

4. MAURITIUS

Sugar Insurance Fund Act 1974, Act No. 4 of 1974. - 24 May 1974.

[An Act to amend and consolidate the law relating to the insurance of sugar cane crops against cyclones, drought or excessive rainfall and to provide for the compulsory insurance of sugar cane crops against fire losses]

PART I

PRELIMINARY

1. This Act may be cited as the Sugar Insurance Fund Act 1974,

2. In this Act-

"average sugar yield per arpent" means the average cane yield in tons per arpent harvested, converted to sugar by reference to extraction;

"Board" means the Sugar Insurance Fund Board established by section 4;

"Committee" means the Investment Committee established by section 10;

"Control Board" means the Cane Planters and Millers Arbitration and Control Board established under the Cane Planters and Millers Arbitration and Control Board Act, 1973;

"co-operative society" means a co-operative society registered under the Co-operative Societies Ordinance, 1945;

"crop year" means the period beginning on the 1st of June in any year and ending on the 31st of May in the following year;

"event year" means a crop year declared as such under section 25;

"extraction" means the average percentage, determined by the Board and calculated to two decimal places, of the sugar recovered from the canes supplied to a factory by a planter or group of planters or of metayers;

"factory" means a sugar factory;

"factory area" has the same meaning as in the Cane Planters and Millers Arbitration and Control Board Act, 1973;

"Fire Insurance Account" means the account required to be kept under section 19;

"fire insurance premium" means the premium specified in section 34;

"first loss" means the product of the amount of insurable sugar of an insured for an event year and the first loss percentage set out in the third column of the Second Schedule opposite the ranking assigned to the insured;

"Fund" means the Sugar Insurance Fund established by section 3;

"General Insurance Account" means the account required to be kept under section 19;

"general insurance premium" means the premium determined in accordance with section 24(6);

"grouped" means grouped in a region and "group" has a corresponding meaning;

"insurable sugar" means-

- (a) in the case of a planter or metayer, the insurable sugar determined in accordance with section 22;
- (b) in the case of a miller, the insurable sugar determined in accordance with section 23;

"insured" means a miller, a planter, or a group of planters or of metayers;

"Manager" means the Manager of the Board appointed under section 12;

"member" means a member of the Board and includes the Chairman;

"metayer" means a person who, by agreement with a planter, cultivates cane on land which belongs to the planter and, in consideration for the use of the land, gives the planter a portion of the annual sugar yield of such land, with or without any additional payment;

"middleman" has the same meaning as in the Cane Planters and Millers Arbitration and Control Board Act, 1973;

"miller" has the same meaning as in the Cane Planters and Millers Arbitration and Control Board Act, 1973;

"Minister" means the Minister to whom responsibility for the subject of Finance is assigned;

"normal years" in relation to a planter or group of planters or of metayers means the three crop years of the twelve crop years preceding an event year which had the highest average sugar yield per arpent;

"officer" means a person employed by the Board to perform administrative or technical duties;

"planter" has the same meaning as in the Cane Planters and Millers Arbitration and Control Board Act, 1973;

"ranking" has the same meaning assigned to it in section 21;

"region" means a part of a factory area determined as such pursuant to section 31;

"register" means the register required to be kept by the Board under section 43;

"registered" means registered with the Board under section 40;

"servant" means a person employed by the Board other than an officer;

"shortfall" means the insurable sugar of an insured in an event year less the first loss of the insured in that year less the sugar accruing to the insured in that year;

"sugar" means raw sugar with a polarisation of 98.5' and includes white sugar or any other type of sugar converted to raw sugar on the basis of such equivalent as the Minister may, after consultation with the Board, prescribe;

"sugar accruing" or "sugar accrued" means-

- (a) in respect of a miller, twenty-nine per cent of the total sugar produced from planters' canes and metayers' canes;
- (b) in respect of a planter or group of planters or of metayers seventy-one per cent of the total sugar produced from the canes of the planter or the group of planters or of metayers;

"sugar price" means the price determined pursuant to section 47;

"Syndicate" means the Mauritius Sugar Syndicate.

