate governance in the annual report, the Sugar Insurance Fund Board has, pursuant to Section 75 of the Financial Reporting Act, complied with the requirements of the Code.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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.

In preparing the financial statements, management is responsible for assessing the Sugar Insurance Fund Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the Sugar Insurance Fund Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sugar Insurance Fund Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sugar Insurance Fund Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Sugar Insurance Fund Board to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

Management's Responsibilities for Compliance

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible to ensure that the Sugar Insurance Fund Board's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in an entity's financial statements.

Auditor's Responsibilities

In addition to the responsibility to express an opinion on the financial statements described above, I am also responsible to report to the Board whether:

- I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;
- in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- in my opinion, the Sugar Insurance Fund Board has been applying its resources and carrying out its operations fairly and economically.

I performed procedures, including the assessment of the risks of material non-compliance, to obtain audit evidence to discharge the above responsibilities.

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

Statutory Bodies (Accounts and Audit) Act

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

As far as it could be ascertained from my examination of the relevant records:

- (a) the Sugar Insurance Fund Board has complied with the Statutory Bodies (Accounts and Audit) Act; and
- (b) no direction relating to the accounts has been issued by the responsible Minister to Sugar Insurance Fund Board.

Based on my examination of the records of Sugar Insurance Fund Board, nothing has come to my attention that causes me to believe that:

- (a) expenditure incurred was of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (b) the Fund has not applied its resources and carried out its operations fairly and economically.



C. ROMOOAH
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS

2 May 2022



SIFB

**Financial
Statements**

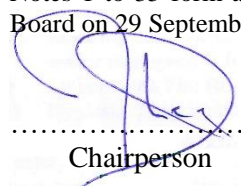
**For the year
ended**

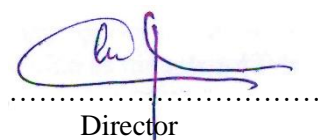
30 June 2021

STATEMENT OF FINANCIAL POSITION as at 30 June 2021

ASSETS	Notes	30 June 2021 MUR	30 June 2020 MUR
CURRENT ASSETS			
Cash and cash equivalents	4	243,155,530	266,227,921
Receivables	5	229,547,901	165,358,603
Short term loans	6	125,142,082	-
Investments in securities and deposits	7	348,830,295	227,840,481
		946,675,808	659,427,005
NON-CURRENT ASSETS			
Investments in securities and deposits	7	2,073,439,386	1,787,050,314
Investment property	8	264,000,000	249,000,000
Long term loans	9	3,265,626	95,163,800
Investment in Associate	10	1,475,645,312	1,279,788,414
Property, plant and equipment	11	80,722,697	80,955,612
Intangible Assets	12	1,440,513	153,151
		3,898,513,534	3,492,111,291
TOTAL ASSETS		4,845,189,342	4,151,538,296
LIABILITIES			
CURRENT LIABILITIES			
Payables	13	468,820,217	30,149,069
Short Term employee benefits	14	5,082,395	4,767,151
		473,902,612	34,916,220
NON-CURRENT LIABILITIES			
Provision for staff passage benefits	15	5,490,332	4,429,776
Long term employees benefits	14	38,543,607	42,904,364
Retirement benefit obligations	16	410,539,405	275,095,583
		454,573,344	322,429,723
TOTAL LIABILITIES		928,475,956	357,345,943
NET ASSETS		3,916,713,386	3,794,192,353
NET ASSETS / EQUITY			
Revaluation reserves		777,298,346	466,482,265
Accumulated funds	17	3,139,415,040	3,327,710,088
TOTAL NET ASSETS / EQUITY		3,916,713,386	3,794,192,353

Notes 1 to 35 form an integral part of these Financial Statements. The Financial Statements were approved by the Board on 29 September 2021 and subsequently amended on 26 April 2022.


.....
Chairperson


.....
Director

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2021

	Note	Year ended 30 June 2021 MUR	Year ended 30 June 2020 MUR
GENERAL INSURANCE ACCOUNT			
REVENUE FROM EXCHANGE TRANSACTIONS			
Insurance premium	18	140,501,896	130,783,177
Investment income	19	69,569,490	91,785,098
Profit on sale of Securities	20	20,697,825	10,966,621
Fair value and Other gains	21(a)	70,832,400	28,947,122
Other Revenue	22	3,107,143	2,854,889
TOTAL REVENUE		304,708,754	265,336,907
EXPENSES			
General Insurance Compensation	23	427,763,146	24,041,403
Administrative	24	111,365,624	111,536,282
Exchange and other losses	21(b)	10,636,796	1,792,044
TOTAL EXPENSES		549,765,566	137,369,729
Share of surplus of Associate	10	187,274,400	123,630,000
(Deficit) / Surplus to General Fund for the year		(57,782,412)	251,597,178
FIRE INSURANCE ACCOUNT			
REVENUE FROM EXCHANGE TRANSACTIONS			
Insurance premium		8,516,918	9,071,379
Investment Income	19	50,785	157,114
TOTAL REVENUE		8,567,703	9,228,493
EXPENSES			
Insurance compensation		9,010,755	12,163,977
Management fee to General Fund		255,508	272,002
TOTAL EXPENSES		9,266,263	12,435,979
Deficit to Fire Fund for the year		(698,560)	(3,207,486)
Total (Deficit) / Surplus for the year		(58,480,972)	248,389,692

STATEMENT OF CHANGES IN NET ASSETS/EQUITY for the year ended 30 June 2021

	<u>Accumulated Funds</u>		<u>Revaluation Reserves</u>		<u>Total</u> MUR
	<u>General Fund</u>	<u>Fire Fund</u>	<u>Property</u>	<u>Investments</u>	
	MUR	MUR	MUR	MUR	
<i>At 30 June 2018</i>	3,487,260,962	3,671,702	50,989,447	515,271,371	4,057,193,482
Release on disposal of available-for-sale financial assets	–	–	–	(90,705,721)	(90,705,721)
Change in value of available-for-sale financial assets	–	–	–	30,140,623	30,140,623
Re-measurement of Defined Benefit Obligations	(198,937)	–	–	–	(198,937)
Share of Associate not reported in surplus	–	–	–	(4,852,411)	(4,852,411)
Movement on application of IFRS 9 by Associate	74,263,589	–	–	(74,263,589)	–
Net (Deficit) / Surplus for the year	(497,213,283)	2,303,504	–	–	(494,909,779)
<i>At 30 June 2019</i>	3,064,112,331	5,975,206	50,989,447	375,590,273	3,496,667,256
Release on disposal of available-for-sale financial assets	–	–	–	(5,443,005)	(5,443,005)
Change in value of available-for-sale financial assets	–	–	–	65,910,551	65,910,551
Re-measurement of Defined Benefit Obligations	700,859	–	–	–	700,859
Share of Associate not reported in surplus	–	–	–	(20,565,000)	(20,565,000)
Effect of application of IFRS 16 by Associate	8,532,000	–	–	–	8,532,000
Net Surplus / (Deficit) for the year	251,597,178	(3,207,486)	–	–	248,389,692
<i>At 30 June 2020</i>	3,324,942,368	2,767,720	50,989,447	415,492,818	3,794,192,353
Release on disposal of available-for-sale financial assets	–	–	–	(23,732,612)	(23,732,612)
Change in value of available-for-sale financial assets	–	–	–	302,184,493	302,184,493
Re-measurement of Defined Benefit Obligations	(129,814,076)	–	–	–	(129,814,076)
Share of Associate not reported in surplus	–	–	–	32,364,200	32,364,200
Net Deficit for the year	(57,782,412)	(698,560)	–	–	(58,480,972)
At 30 June 2021	3,137,345,880	2,069,160	50,989,447	726,308,899	3,916,713,386

CASH FLOW STATEMENT for the year ended 30 June 2021

	Note	Year ended 30 June 2021 MUR	Year ended 30 June 2020 MUR
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (Deficit) / Surplus for the year		(58,480,972)	248,389,692
Adjustments for:			
Share of profit of Associate		(187,274,400)	(123,630,000)
Provision for passage benefits		3,026,140	2,034,862
Payment of passage benefits		(1,965,584)	(1,607,560)
Depreciation of non-current assets		3,854,141	4,416,749
Amortisation of Intangible Assets		428,356	768,043
Investment income		(69,620,275)	(91,942,212)
Loss on disposal of PPE		-	308,096
Reversal of impairment loss		(40,000,000)	-
Gain on disposal of Available-for-sale securities		(20,697,825)	(5,960,940)
Gain on disposal of HTM securities		-	(5,005,681)
Gain Loss on revaluation of Investment Properties		(15,000,000)	(9,000,000)
Gain on change in accounting estimates		(4,288,859)	(3,696,281)
Loss / (Gain) on valuation of investments		8,126,796	(3,086,052)
Effects of exchange rate changes on cash & cash equivalents held		(9,033,541)	(10,960,841)
Retirement benefits charged		5,629,745	5,743,233
Provision for employees benefits		997,400	3,907,395
Employees benefits paid		(5,042,913)	(3,645,352)
(Increase) / Decrease in trade and other receivables		(2,101,025)	2,398,639
Increase / (Decrease) in trade and other payables		438,418,050	(363,099,424)
NET CASH GENERATED / (USED) BY OPERATING ACTIVITIES		46,975,234	(353,667,634)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment to acquire financial assets		(555,477,901)	(155,951,031)
Proceeds from sale of financial assets		355,911,514	255,666,199
Dividend received		37,718,149	55,146,904
Interest received		55,406,246	85,993,246
Payment for property, plant and equipment		(794,985)	(540,441)
Proceeds from disposal of PPE		-	21,490
NET CASH (USED) / GENERATED BY INVESTING ACTIVITIES		(107,236,977)	240,336,367
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term loans granted		(125,142,082)	(208,601,908)
Proceeds from short term loans		-	283,948,306
Long term loans granted		(1,120,500)	(1,440,500)
Proceeds from long term loans		154,418,394	64,095,888
NET CASH GENERATED BY FINANCING ACTIVITIES		28,155,812	138,001,786
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(32,105,932)	24,670,519
Cash and Cash Equivalents at start of period		266,227,921	230,596,561
Effects of exchange rate changes on cash & cash equivalents held		9,033,541	10,960,841
CASH AND CASH EQUIVALENTS AT END OF PERIOD	26	243,155,530	266,227,921
REPRESENTED BY:			
Bank and cash balances		5,468,939	2,936,268
Short Term deposits		237,686,591	263,291,653
		243,155,530	266,227,921

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 30 June 2021

	Note	Original/ Final Budget MUR	Actual Amount MUR	Variance MUR
GENERAL INSURANCE ACCOUNT				
REVENUE				
Insurance premium	27(i)	146,200,000	140,501,896	(5,698,104)
Interest Receivable	27(ii)	40,000,000	55,604,203	15,604,203
Dividend Income	27(iii)	30,000,000	14,016,072	(15,983,928)
	27(iv)		20,697,825	20,697,825
<i>Profit on sale of Securities</i>		-		
Share of profit of Associate	27(v)		187,274,400	187,274,400
	27(vi)		70,832,400	70,832,400
<i>Fair value and other gains</i>		-		
Other Revenue		3,225,000	2,851,635	(373,365)
TOTAL REVENUE		219,425,000	491,778,431	
EXPENSES				
General Insurance Compensation	27(vii)	-	427,763,146	427,763,146
Administrative and other Expenses	27(viii)	102,927,000	111,365,624	8,438,624
Other Losses	27(vi)	-	10,636,796	10,636,796
TOTAL EXPENSES		102,927,000	549,765,566	
Surplus/(Deficit) to General Fund for the year		116,498,000	(57,987,135)	
FIRE INSURANCE ACCOUNT				
REVENUE				
Insurance premium		8,000,000	8,516,918	516,918
TOTAL REVENUE		8,000,000	8,516,918	
EXPENSES				
Insurance compensation	27(ix)	8,000,000	9,010,755	1,010,755
TOTAL EXPENSES		8,000,000	9,010,755	
Surplus / (Deficit) to Fire Fund for the year		-	(493,837)	
Total Surplus / (Deficit) for the year		116,498,000	(58,480,972)	

- (1) The Original and Final Budget are the same.
- (2) The Budget is prepared on the accrual basis of accounting.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

1. 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). Its registered office is situated at 18, Sir Seewoosagur Ramgoolam Street, Port-Louis, Mauritius and operates under the aegis of the Ministry of Agro Industry and Food Security. Its main objective is to operate a Crop Insurance for sugar producers.

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements of the Sugar Insurance Fund Board have been prepared on a going concern basis and in accordance with the Statutory Bodies (Accounts and Audit) Act and in line with International Public Sector Accounting Standards (IPSASs). As per IPSAS 1 paragraph 38, the Fund’s ability to continue as a going concern has been positively assessed. The comparative figures for the previous reporting period were also prepared in compliance with IPSASs and are therefore fully comparable.

The financial statements comply with all IPSASs in issue at end of reporting date and have been consolidated to include the state of affairs and results of the Fund’s associate and are prepared under the historical cost convention, except that:

- (i) Land and buildings are carried out at revalued amounts;
- (ii) Investments properties are stated at fair value;
- (iii) Available-for-sale financial assets are stated at their fair value; and
- (iv) Held-to-maturity investments are carried at amortised cost.

For Financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.2 New and Revised International Public Sector Accounting Standards (IPSASs).

2.2.1 Standards, Amendments to published Standards issued but not yet effective

IPSAS 41 – Financial Instruments.

This standard was issued in August 2018 and will be effective for annual periods starting on or after 1 January 2023 (COVID 19 Deferral of effective dates – issued in November 2020). The standard sets out requirements for classifying, recognising and measuring financial instruments including impairment, de-recognition and general hedge accounting to replace those in IPSAS 29. The Fund has not applied this standard prospectively.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New and Revised International Public Sector Accounting Standards (IPSASs) (cont'd).

2.2.1 Standards, Amendments to published Standards issued but not yet effective (cont'd).

IPSAS 42 – Social Benefits.

This standard was issued in January 2019 and will be effective for annual periods starting on or after 1 January 2023 (COVID 19 Deferral of effective dates – issued in November 2020). IPSAS 42 defines social benefits and includes requirements for the recognition and measurement of social benefits Schemes. It also includes disclosure requirements that will provide additional information that users may need to evaluate the effect of social benefits. The Fund has not applied this standard prospectively.

2.2.2 New and Revised IPSASs applicable to the Fund

In the current period, no new IPSAS issued by the International Public Sector Accounting Standards Boards (IPSASB) that are mandatorily effective for an accounting period beginning on or after 1 July 2020 is applicable to the Fund.

2.3 Existing IPSASs not applicable to the Fund

The following Standards already effective since prior financial years are not applicable to the Fund's operations.

IPSAS 6 – Consolidated and Separate Financial Statements
 IPSAS 10 – Financial reporting in Hyperinflationary Economies
 IPSAS 12 – Inventories
 IPSAS 18 – Segment Reporting
 IPSAS 22 – Disclosure of Financial Information about the General Government Sector
 IPSAS 27 – Agriculture
 IPSAS 32 – Service Concession Arrangements: Grantor
 IPSAS 34 – Separate Financial Statements
 IPSAS 37 – Joint arrangements
 IPSAS 40 – Public Sector Combinations

2.4 Basis of consolidation

The financial statements have been consolidated to include the state of affairs and results of the Fund and those of its Associate.

An Associate is an entity over which the Fund has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investment in associate is accounted for by the equity method of accounting and is initially recognised at cost. The Fund's investment in associate includes goodwill (net of any accumulated impairment loss) identified on acquisition. The Fund's share of its associate's post-acquisition profits or losses is recognised in the Statement of Financial Performance, its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Fund's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Fund does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 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

(a) Insurance premium income contributed to Fire Insurance Account is determined at the base rates of:

- (i) Rs 34.19 per ton of Insurable Sugar for Small Planters/Metayers: and
- (ii) Rs 27.01 per ton of Insurable Sugar for Large Planters.

(b) A No Claims Discount Structure is applicable as per the fifth schedule of the Sugar Insurance Fund Act No 4 of 1974 (as subsequently amended).

(c) Miller's Fire premium: Total Premium of all planters and metayers in EFA x 22/78

Other revenues

These are recognised on the following basis:

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

Interest income is recognised on an accrual basis.

A share of 20% of the after tax adjusted profit of SICOM Ltd (Associate) is recognised at each reporting.

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 based on Fund Value at start of reporting period.

2.6 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 end of reporting period though not reported to the Fund by the insureds. Estimated claims are based on internal data and provisional figures obtainable from different stakeholders.

(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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Property, plant and equipment

Property, plant and equipment excluding land and building held for administrative purposes are stated in the statement of financial position at cost, net of accumulated depreciation and any accumulated impairment losses. Land and building are reported at their revalued amounts. 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	Note
Improvement to land and buildings	10%	(i)
Furniture & other equipment	6.67% (15 years)	(ii)
Motor vehicles	20%	
Computer equipment and software	20%	

- (i) 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.
- (ii) 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.

Property, plant and equipment with zero NBV at year end (fully depreciated) from which the Fund continues to derive economic benefits have their useful economic life (UEL) increased by an additional 5 years and the applicable depreciation rates are as follows:

Improvement to land and buildings	6.67% (15 years)
Furniture & other equipment	5%
Motor vehicles	10%
Computer equipment and software	10%

The resulting gains on the change in accounting estimates are recognised in line with IPSAS3.

Consumption experience shows that after adjusting the UEL of certain items of PPE, their NBV still remains at zero, while such items are still in use. The Fund thus reports these items at a nominal value of 10% of their original cost. Such items are **not** subject to annual depreciation and are derecognised at disposal.

Gain 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.

Any increase arising on the revaluation of land and buildings is credited directly to revaluation surplus, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in surplus or deficit, in which case the increase is credited to surplus or deficit 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 surplus or deficit to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Freehold land is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Intangible Assets acquired

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment loss (if any). Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at each end of reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less impairment losses and are not subject to any amortisation.

An Intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or on disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in surplus or deficit when the asset is derecognised

2.9 Impairment of tangible and intangible assets

At each end of the reporting period, 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.

2.10 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 at end of reporting period, representing open-market value determined by external valuers. Gains and losses arising from changes in the fair value of investment property are included in surplus or deficit in the period in which they arise.