PART II

ESTABLISHMENT OF THE FUND, THE BOARD AND THE COMMITTEE

3. (1) There is established for the purposes of this Act the Sugar Insurance Fund.
(2) The object of the Fund shall be. to insure the sugar industry against loss due to cyclones, drought, excessive rainfall or fire.
4. (1) The Fund shall be administered by a Board to be known as the Sugar Insurance Fund Board.
(2) The Board shall be a body corporate having perpetual succession and a common seal.
(3) The registered office of the Board shall be at such place as the Board may designate by notice published in the Gazette.
(4) Subject to the other provisions of this Act, the Board shall, for the purposes of this Act, have the same powers as a neutral person.
5. (1) The Board shall consist of-
 - (a) the Financial Secretary who shall be the Chairman;
 - (b) the Permanent Secretary, Ministry of Agriculture and Natural Resources or his representative;
 - (c) the Director of the Economic Planning Unit or his representative;
 - (d) the General Manager of the Control Board;
 - (e) a representative of the Minister;
 - (f) a representative of the Chamber of Agriculture;

- (g) two representatives of planters who are grouped;
 - (h) a representative of planters who are not grouped; and
 - (i) a representative of millers.
- (2) The members specified in subsection (1) (f), (g), (h) and (i) shall be appointed by the Minister.
- (3) An appointed member shall-
- (a) be paid such allowance as may be determined by the Minister;
 - (b) hold and vacate office on such terms as the Minister may determine;
 - (c) not be deemed to hold a public office by virtue of his appointment.
6. (1) The Chairman shall preside at all meetings of the Board and in his absence from any meeting, the members present shall elect from among themselves a member to preside at that meeting and the member so elected shall, in relation to that meeting, exercise the functions and have all the powers of the Chairman.
- (2) The quorum of the Board shall be five.
- (3) All acts, matters or things authorized or required to be done by the Board shall be decided by a simple majority of the members present and voting at that meeting.
- (4) At a meeting of the Board, each member shall have one vote on the matter in question and, in the event of an equality of votes, the Chairman shall have a casting vote.
- (5) Subject to the other provisions of this section and any regulations made under this Act, the Board shall regulate its meetings in such manner as it thinks fit.
7. (1) The Board shall sue and be sued in its corporate name.
- (2) Service of any process by or on the Board shall be sufficient if made on behalf of or on the Manager.
8. (1) Subject to subsection (2), no document and no cheque drawn on a banking account shall be executed by or on behalf of the Board unless it is signed by-
- (a) a member; and
 - (b) the Manager.
- (2) A document to which the Board is a party may be signed outside Mauritius by any person nominated for the purpose by the Board.
9. A party to any proceedings before the Board may be assisted by counsel or technical experts.

10. (1) There is established for the purposes of this Act an Investment Committee which shall consist of the following members of the Board-

- (a) the Financial Secretary who shall be the Chairman;
- (b) another ex-officio member who shall be the Deputy-Chairman;
- (c) the appointed member representing the Chamber of Agriculture; and
- (d) one other member to be elected by the Board for such term of office as the Board may determine.

(2) Decisions of the Committee shall be taken by a majority of the members present and voting at that meeting and in the event of an equality of votes, the Chairman shall have a casting vote.

(3) The quorum of the Committee shall be three.

11. The Minister may, in relation to the exercise by the Committee of its functions under this Act, give such directions to the Committee as he considers necessary and the Committee shall comply with those directions.

PART III

STAFF OF THE BOARD

12. (1) The Board shall, with the approval of the Minister, appoint a Manager who shall be the chief executive officer of the Board.

(2) The Manager shall be responsible for the execution of the policy of the Board and for the control and management of its day to day business.

(3) In the exercise of his functions, the Manager shall act in accordance with such directions as he may receive from the Board.

13. (1) The Board may appoint on such terms and conditions as it may, with the approval of the Minister, determine, such officers and servants as may be reasonably necessary for the purposes of or in connection with the discharge of its functions.

(2) All officers and servants shall be under the administrative control of the Manager.

14. (1) Subject to such general or specific instructions and rules of a general nature as may be given or made by the Board, the Board may delegate to the Manager such of its powers as may be necessary to enable him to effectively perform his duties.

(2) The Manager may, with the approval of the Minister, delegate any of his functions to such officers as he may determine.