2.11 Non-current Asset held for sale

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.

2.12 Insurance compensation

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

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.13 Foreign currencies**

The financial statements of each entity are presented in the currency of the primary economic environment in which the entity operates (functional currency). The results and financial position of the Fund are expressed in Mauritian rupees, which is Fund's functional and presentation currency.

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in such currencies are retranslated 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. Gains and losses arising on exchange are included in the surplus or deficit for the year. Translation of non monetary items, such as equities classified as available-for-sale financial assets is accumulated in the investments revaluation reserve.

2.14 Cash and cash equivalents

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

2.15 Provision/Contingent Liabilities**(a) Provision**

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.

2.16 Retirement benefit obligations**(i) State Plan**

Contributions to the National Pension Scheme are expensed to surplus or deficit in the period in which they fall due.

(ii) Defined Contribution Plan

A defined contribution plan is a pension plan under which the Fund pays fixed contributions and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Payments to defined contribution plans are recognised as an expense when employees have rendered service that entitled them to the contributions.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.16 Retirement benefit obligations***(iii) Defined Benefit Plan*

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by the Pension Fund Manager (SICOM Ltd) using the projected unit credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in net assets/equity in the period in which they occur. Re-measurements recognised in net assets/equity shall not be reclassified to surplus or deficit in subsequent period.

The Fund determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in surplus or deficit. Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements (if any) are recognised immediately in surplus or deficit. The defined benefit plan is closed for new entrants and any employee joining the Fund on a permanent and pensionable service will join a defined contribution plan.

2.17 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Fund has become party to the contractual provisions of the financial instruments. Financial Assets are initially measured at fair value, plus transaction costs. Financial assets are classified into the following specified categories: “held-to-maturity” investments, “available-for-sale” 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.

a) Financial Assets*(i) 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.

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.

(ii) Loans and receivables

Loans and receivables are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market. 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
for the year ended 30 June 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.17 Financial instruments (cond'd)****a) Financial Assets (cont'd)****(iii) Available-for-sale (AFS) financial assets*****Quoted AFS Financial Assets***

Listed and Quoted 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 accumulated in the investments revaluation reserve until the security is disposed of or is determined to be impaired at which time the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to surplus or deficit. Impairment losses recognised in surplus or deficit for securities classified as AFS is not subsequently reversed through surplus or deficit.

Unquoted Available For Sale Investments

Unquoted available-for-sale investments for which reliable fair values cannot be obtained are stated at cost. Investments of the Fund in unquoted available-for-sale investments are generally in the form of shares. The fair value of these financial instruments cannot be measured reliably as there is no specific market for the exchange/sale of these instruments.

Available-for-sale financial assets are included in non-current assets unless Management intends to dispose the investments within twelve months of the end of the reporting period.

Impairment of financial assets

Financial assets 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 shares classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

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
- high probability 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, where the carrying amount is reduced 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 to the allowance account. Changes in the carrying amount of the allowance account are recognised in surplus or deficit.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.17 Financial instruments (cont'd)*****a) Financial Assets (cont'd)******Impairment of financial assets (cont'd)***

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 net assets/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 asset and substantially all the risks and rewards of ownership of the asset to another entity.

(b) Financial liabilities

Financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Subsequently they are measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Fund derecognises financial liabilities only when its share of obligations are discharged or expired.

3. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with IPSASs 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

for the year ended 30 June 2021

4. CASH AND CASH EQUIVALENT

	June 2021 MUR	June 2020 MUR
Foreign Currency deposits with banks:		
USD	93,608,108	84,599,779
EURO	19,276,218	15,848,211
GBP	93,984	31,325,361
Deposits on call at banks – MUR	124,708,281	131,518,301
Bank and Cash Balances - MUR	5,468,939	2,936,269
	243,155,530	266,227,921

5. ACCOUNTS RECEIVABLE/ PREPAYMENTS

SBM Perpetual Fund disposed	125,000,000	-
Long term loan to MSS (Note 9 (i))	90,000,000	150,000,000
Motor Vehicle Loans (Note 9 (iii))	1,234,392	2,673,792
Personal loans (Note 9(ii))	618,445	578,765
Interest receivable	7,790,578	9,382,210
Debtors insurance premium receivable	2,448,216	33,807
Dividends receivable	1,347,266	1,267,641
Other receivables/Prepayments	1,109,004	1,422,388
	229,547,901	165,358,603

6. SHORT TERM LOANS

Loans to Mauritius Sugar Syndicate - (MSS)	125,142,082	-
--	-------------	---

7. INVESTMENTS IN SECURITIES AND DEPOSITS

(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 at the end of reporting period.

Local Unquoted

Local unquoted investments comprise of shares and bonds held in Sugar Investment Trust (SIT), units of the MFL Fund, shares held in Afrasia Bank, investments in the MCB cash management Fund, Swan Income Fund, MCB Bond and Currency Fund and the SBM Perpetual Fund. Investment in SIT shares have been fair valued at MUR 8.98 Million at 30 June 2021. Investments in The MFL Fund, which is an open-ended Fund, are stated at market value at MUR 1.34 Million at 30 June 2021, Shares in Afrasia Bank valued at MUR 1.55M, the MCB cash management Fund valued at MUR 40.05 Million, Swan Income Fund valued at 31.59 Million, MCB Bond and currency Fund valued at MUR 31.70 Million and the SBM Perpetual Fund valued at MUR 285.58 Million at 30 June 2021.

Foreign Equities /Funds /Bonds

Investments in foreign equities/ funds/ bonds, include shares held in African Reinsurance Corporation (Africa Re), Investec GSF, Comgest, Threadneedle, Sarasin, BlackRock Global, Shroders, GAM, UBS, Fidelity, Franklin Templeton, Morgan Stanley Funds, IOST Perpetual Bonds, India Sovereign Bonds and are stated at market value based on the exchange rate ruling at the end of reporting period.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

7. INVESTMENTS IN SECURITIES AND DEPOSITS (CONT'D)

(a) Available-For-Sale Securities and Deposits (cont'd)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable (levels defined in section 2.1):

	Period 2020/2021			Total MUR
	<u>Level 1</u> MUR	<u>Level 2</u> MUR	<u>Level 3</u> MUR	
Available-for-sale financial assets	818,512,912	400,801,602	843,965,577	2,063,280,091
	Period 2019/2020			Total MUR
	<u>Level 1</u> MUR	<u>Level 2</u> MUR	<u>Level 3</u> MUR	
Available-for-sale financial assets	804,158,915	619,354,225	49,529,846	1,473,042,986

(b) Held-To-Maturity Securities and Deposits

- (i) Held-To-Maturity Securities and Deposits, which are stated at amortised cost, bear interests at rates ranging from 5.37% to 6.15% per annum and mature between April 2022 and September 2024 and comprise of:

	<u>June 2021</u> MUR	<u>June 2020</u> MUR
Deposits	41,789,590	57,157,809
Fixed Maturity Unquoted Bonds	317,200,000	484,690,000
	358,989,590	541,847,809

- (ii) The figure reported under “Deposits” at 30 June 2021 relates to the fair value of a deposit of MUR 40 Million held with the Banyan Tree Bank (BTB) and impaired at 100% during the financial year ended 30 June 2019. After finalisation of the re-capitalisation of the BTB by a new Investor (Silver Bank), the impairment has been positively re-assessed and the impairment loss fully reversed in this financial year. The deposit of MUR 40 Million plus accrued interest thereon has been re-instated in the Accounts. The deposit has been negotiated on the following terms with the new Investor:

- MUR 34 Million (representing 85% of the deposit value) has been converted into a 3 years deposit at an interest rate of 5.37% p.a.
- MUR 6 Million (representing 15% of the deposit value) plus accrued interest will become payable immediately upon finalisation of the re-capitalisation process.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

7. INVESTMENTS IN SECURITIES AND DEPOSITS (CONT'D)

	----- Available-For-Sale Financial Assets -----			Held-To-Maturity Securities and Deposits	Total
	Local Quoted Securities MUR	Local Unquoted Securities MUR	Foreign Equities/ Funds/ Bonds MUR	MUR	MUR
<i>AT FAIR VALUE</i>					
At 1 July 2020	804,158,915	49,529,846	619,354,225	541,847,809	2,014,890,795
Additions	96,752,901	458,725,000	-	-	555,477,901
Reversal of impairment loss	-	-	-	40,000,000	40,000,000
Disposals/Matured / Redeemed	(135,008,539)	(121,779,954)	-	(227,157,808)	(483,946,301)
Interest capitalised / receivable	-	-	-	1,789,589	1,789,589
Fair value Gain/(Loss)	52,609,635	14,326,710	224,611,352	2,510,000	294,057,697
At 30 June 2021	818,512,912	400,801,602	843,965,577	358,989,590	2,422,269,681
Classified as:					
- Short term	66,040,705	-	-	282,789,590	348,830,295
- Long term	752,472,207	400,801,602	843,965,577	76,200,000	2,073,439,386
	818,512,912	400,801,602	843,965,577	358,989,590	2,422,269,681
AT COST					
At 30 June 2021	653,882,206	374,205,873	224,281,321	337,194,186	1,589,563,586
At 30 June 2020	669,724,560	37,260,827	224,281,321	562,194,186	1,493,460,894

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

8. INVESTMENT PROPERTY

	June 2021 MUR	June 2020 MUR
At start of year	249,000,000	240,000,000
Gain on revaluation	15,000,000	9,000,000
At end of year	264,000,000	249,000,000

Investment property relates to Land and Buildings and includes the following:-

No.	Property location	Description of property	Latest valuation (MUR Million)
1	Brown Sequare Street, Port Louis	Land for a total extent of 314 toises: rented as covered parking.	92
2	Royal Road, Quartier Militaire	A two storey concrete building standing on a plot of land of a total extent of 73.35 perches.	24
3	Corner Independence and Brown Sequare Avenue, Vacoas	Two buildings standing on a plot of land of 24.50 perches (1118.82m ²).	26
4	Royal Road, Mare D'Albert	A building standing on a plot of land of 60.0 perches	20
5	Royal Road, Central Flacq	Bareland of an extent of 48.92 perches (2064.79m ²).	12
6	Trianon	Bare Agricultural land for a total extent of 25,323m ² (6A), purchased in May 2018 at an all-inclusive cost of MUR 115.90 M	90

The above properties were last revalued by Ramrekha & Patten Chartered Valuation Surveyors (Principal – P Ramrekha, M.S.C, F.R.I.C.S. CSK Chartered Valuation Surveyor) in July 2021 and in accordance with the requirements of the RICS Valuation - Global Standards 2017 incorporated International Valuation Standards (IVS) 2017. As disclosed by the valuer, the Market Approach was adopted to value the properties; except for the property at Brown Sequare Street, Port Louis where the income generating capacity of the property has been adopted.

In line with IPSAS 16 para 86, the following disclosures are made:

- (i) Investment property No.1 generated Rental revenue of some MUR 1.5M.and Direct Operating Expenses amounted to some MUR 0.23M.
- (ii) No Direct Operating Expense was incurred for Investment Properties (2 to 6) not generating rental revenue.

The fair value hierarchy is as follows:

	June 2021 MUR	June 2020 MUR
Land and Buildings	264,000,000	249,000,000

Level 3

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

9. LONG TERM LOANS

		June 2021 MUR	June 2020 MUR
Loan to MSS	(i)	-	90,000,000
Personal Loans	(ii)	1,496,888	1,105,655
Motor Vehicles Loans	(iii)	1,768,738	4,058,145
		3,265,626	95,163,800

(i) Loan to the Mauritius Sugar Syndicate

	June 2021 MUR	June 2020 MUR
Total amount due	90,000,000	240,000,000
Deduct: Amount falling due within one year (Note 5)	(90,000,000)	(150,000,000)
Amount falling due more than one year	-	90,000,000

Loan to Mauritius Sugar Syndicate advanced at an interest rate of 4.50% p.a. repayable over a period of 5 years with a 2 year moratorium period.

Personal Loans (staff)

	June 2021 MUR	June 2020 MUR
Total amount due	2,115,333	1,684,420
Deduct: Amount falling due within one year (Note 5)	(618,445)	(578,765)
Amount falling due after more than one year	1,496,888	1,105,655

Personal loans to staff bear interest at Repo plus 1% per annum.

(iii) Motor Vehicles Loans (staff)

	June 2021 MUR	June 2020 MUR
Total amount	3,003,130	6,731,936
Deduct: Amount falling due within one year (Note 5)	(1,234,392)	(2,673,791)
Amount falling due after more than one year	1,768,738	4,058,145

Motor Vehicle Loans to staff disbursed prior to January 2013 bear interest at 7.5% per annum and thereafter at 4.0% per annum, as per conditions of service.

10. INVESTMENT IN ASSOCIATE

The Fund holds 20% of the ordinary share capital of SICOM Group and is represented on its Board of Directors. SICOM Group has a financial year starting on 1 July and ending on the subsequent 30 June.

Summarised financial information of the Fund's Associate is set out below:

	June 2021 MUR	June 2020 MUR
Total Assets	24,727,865,000	22,280,525,000
Total Liabilities	17,344,922,000	15,876,923,000
After Tax adjusted profit for the year	936,534,000	624,518,000
Adjusted Share of profit (20%)	187,274,400	123,630,000
Share of net assets (20%)	1,475,645,312	1,279,788,414

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

11. PROPERTY, PLANT AND EQUIPMENT

The Fund's Property, Plant and Equipment include freehold land and building that were last revalued in August 2017 by Ramrekha & Patten Chartered Valuation Surveyors (Principal – P Ramrekha, M.S.C, F.R.I.C.S. CSK Chartered Valuation Surveyor).

Had Freehold Land and Buildings been valued at historic amount, the carrying value would have been as follows:

	Cost	Accumulated depreciation	Net book value
	MUR	MUR	MUR
At 30 June 2021			
Freehold Land	2,946,841	-	2,946,841
Building	22,763,712	(22,194,619)	569,093
	25,710,553	(22,194,619)	3,515,934
At 30 June 2020			
Freehold Land	2,946,841	-	2,946,841
Building	22,763,712	(21,625,526)	1,138,186
	25,710,553	(21,625,526)	4,085,027

Details of the Fund's buildings and freehold land measured at fair value and information about the fair value hierarchy at period/year end are as follows:

	Level 3	
	June 2021	June 2020
	MUR	MUR
Freehold Land	41,400,000	41,400,000
Buildings	30,955,384	32,041,538
	72,355,384	73,441,538
<i>Reconciliation:</i>		
Opening balance at start of year	73,441,538	74,527,692
Depreciation charge for the year	(1,086,154)	(1,086,154)
Balance at year end	72,355,384	73,441,538

(i) **As disclosed by the Valuer:**

- for the purpose of the valuation report, the Market Approach was adopted;
- The valuation exercise is in accordance with the requirements of the RCIS Valuation – Global Standards 2017 incorporating International Valuation Standards (IVS) 2017.

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

- The property is appraised free and clear from all charges and encumbrances;
- The property has good and marketable title deed;
- Vacant possession can be given;
- The building have been erected under competent supervision, in accordance with all planning regulations and have the benefit of planning consents or existing use rights for their current use;
- The building comply with all statutory and local authority regulations including building, fire and health and safety regulations.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold Land MUR	Buildings MUR	Improvement to Land and Buildings MUR	Furniture & Other Equipment MUR	Motor Vehicles MUR	Computer Equipment MUR	Total MUR
COST AND VALUATION							
At 30 June 2019	41,400,000	35,300,000	7,662,514	17,685,676	4,066,450	26,538,678	132,653,318
Additions	-	-	-	18,050	-	522,391	540,441
Disposal	-	-	(1,342,854)	(7,299,144)	-	(9,316,106)	(17,958,104)
At 30 June 2020	41,400,000	35,300,000	6,319,660	10,404,582	4,066,450	17,744,963	115,235,655
Additions	-	-	-	830,630	-	217,454	1,048,084
At 30 June 2021	41,400,000	35,300,000	6,319,660	11,235,212	4,066,450	17,962,417	116,283,739
DEPRECIATION							
At 30 June 2019	-	2,172,308	6,666,650	13,914,875	2,899,838	25,194,735	50,848,406
Eliminated on disposal	-	-	(1,331,111)	(7,007,638)	-	(9,289,770)	(17,628,519)
Change in accounting estimates-Adjustment	-	-	(448,447)	(469,824)	-	(2,438,323)	(3,356,594)
Charge for the year	-	1,086,154	444,115	474,226	706,645	1,705,610	4,416,750
As 30 June 2020	-	3,258,462	5,331,207	6,911,639	3,606,483	15,172,252	34,280,043
On Change in Accounting Estimates	-	-	(621,040)	-	-	(1,952,101)	(2,573,141)
Charge for the year	-	1,086,154	424,223	529,601	406,645	1,407,518	3,854,141
At 30 June 2021	-	4,344,616	5,134,390	7,441,240	4,013,128	14,627,669	35,561,043
NET BOOK VALUE							
At 30 June 2021	41,400,000	30,955,384	1,185,270	3,793,972	53,322	3,334,748	80,722,696
At 30 June 2020	41,400,000	32,041,538	988,453	3,492,943	459,967	2,572,711	80,955,612

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

12. INTANGIBLE ASSETS – COMPUTER SOFTWARE

	June 2021	June 2020
	MUR	MUR
Cost		
At start of year	6,914,682	9,706,728
Disposal	-	(2,792,046)
At end of year	6,914,682	6,914,682
Amortisation		
At start of year	6,761,531	9,125,222
Eliminated on change in Accounting Estimates	(1,715,718)	(339,688)
Eliminated on disposal	-	(2,792,046)
Charge for the year	428,356	768,043
At end of year	5,474,169	6,761,531
Carrying value at year end	1,440,513	153,151

13. PAYABLES

General Compensation – Crop 2020	427,763,146	-
Provision for Compensation for Crop 2010 - re: DRBC case	24,000,000	24,000,000
Fire Compensation – Crop 2020	9,010,779	999,764
Accruals	5,509,880	2,612,893
Provision for passage benefits (note 15)	2,000,000	2,000,000
Others	536,412	536,412
	468,820,217	30,149,069

14. EMPLOYEES BENEFITS

At start of year	47,671,515	47,409,472
Charge for the year	997,400	1,034,612
	48,668,915	48,444,084
Less: Payment during the year	(5,042,913)	(772,569)
At end of year	43,626,002	47,671,515
Classified as:		
Long Term	38,543,607	42,904,364
Short Term	5,082,395	4,767,151

15. PROVISION FOR STAFF PASSAGE BENEFITS

At start of year	6,429,776	6,002,473
Payment during the year	(1,965,584)	(1,607,559)
Provision for the year	3,026,140	2,034,862
	7,490,332	6,429,776
Less: Amount due within one year (Note 13)	(2,000,000)	(2,000,000)
At end of year	5,490,332	4,429,776

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

16. RETIREMENT BENEFIT OBLIGATIONS

Provision for retirement benefits for the SIFB staffs are made under the Statutory Bodies Pension Act 1978 as amended.