15. The Board may, with the approval of the Minister, make such rules as it thinks fit to govern the conditions of service of its officers and servants and, in particular, to deal with-

- (a) the appointment, dismissal, discipline, pay and leave of, and the security to be given by, officers and servants;

- (b) appeals by officers and servants against dismissal and other disciplinary measures;
- (c) the establishment and maintenance of provident and pension fund schemes and the contribution payable thereto and the benefits recoverable therefrom.

PART IV

FINANCIAL PROVISIONS

16. Subject to section 20(2) (b), the expenses of administering the Fund shall be defrayed out of the assets of the Fund.

17. (1) Subject to subsection (2), the Board may, on the recommendation of the Committee and with the approval of the Minister, invest any money forming part of the assets of the Fund which is not required to meet the liabilities of the Fund..

(2) There shall be held in cash, on deposit or in Treasury Bills such proportion of the assets of the Funds as the Board may, with the approval of the Minister, determine.

18. The Board may, on the recommendation of the Committee and with the approval of the Minister-

- (a) borrow in such manner, on such terms and at such rate as it considers reasonable, any sum necessary to enable the Fund to meet its liabilities; and
- (b) give the assets of the Fund by way of security for such loans.

19. (1) The Fund shall consist of two accounts-

- (a) a General Insurance Account; and
- (b) a Fire Insurance Account.

(2) The General Insurance Account shall consist of-

- (a) the amount accruing to it in accordance with section 58(1) (a);
- (b) all general insurance premiums; and
- (c) such other sums as may accrue to it.

(3) The Fire Insurance Account shall consist of-

- (a) the amount accruing to it in accordance with section 58(1) (b);
- (b) all fire insurance premiums; and
- (c) such other sums as may accrue to it.

20. (1) The Board shall maintain a Reserve Fund which shall consist of-

- (a) the amount accruing to it in accordance with section 58(2);
- (b) such sums as the Minister may direct to be credited from the General Insurance Account and the Fire Insurance Account; and
- (c) the amount of any special duty leviable under section 50(1).

- (2) No drawing shall be made from the Reserve Fund except-
 - (a) to provide compensation payable in respect of loss in excess of thirty-five per cent where the overall loss in production in any crop year exceeds thirty-five per cent of the total amount of insurable sugar for that crop year; or
 - (b) to meet expenditure incurred for the insurance of any liability payable out of the Fund.

PART V

GENERAL INSURANCE

21. (1) The Board shall in respect of every crop year assign a ranking to every insured.
- (2) Subject to subsection (3) and (4) and section 41, the ranking shall be calculated according to the formula set out in the First Schedule and the result reduced to the next lower multiple of 0.1.
- (3) Where the records of the Board are insufficient to enable it to calculate the ranking of a planter or group of planters or of metayers in accordance with subsection (2), the Board shall assign the ranking on such information as it has available.
- (4) Where the ranking of an insured is less than five, or exceeds fifteen, in any crop year, his ranking-
- (a) shall be deemed to be five or fifteen, as the case may be, for the purposes of determining the premium percentage, the first loss percentage and the value percentage set out in the second, third and fourth columns of the Second Schedule respectively;
 - (b) shall, for the following crop year, be calculated by reference to the actual figure for his ranking.
22. (1) Subject to subsections (2) and (3) and sections 27 and 31 (3), the insurable sugar of any planter or group of planters or metayers in respect of a cane plantation shall be determined by the Board and shall be seventy-one per cent of the product of the weighted average sugar yield per arpent for the normal years on that cane plantation and the number of arpents to be harvested.
- (2) (a) Where the Board is satisfied that the area or yield records of a cane plantation registered by a planter, a group of planters or metayers are not adequate or reliable in respect of any one of the normal years, it shall assess the weighted average sugar yield per arpent of that cane plantation by reference to the weighted average sugar yield per arpent for the other normal years for which adequate and reliable area or yield records are available;
- (b) Where the Board is satisfied that no adequate and reliable area or yield records are available for a cane plantation in respect of any of the normal years, it shall assess the average sugar yield per arpent which the cane plantation can be expected to yield on such information as it has available.

(3) The Board may, where it is satisfied that the average sugar yield per arpent of the whole or part of a cane plantation in any crop year has been so substantially increased in relation to the clearance of stones that a determination under subsection (1) will not give the true average sugar yield per arpent of that cane plantation, assess the insurable sugar per arpent of that cane plantation for that crop year by reference to-

- (a) its average sugar yield per arpent in the most recent of the normal years; or
- (b) its weighted average sugar yield per arpent in the two most recent of the normal years.