(a) Defined Benefit Plan

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

The following employee benefits information is based on the report submitted by SICOM Ltd in line with IPSAS 39.

(i) Amounts recognised in statement of financial position:

	June 2021 MUR	June 2020 MUR
Defined benefit obligation	943,224,397	829,718,003
Fair value of plan assets	(532,684,992)	(554,622,419)
Liability recognised in statement of financial position	410,539,405	275,095,584

(ii) Amounts recognised in statement of financial performance:

Current service cost	7,691,154	8,627,786
Employee Contributions	(3,068,828)	(3,186,747)
Fund Expenses	205,622	305,035
Net Interest expense	10,476,483	10,088,524
Profit & Loss Charge	15,304,431	15,834,598

(iii) Amount recognised in Net Asset/Equity:

Liability experience (gain) / Loss	137,778,037	20,425,320
Assets experience Loss/ (gain)	(7,963,961)	(21,126,179)
Net Asset/Equity (NAE)	129,814,076	(700,859)

(iv) Liability recognised in the statement of financial position:

At start of year	275,095,584	270,053,210
Amount recognised in Profit & Loss	15,304,431	15,834,598
Contributions paid by employer	(9,674,686)	(10,091,365)
Amount recognised in NAE	129,814,076	(700,859)
At end of period	410,539,405	275,095,584

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

Present value of obligation at start of period	829,718,003	821,274,054
Current service cost	7,691,154	8,627,786
Interest cost	29,040,130	28,744,592
Benefits paid	(61,002,927)	(49,353,749)
Liability (gain)/ loss	137,778,037	20,425,320
Present value of obligation at end of period	943,224,397	829,718,003

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

16. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(vi) Reconciliation of fair value of plan assets:

	June 2021 MUR	June 2020 MUR
Fair value of plan assets at start of period	554,622,419	551,220,844
Expected return on plan assets	18,563,647	18,656,068
Employer contributions	9,674,686	10,091,365
Employee contributions	3,068,828	3,186,747
Benefits paid + other outgo	(61,208,549)	(49,658,784)
Asset (loss)/gain	7,963,961	21,126,179
Fair value of plan assets at end of period	532,684,992	554,622,419

(vii) Components of the amount recognised in NAE:

Assets experience (Loss)/gain during the year	7,963,961	21,126,179
Liability experience gain / (Loss) during the year	(137,778,037)	(20,425,320)
Net Asset/Equity (NAE)	(129,814,076)	700,859

(viii) Distribution of plan assets at end of period were:

	% of fair value of total plan assets	
Percentage of assets at end of year	June 2021	June 2020
Fixed interest securities and cash	54.8%	61.7%
Loans	2.8%	3.0%
Local equities	11.8%	10.1%
Overseas equities and bonds	30.1%	24.6%
Property	0.5%	0.6%
Total	100%	100%

(ix) Weighted average duration of the defined benefit obligation (Calculated as a % change in PV of liabilities for a 1% change in discount rate) : 11 years

(x) Additional disclosure on assets issued or used by the reporting:

At the end of the reporting period, assets were neither held in entity's own financial instruments nor were property and other assets occupied or used by the entity.

(xi) Expected Employer's contributions for the financial year 2021/2022: MUR 9,310,207

(xii) The plan is exposed to actuarial risks such as: Investment risk, Interest rate risk, mortality and longevity risk and salary risk.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

16. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(xiii) The cost of providing the benefits is determined using the Projected Unit Method. The principal assumptions used for the purpose of the actuarial valuation were as follows:

	Year ended 30 June 2021 %	Year ended 30 June 2020 %
Discount rate	4.65	3.50
Future salary increases	3.00	2.40
Future pension increases	2.00	1.40
Mortality before retirement	A 6770 Ultimate Tables PA (90) rated down by 2 years 65 years	
Mortality in retirement		
Retirement age		

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

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

- If the discount rate would be 100 basis points (1%) higher (lower), the defined benefit obligation would decrease by Rs 94.9 M (increase by Rs 113.7 M) if all other assumptions were held unchanged.
- If the expected salary would increase (decrease) by 100 basis points, the defined benefit obligation would increase by Rs 27.6 M (decrease by Rs 25.1 M) if all assumptions were held unchanged.
- If life expectation would increase (decrease) by one year, the defined benefit obligation would increase by Rs 30.6 M (decrease by Rs 30.4 M) if all assumptions were held unchanged.
- In reality one might expect interrelationships between the assumptions, especially between discount rate and expected salary increases, given that both depends to a certain extent on expected inflation rates. The analysis above abstracts from these interdependence between the assumptions.

(xv) Five year summary – Experience adjustment

Amounts recognised in statement of financial position:

	June 2021 MUR	June 2020 MUR	June 2019 MUR	June 2018 MUR	June 2017 MUR
Present value of funded obligation	943,224,397	829,718,003	821,274,054	824,317,122	794,349,530
Fair value of plan assets	(532,684,992)	(554,622,419)	(551,220,844)	(564,883,556)	(550,497,042)
Liability in statement of financial position	410,539,405	275,095,584	270,053,210	259,433,566	243,852,488

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

16. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Reconciliation of the present value of defined benefit obligation:

	June 2021 MUR	June 2020 MUR	June 2019 MUR	June 2018 MUR	June 2017 MUR
Present value of obligation at start of period	829,718,003	821,274,054	824,317,122	794,349,530	727,804,418
Current service cost	7,691,154	8,627,786	7,528,017	7,170,190	9,923,364
Interest cost	29,040,130	28,744,592	47,810,393	50,044,020	70,960,931
Benefits paid	(61,002,927)	(49,353,749)	(51,076,388)	(47,936,586)	(72,114,840)
Liability loss/(gain)	137,778,037	20,425,320	(7,305,090)	20,689,968	57,775,657
Present value of obligation at end of period	943,224,397	829,718,003	821,274,054	824,317,122	794,349,530

Reconciliation of fair value of plan assets:

	June 2021 MUR	June 2020 MUR	June 2019 MUR	June 2018 MUR	June 2017 MUR
Fair value of plan assets at start of period	554,622,419	551,220,844	564,883,556	550,497,042	559,172,301
Expected return on plan assets	18,563,647	18,656,068	31,666,321	33,585,056	52,008,688
Employer contributions	9,674,686	10,091,365	10,234,900	10,144,596	15,908,691
Employee contributions	3,068,828	3,186,747	3,232,074	3,203,556	5,023,797
Benefits paid + other outgo	(61,208,549)	(49,658,784)	(51,291,981)	(48,149,992)	(72,432,214)
Asset gain/(loss)	7,963,961	21,126,179	(7,504,027)	15,603,298	(9,184,221)
Fair value of plan assets at end of period	532,684,992	554,622,419	551,220,844	564,883,556	550,497,042

(b) Defined Contribution Plan

The defined contribution plan for employees is funded by the employer and the employee. The plan is independently administered by the State Insurance Company of Mauritius Ltd (SICOM Ltd).

As per IPSAS 39 para 55, the following is disclosed:

An amount of MUR 76,712 has been recognised as expenditure for this financial year.

17. ACCUMULATED FUNDS

	June 2021 MUR	June 2020 MUR
General Fund	3,137,345,880	3,324,942,368
Fire Fund	2,069,160	2,767,720
	3,139,415,040	3,327,710,088

18. INSURANCE PREMIUM

The Government of Mauritius paid an amount of MUR 22 Million to the Fund and a balance of MUR 2.41 Million is still due. The total of MUR 24.41 Million represents General Insurance Premium for Crop 2020 for small planters/ métayers having not more than 60T of sugar accrued.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

19. INVESTMENT INCOME

	June 2021 MUR	June 2020 MUR
Interest Income on:		
<i>Held to maturities securities/ deposits</i>	23,061,710	34,423,683
<i>Cash and cash equivalent</i>	913,887	2,116,045
<i>Loans & receivables</i>	6,261,927	15,579,227
<i>Available-for-sale securities</i>	25,366,679	22,791,460
Total Interest Income	55,604,203	74,910,415
Dividends	14,016,072	17,031,797
	69,620,275	91,942,212
Allocated to:		
General Insurance Account	69,569,490	91,785,098
Fire Insurance Account	50,785	157,114

20. PROFIT ON SALE OF SECURITIES

On sale of local quoted shares	16,158,451	5,960,940
On sale of local unquoted securities	3,220,046	-
On maturity of local quoted notes	1,319,328	-
On maturity of HTM Securities	-	5,005,681
	20,697,825	10,966,621

21 (a) FAIR VALUE AND OTHER GAINS

On Reversal of Impairment Loss (BTB)	40,000,000	-
On translation of foreign currency deposits	9,033,541	10,960,841
On revaluation of investment properties	15,000,000	9,000,000
On held to maturity securities	2,510,000	4,570,000
On disposal of foreign currencies	-	720,000
On change in amounts estimates –Depreciation of PPE	4,288,859	3,696,281
	70,832,400	28,947,122

21 (b) FAIR VALUE AND OTHER LOSSES

On disposal of PPE	-	308,096
On AFS securities	10,636,796	1,483,948
	10,636,796	1,792,044

22. OTHER REVENUE

Request for information/land conversion/duty-free certificate	793,765	800,857
Late registration fee	10,030	61,185
Morcellement permit fee	69,427	112,699
Rental of parking	1,497,164	1,554,250
Management fee from fire fund	255,508	272,002
Other sundry receipts	481,249	53,896
	3,107,143	2,854,889

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

23. GENERAL INSURANCE COMPENSATION

Crop 2020 has been declared as an event year under general insurance for EFA's Omnicane and Alteo.

24. ADMINISTRATIVE EXPENSES

	June 2021 MUR	June 2020 MUR
Staff costs	89,910,004	89,887,057
Provision for Employees Benefits	997,400	3,907,395
Depreciation	3,854,141	4,416,749
Amortisation of Intangible Assets	428,356	768,043
Directors fees	3,549,193	3,627,986
Legal, Professional, Auditor and Fund Management fees	4,726,979	2,571,501
Utilities	2,163,857	2,277,269
Others	5,735,694	4,080,282
	111,365,624	111,536,282

25. REINSURANCE PREMIUM

Having regards to its ability to muster maximum probable losses and in view of hardening crop reinsurance market, the Board since the year 2012 decided to bear the full insurance risks.

26. CASH AND CASH EQUIVALENT (Cash Flow)

	June 2021 MUR	June 2020 MUR
Cash & cash equivalent is represented by:		
Bank and cash balances	5,468,939	2,936,268
Short term deposits	237,686,591	263,291,653
As reported in Statement of Financial Position	243,155,530	266,227,921

The above cash and cash equivalent balances held by the Fund at year end are available for use without any restriction. The Fund has no undrawn borrowing facilities at year end.

27. BUDGET COMPARED TO ACTUAL

(i) General Insurance Premium

The General Insurance Premium for crop 2020 was budgeted based among others on:

- a total insurable sugar (TIS) of 347,204 metric tonnes.
- An estimated average island-wide ranking of 13.0

The final TIS for crop 2020 was 342,741 metric tonnes, and Islandwide average ranking was 12.2

(ii) Interest Receivable

Actual interest receivable is higher than budgeted due to the fact that a prudent approach was adopted at time of budgeting in view of market uncertainties prevailing due to the covid 19 pandemic.

(iii) Dividend Income

The budgeted dividend Income includes dividend receivable from SICOM Ltd while the Actual dividend received from SICOM Ltd has been consolidated in line with IPSAS 36.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

27. BUDGET COMPARED TO ACTUAL (CONT'D)

(iv) *Profit on sale of Securities*

The Fund Managers disposed part of the holding in local quoted shares during the financial year, thus realising gains. Further gains were realised on maturity of MUR denominated HTM securities.

(v) *Share of surplus in Associate*

The Fund's Budget Estimates for the financial year was not consolidated to include any share of profit of its Associate (SICOM Ltd).

(vi) *Fair Value and other gains / losses*

- a) Fair value and other gains resulted mainly on the reversal of the impairment loss on the deposit of MUR 40 Million with Banyan Tree Bank, gains on translation of forex at year end, fair value gains on HTM securities, gains on revaluation of investment property at year end and gains on change in accounting estimates.
- b) Other loss is mainly valuation loss (below cost) on AFS securities.

(vii) *General Insurance Compensation*

Provision has been made at financial year end for General Insurance compensation payable in respect to crop 2020 for EFAs Omnicane and Alteo whilst the budget 2020/2021 was prepared on the basis of no event year for crop 2020.

(viii) *Administrative and Other Expenses*

- a) Included in Administrative Expenses is retirement benefit charge; determined by an actuarial valuation of the Staff Pension Fund at year end.
- b) Non-cash expenditure such as depreciation and amortisation of assets are not provided for in budgeting

(ix) *Fire Insurance Compensation*

Higher fire compensation for Crop 2020 is a result of more fire outbreaks over both the crop cycle and harvest season.

28. RELATED PARTY TRANSACTIONS

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

	June 2021 MUR	June 2020 MUR
(a) Outstanding balances		
Loans to key management personnel under conditions of service	-	-
(b) Transactions with entity under common directorship		
(i) Short Term Loans	125,142,082	-
(ii) Long Term Loans	90,000,000	240,000,000
	215,142,082	240,000,000

Transactions with entity under common directorship represent loans granted to the Mauritius Sugar Syndicate both on Short Term and Long Term basis. These transactions have been effected at full arm's length.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

28. RELATED PARTY TRANSACTIONS (CONT'D)

	June 2021 MUR	June 2020 MUR
<i>(c) Compensation of key management personnel:</i>		
- Short term benefits	4,266,560	4,266,560
- Post-employment benefits contribution	1,030,638	763,842
- Other benefits	897,552	1,031,894
	6,194,750	6,062,296

(d) Disclosure of control:

The Fund in its ordinary course of business transacts with its Associate (SICOM Ltd) as follows:

- (i) Provider of Insurance on Property, Plant and Equipment (PPE)
Insurance on PPE was contracted with the Associate following a tendering exercise conducted by the Fund's Insurance Broker.
- (ii) Staff Pension Fund Manager
As per Statutory requirements, SICOM Ltd is the Board's Staff Pension Fund Manager.

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.

29. FINANCIAL INSTRUMENTS

29.1 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 2.17 to the financial statements.

29.2 Categories of financial instruments

Financial assets

	June 2021 MUR	June 2020 MUR
- Held to maturity investments	358,989,590	541,847,809
- Loans and Receivables (including cash & Cash Equivalents and excluding prepayments)	600,075,720	525,617,021
- Available for sale financial assets	2,063,280,091	1,473,042,986
	3,022,345,401	2,540,507,816

Financial liabilities

Liabilities	928,475,956	357,345,943
-------------	--------------------	--------------------

29.3 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.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

29. FINANCIAL INSTRUMENTS (CONT'D)

29.3 Financial risk management (cont'd)

(i) Price Management

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.

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

Currency profile

Currency	Financial Assets June 2021 MUR	Financial Liabilities June 2021 MUR	Financial Assets June 2020 MUR	Financial Liabilities June 2020 MUR
Mauritian Rupees	1,476,527,659	928,475,956	1,282,446,566	357,345,943
United States Dollars	1,200,106,635	-	968,261,835	-
Euro	345,617,123	-	258,243,157	-
British Pounds	93,984	-	31,556,258	-
	3,022,345,401	928,475,956	2,540,507,816	357,345,943

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 surplus and other equity where the Rupee strengthens by 1% against the relevant currency. There would be an equal and opposite impact on surplus and other equity, if the rupee weakens by 1%.

	June 2021 MUR	June 2020 MUR
(a) USD Impact		
Surplus or deficit in statement of financial position	1,358,081	1,245,106
Revaluation Reserve in statement of financial position	10,642,985	8,437,512
(b) EURO Impact		
Surplus or deficit in statement of financial position	192,762	172,200
Revaluation Reserve in statement of financial position	3,263,409	2,410,231

The above is mainly attributable to:

- (i) available-for-sale securities
- (ii) short term deposits
- (iii) held to maturity securities

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

29. FINANCIAL INSTRUMENTS (CONT'D)

29.3 Financial risk management (cont'd)

- Interest rate risk management**

The Fund has limited exposure to interest rate risk as none of its financial liabilities is interest bearing, all of the Fund's loans receivable and fixed deposits are fixed-interest bearing, while only part of its quoted notes and bonds are at floating interest rates. A 25 basis point change in interest rate has an effect of some MUR 0.28 Million on the Fund's interest receivable.

The interest rate profile of the financial assets of the Fund was:-

Financial assets	Currency	Fixed Interest rate (%)		Floating Interest rate (%)	
		2021	2020	2021	2020
Bank Deposits	MUR	-	-	0.00-0.65	0.00-0.65
Loan to MSS – Short Term	MUR	1.75	3.20	-	-
Loan to MSS – Long Term	MUR	2.85-4.50	4.50	-	-
Fixed deposits	MUR	5.37	4.00-6.00	-	-
Short term deposits	GBP	-	0.70-1.30	-	-
Short term deposits	USD	0.7-1.28	2.28-2.33	-	-
Short term deposits	EUR	0.35	-	-	-
Debentures/Notes	MUR	6.15	5.25-6.30	3.20	3.20-5.35
Debentures/Notes	USD	4.75-6.00	4.75-6.00	-	-
Debentures/Notes	EUR	3.35	3.35	6mEuribor+4.00	6m Euribor +4.00

- Market Management 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.

	June 2021 MUR	June 2020 MUR
Available-for-sale securities	20,632,801	14,730,430

(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

for the year ended 30 June 2021

29. FINANCIAL INSTRUMENTS (CONT'D)

29.3 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 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 cash flow will occur in a different period.

	<i>Within 1 month MUR</i>	<i>1 to 3 months MUR</i>	<i>3 months to 1 year MUR</i>	<i>More than 1 year MUR</i>	<i>No fixed maturity MUR</i>
Held to maturity (incl. interest)	-	7,789,590	275,000,000	76,200,000	-
Available-for-sale	-	-	66,040,706	191,736,330	1,805,503,054
Loans & Receivables (excl prepayments)	341,153,695	-	12,421,221	3,265,626	79,648
Cash & cash equivalents	212,349,531	-	30,806,000	-	-
	553,503,226	7,789,590	384,267,927	271,201,956	1,805,582,702

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.

	<i>Within 1 month MUR</i>	<i>1 to 3 months MUR</i>	<i>3 months to 1 year MUR</i>	<i>More than 1 year MUR</i>
Liabilities	464,061,620	770,314	8,733,178	454,573,343

30. 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.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

30. MANAGEMENT OF INSURANCE RISKS (CONT'D)

Insurance risk (cont'd)

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 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.

31. SENSITIVITY ANALYSIS

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

For Crop 2020, the following variables are relevant:

(i) Climatic conditions

Climatic conditions relates to the effects of cyclonic winds, excessive rainfall and drought.

(ii) Islandwide tonnage of canes of 2,620,121 tonnes.

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

(iii) Islandwide extraction rate 10.39 %

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

(iv) Islandwide sugar production of 272,348 tonnes

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

(v) Harvestable Extent of 41,793 Hectares

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

31. SENSITIVITY ANALYSIS (CONT'D)

- (vi) Islandwide Total Insurable Sugar 342,741 tonnes

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

- (vii) Islandwide average ranking 12.2

The islandwide average ranking is the average ranking of all insureds weighted by their TIS (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.

32. CLAIMS HISTORY AND DEVELOPMENT

The claims history and development is summarised below:

General and Fire insurance

Crop Year	General Compensation MUR	Fire Compensation MUR	General and Fire Premium (gross) MUR	Loss Ratio
2020	427,763,146	9,010,755	149,383,455	292.38%
2019	-	12,163,977	139,854,556	8.70%
2018	301,766,632	7,026,539	123,539,652	250%
2017	466,630,737	3,070,713	191,905,180	239.32%
2016		12,612,851	237,455,450	5.32%
2015	406,827,520	7,226,480	207,962,000	199.10%
2014		7,250,000	192,344,374	3.70%
2013		7,469,662	271,200,000	2.80%
2012		7,731,929	293,800,000	2.60%

Note

The gross premium is before deduction of discounts given to Insureds. (MUR 200.55 Million in 2015, MUR 185.23 Million in 2014)

33. FINANCIAL COMMITMENT

At end of reporting date, the Fund had no financial commitment with other parties.

34. TAXATION

The Fund is exempt from income tax.

35. CONTROLLING PARTY

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

Appendix A

Financial and Statistical Tables

Table I: Statement of Funds (for consideration by Audit & Risk Committee)

Table II: Fire Statistics, Crop 2020

Table III: Sugar Price, 2011 – 2020

Table IV: Events by Factory Area, 2013 - 2020

Table V: Credit Co-operative Societies, Crop 2020

Table VI: Millers, Crop 2020

Table VII: Area Harvested & Cane Weight, Crop 2020

Table VIII: Number of Planters, Sugar Produced & Insurable Sugar, Crop 2020

Table IX: Premium, Compensation and Shortfall - Crop 2020

Table X: Past Years Data (2011 – 2020)

SUGAR INSURANCE FUND BOARD

Table 1 : Statement of Funds

Financial Year/period	Income				Expenditure					Operating Surplus/ (Deficit)	Accumulated Funds	Surplus/ (Deficit) on revaluation	Revaluation Reserves	Total Equity
	Gross Premium	Other contributions	Investments & Other Income	Total Income	Net compensation	Financial Assistance	Net Reinsurance Premium	Operating & other Expenses	Total Expenditure					
	Note 1	Note 2	Note 3		Note 4		Note 5	Note 6				Note 7		
Up to 2011	16,857,347,493	2,115,727,347	4,604,446,745	23,577,521,585	13,871,772,486	-	2,578,619,861	3,068,242,260	19,518,634,607	4,058,886,978	4,058,886,978	1,186,090,241	1,186,090,241	5,244,977,219
2012 (Restated)	293,800,000	-	1,000,101,144	1,293,901,144	7,731,929	-	-	140,573,741	148,305,670	1,145,595,474	5,204,482,452	(561,796,941)	624,293,300	5,828,775,752
2013 (Restated)	271,520,300	-	296,510,208	568,030,508	7,469,662	-	-	535,157,275	542,626,937	25,403,571	5,229,886,023	148,461,755	772,755,055	6,002,641,078
2014	192,155,641	7,072,238	341,441,261	540,669,140	7,250,000	900,000,000	-	357,056,844	1,264,306,844	(723,637,704)	4,506,248,319	(35,635,428)	737,119,627	5,243,367,946
2015	207,934,630	-	327,139,143	535,073,773	414,130,480	414,659,158	-	396,611,483	1,225,401,121	(690,327,348)	3,815,920,971	(33,581,276)	703,538,351	4,519,459,322
2017 (18 months)	237,455,450	-	343,224,912	580,680,362	12,612,851	447,000,000	-	282,063,695	741,676,546	(160,996,184)	3,654,924,787	144,003,391	847,541,742	4,502,466,529
2018	191,905,180	-	492,579,581	684,484,761	469,701,450	315,900,000	-	144,608,272	930,209,722	(245,724,961)	3,409,199,826	(199,548,087)	647,993,655	4,057,193,481
2019	123,539,652	-	335,824,718	459,364,370	308,793,171	436,684,867	-	208,796,111	954,274,149	(494,909,779)	3,070,087,537	(60,565,098)	426,579,719	3,496,667,256
2020	139,854,556	-	258,340,844	398,195,400	36,205,380	-	-	113,600,328	149,805,708	248,389,692	3,327,710,088	39,902,546	466,482,265	3,794,192,353
2021	149,018,814	-	351,276,535	500,295,349	436,773,901	-	-	122,002,420	558,776,321	(58,480,972)	3,139,415,040	310,816,081	777,298,346	3,916,713,386
TOTAL	18,664,531,716	2,122,799,585	8,350,885,091	29,138,216,392	15,572,441,310	2,514,244,025	2,578,619,861	5,368,712,429	26,034,017,625					

Notes

- 1 Gross Premium includes Total General and Fire Premium receivable from all insureds.
- 2 Other contributions include receipts Recoveries from Reinsurers.
- 3 Other income includes all other items not classified under Note 1 and 2 and also includes items posted directly to reserves.
- 4 Net compensation includes amounts payable during the financial year/period, net of adjustments.
- 5 Reinsurance premium is based on amounts payable during the financial year/period, net of adjustments.
- 6 Operating & Other expenses include all other items not classified under Note 4 and 5
- 7 Also Includes transfer of revaluation surplus on disposal and movement in reserves on recognition of Associates in 2012 .

Table II: Fire Statistics, Crop 2020

SECTOR	INTER-CROP FIRE COMPENSATION			TRANSPORT ALLOWANCE		TOTAL FIRE PAYMENTS [Rs]
	Eligible Accounts	HE Burnt [Ha]	Net Compensation [Rs]	Eligible Accounts	Transport Refund [Rs]	
NORTH	45	47.0	1,716,510	38	1,003,589	2,720,099
SOUTH	20	33.4	1,244,301	1	273,236	1,517,537
EAST	9	53.1	1,981,817	-	-	1,981,817
WEST	4	60.8	2,571,939	2	125,965	2,697,904
CENTRE	4	2.8	93,401	-	-	93,401
TOTAL	82	197.1	7,607,968	41	1,402,790	9,010,758

Table III: Sugar Price for Insurance

Crop Year	Planters	Millers	Weighted
	(Rupees/Tonne)		
2011	16,013	15,300	15,856
2012	17,133	16,500	16,994
2013	17,091	16,500	16,961
2014	13,184	12,500	13,034
2015	13,735	13,000	13,573
2016	15,946	15,300	15,804
2017	14,196	13,500	14,043
2018	10,462	9,700	10,294
2019	10,823	10,000	10,642
2020	12,780	12,000	12,608

AREA/SECTOR	2013	2014 ¹	2015	2016	2017*	2018 ²	2019	2020
TERRA (NORTH)								
Belle Vue	---	---	---	---	---	---	---	---
Beau Plan	---	---	---	---	---	---	---	---
Mon Loisir	---	---	---	---	---	---	---	---
ALTEO (CENTRE/ EAST)								
Beau Champ	---	---	E	---	*	D&E	---	D
Constance	---	---	E	---	*	D&E	---	D
FUEL	---	---	E	---	*	D&E	---	D
Mon Desert Alma	---	---	E	---	*	D&E	---	D
Highlands	---	---	E	---	*	D&E	---	D
Reunion	---	---	---	---	*	D&E	---	D
OMNICANE (SOUTH)								
Britannia	---	---	E	---	*	D&E	---	D
Mon Trésor	---	---	E	---	*	D&E	---	D
Riche-en-Eau	---	---	E	---	*	D&E	---	D
Rose-Belle	---	---	E	---	*	D&E	---	D
Savannah	---	---	E	---	*	D&E	---	D
St Félix	---	---	E	---	*	D&E	---	D
Union St. Aubin	---	---	E	---	*	D&E	---	D
MEDINE (WEST)								
Médine	---	---	---	---	*	D&E	---	---

C: Cyclone

D: Drought

E: Excessive Rainfall

* Declaration of Event Year recommended by Fact Finding Committee

¹ Following Actuarial Review 2014, the basis for Declaration of Event Year was set at 17% crop reduction at Enlarged Factory Area (EFA) level as from Crop 2014.

² Following Actuarial Review 2017, the basis for Declaration of Event Year was set at 20% crop reduction at EFA level by planter grouping as from Crop 2018.

Table V: Credit Co-operative Societies, Crop 2020

ENLARGED FACTORY AREA	Planters	Area Harvested	Sugar Accrued	Insurable Sugar	General Premium	Fire Premium	General Compensation
	(Count)	(Hectares)	(Tonnes)		(Rupees)		
TERRA	1,194	1,437	7,578	8,568	3,011,050	200,461	---
ALTEO	3,194	2,887	12,938	15,100	8,008,753	313,476	20,771,427
OMNICANE	1,694	1,761	7,838	9,224	4,738,971	191,045	12,919,888
ISLAND	6,082	6,085	28,354	32,892	15,758,774	704,982	33,691,315

Table VI: Millers, Crop 2020

ENLARGED FACTORY AREA	Sugar Accrued	Insurable Sugar	General Premium	Fire Premium	General Compensation
	(Tonnes)		(Rupees)		
TERRA	16,961	21,345	7,043,938	547,223	----
ALTEO	22,792	28,789	13,986,948	721,630	38,032,793
OMNICANE	19,575	25,344	8,363,589	609,111	51,780,910
ISLAND	59,328	75,479	29,394,475	1,877,964	89,813,703

Table VII: Area Harvested & Cane Weight, Crop 2020

ENLARGED FACTORY AREA		GROWING UNIT PLANTERS							TOTAL GROWING UNIT PLANTERS	LARGE PLANTERS Above 300 Ha	GRAND TOTAL
		Up to 0.49 Ha	0.5 to 0.99 Ha	1 to 1.99 Ha	2 to 4.99 Ha	5 to 9.99 Ha	10 to 99.99 Ha	100 to 299.99 Ha			
TERRA	Area Harvested (Hectares)	346	383	497	591	205	517	807	3,347	8,059	11,406
	Cane Weight (Tonnes)	20,326	22,879	28,932	35,331	11,478	29,339	42,130	190,415	524,794	715,208
ALTEO	Area Harvested (Hectares)	694	1,098	1,039	1,245	708	191	-	4,975	11,859	16,834
	Cane Weight (Tonnes)	38,935	61,109	57,954	67,447	36,258	7,725	-	269,428	756,479	1,025,906
OMNICANE	Area Harvested (Hectares)	465	552	519	692	338	420	-	2,986	10,567	13,553
	Cane Weight (Tonnes)	27,600	30,075	29,712	40,332	18,073	23,167	-	168,958	710,048	879,007
ISLAND	Area Harvested (Hectares)	1,505	2,034	2,055	2,528	1,251	1,128	807	11,308	30,485	41,793
	Cane Weight (Tonnes)	86,862	114,062	116,598	143,110	65,809	60,230	42,130	628,800	1,991,320	2,620,121

Table VIII: Number of Insureds, Sugar Produced & Insurable Sugar, Crop 2020

ENLARGED FACTORY AREA		GROWING UNIT PLANTERS							TOTAL GROWING UNIT PLANTERS	LARGE PLANTERS Above 300 Ha	MILLERS	GRAND TOTAL
		Up to 0.49 Ha	0.5 to 0.99 Ha	1 to 1.99 Ha	2 to 4.99 Ha	5 to 9.99 Ha	10 to 99.99 Ha	100 to 299.99 Ha				
TERRA	Number of Insureds	1,413	535	352	192	31	17	4	2,544	5	1	2,550
	Sugar Accrued (Tonnes)	1,736	1,949	2,473	3,005	981	2,534	3,679	16,357	47,333	16,975	80,665
	Insurable Sugar (Tonnes)	2,063	2,284	2,962	3,525	1,164	3,081	4,812	19,891	55,728	21,345	96,964
ALTEO	Number of Insureds	2,849	1,490	756	419	102	14	-	5,630	7	1	5,638
	Sugar Accrued (Tonnes)	2,979	4,525	4,366	5,231	2,825	625	-	20,551	59,349	22,805	102,705
	Insurable Sugar (Tonnes)	3,632	5,743	5,435	6,498	3,672	1,001	-	25,979	75,807	28,789	130,575
OMNICANE	Number of Insureds	1,768	771	372	227	51	23	-	3,212	20	1	3,233
	Sugar Accrued (Tonnes)	2,000	2,166	2,171	2,913	1,359	1,859	-	12,209	56,921	19,587	88,978
	Insurable Sugar (Tonnes)	2,435	2,894	2,718	3,624	1,745	2,134	-	15,551	74,670	25,344	115,201
ISLAND	Number of Insureds	6,030	2,796	1,480	838	184	54	4	11,386	32	3	11,421
	Sugar Accrued (Tonnes)	6,715	8,641	9,010	11,150	5,164	5,018	3,679	49,377	163,604	59,367	272,348
	Insurable Sugar (Tonnes)	8,129	10,921	11,115	13,647	6,581	6,217	4,812	61,421	206,205	75,479	342,741

Table IX: General Premium & Compensation, Crop 2020

ENLARGED FACTORY AREA		GROWING UNIT PLANTERS							TOTAL GROWING UNIT PLANTERS	LARGE PLANTERS Above 300 Ha	MILLERS	GRAND TOTAL
		Up to 0.49 Ha	0.5 to 0.99 Ha	1 to 1.99 Ha	2 to 4.99 Ha	5 to 9.99 Ha	10 to 99.99 Ha	100 to 299.99 Ha				
TERRA	General Premium (Rs)	668,861	782,824	1,012,274	1,229,786	409,131	1,082,926	1,691,241	6,877,043	19,585,535	7,043,938	33,506,516
	General Compensation (Rs)	---	---	---	---	---	---	---	---	---	---	---
ALTEO	General Premium (Rs)	1,785,294	2,982,840	2,822,133	3,414,067	1,947,314	530,638	-	13,482,286	37,561,749	13,986,948	65,030,983
	General Compensation (Rs)	4,630,331	7,736,265	7,319,449	8,854,703	5,050,531	1,376,262	-	34,967,541	115,456,871	38,032,793	188,457,205
OMNICANE	General Premium (Rs)	1,184,284	1,438,530	1,373,894	1,856,107	881,804	1,096,827	-	7,831,446	26,114,809	8,363,589	42,309,844
	General Compensation (Rs)	3,228,717	3,921,889	3,745,650	5,060,323	2,404,066	2,990,288	-	21,350,933	166,186,899	51,780,910	239,318,742
ISLAND	General Premium (Rs)	3,638,439	5,204,194	5,208,301	6,499,960	3,238,249	2,710,391	1,691,241	28,190,775	83,262,093	29,394,475	140,847,343
	General Compensation (Rs)	7,859,048	11,658,154	11,065,099	13,915,026	7,454,597	4,366,550	-	56,318,474	281,643,770	89,813,703	427,775,947

Table X: Past Years Data (2011 – 2020)

Crop Year	Insureds	Area Harvested	Canes Milled	Sugar Accrued	Insurable Sugar	General Premium	General Compensation	Financial Assistance	Crop Reduction
	(Number)	(Hectares)	(Tonnes)			(Rupees Thousands)			%
2011	18,816	55,777	4,230,173	439,406	481,003	170,266 ³	191,283	-	9%
2012	17,546	53,428	3,947,285	412,876	462,114	288,595	-	-	11%
2013	16,533	52,312	3,815,782	408,536	447,550	265,733	-	-	9%
2014	14,925	49,791	4,044,421	404,146	424,715	- ⁴	-	900,963	4.8%
2015	14,575	51,694	4,009,232	369,531	442,394	- ⁵	406,905	413,372	16.5%
2016	13,733	50,990	3,798,657	389,238	437,279	230,133	-	-	11.0%
2017	12,630	48,857	3,713,331	357,702	422,779	188,767	468,460	446,809	15.4%
2018	12,888	47,181	3,154,516	325,980	393,784	110,921	298,169	752,848	17.2%
2019	11,811	44,519	3,405,250	333,192	369,771	130,769	-	-	9.9%
2020	11,421	41,793	2,620,121	272,348	342,741	140,847	427,776	-	20.5 %

³ 70% discount on general premium⁴ 100% discount on general premium⁵ 100% discount on general premium



18, Sir Seewoosagur Ramgoolam Street
Port Louis

Tel: (230) 260-4700

Fax: (230) 208-2634

Email: sifb@sifb.mu

Website: www.sifb.mu