23. The insurable sugar of a miller shall be twenty-nine per cent of the total amount of sugar which all the cane plantation harvested in his factory area can be expected to yield determined by the Board in accordance with section 22.

24. (1) Subject to section 51 every insured shall, in respect of the harvest of each crop year, contribute to the General Insurance Account an annual general insurance premium determined by the Board in accordance with subsection (6).

(2) Where it is not possible for the Board to determine the general insurance premium by the 31st of December, the Board may make a provisional estimate of the amount payable.

(3) The Syndicate shall, at the request of the Board, and without incurring any liability to any person, pay the general insurance premium of the estimate made under subsection (2) to the Board not later than the 31st of December in respect of the crop year for which it is payable.

(4) The difference between the general insurance premium and the provisional estimate made under subsection (2) shall be recovered-

- (a) through the Syndicate on or before the 30th of April of the crop year for which the premium is payable; or
- (b) from the insured after the 30th of April.

(5) Where the provisional estimate made under subsection (2) exceeds the general insurance premium, the excess shall be credited to the insured's general insurance premium for the following year.

(6) (a) Subject to section 31(4), the general insurance premium shall be a percentage of the value of the insurable sugar of the insured for the crop year for which the premium is payable and shall be calculated to the nearest rupee;

- (b) the general insurance premium shall be determined by reference-
 - (i) to the weight and value of insurable sugar of the insured; and
 - (ii) to the premium percentage set out in the second column of the Second Schedule opposite the ranking assigned to the insured in respect of the crop year for which the premium is payable.

(c) the premium payable by any planter or metayer within a group of planters or metayers shall be proportional to the tonnage of canes supplied by him.

25. (1) The Board may, not later than the 31st of January of any cropyear, in respect of any factory area, declare that crop year to be an event year on account of the occurrence of all or any of the following causes: cyclone, drought or excessive rainfall.

(2) The Board may provisionally declare a crop year to be an event year in respect of a factory area and the Board shall in such case not later than the 31st of January, either make a declaration under subsection (1) or declare that that crop year shall not be an event year in respect of that factory area.

(3) Any declaration under subsection (1) or (2) shall be published in the Gazette and in two daily newspapers.

(4) (a) Where no declaration under subsection (1) has been made in respect of a factory area, any insured in that area, may, not later than the 15th of February, request the Board in writing to make the declaration.

(b) The Board shall thereupon, not later than the 15th of June next ensuing, or such later date as the Minister may by Order published in the Gazette appoint, make the declaration or refuse to make it.

(5) Where the Board refuses to make a declaration under subsection(1) following a request made by an insured under subsection 4(a), it shall notify in writing its refusal to the insured concerned.

26. (1) Subject to subsection (4) and section 28, 31(6), 31(7), 32, and 33, where an event year has been declared, every insured within the factory area shall be eligible for compensation on the shortfall due to cyclones, drought or excessive rainfall.

(2) The Board shall determine the amount of compensation payable to an insured by reference to-

(a) the sugar price at which general insurance premium was paid for the relevant crop year; and

(b) the value percentage set out in the fourth column of the Second Schedule opposite the ranking assigned to the insured.

(3) Compensation under subsection (2) shall be calculated to the nearest rupee and payable in such instalments as the Board may determine.

(4) Where a registered planter has the majority or controlling interest in a cane plantation registered in the name of another person, any compensation payable in respect of that cane plantation shall, for the purposes of subsection (1), be assessed and paid to the registered planter who holds the majority or controlling interest in the cane plantation as if it were part of the other cane plantations registered in his name.

(5) The Board may deduct from any money payable to an insured by way of compensation -

(a) any sum due to the Board in respect of a general insurance premium payable by the insured; and

(b) any sum unduly paid by way of compensation to the insured in respect of a previous crop year.

27. (1) Notwithstanding section 26, and subject to sections 32 and 33, where the Board is satisfied that any part of the loss in the sugar yield of a planter or group of planters or metayers is attributable to causes other than cyclones, drought or excessive rainfall, the Board may, in respect of the loss due to cyclones, drought or excessive rainfall, pay compensation determined by reference to the amount of insurable sugar calculated in accordance with the formula set out in the Third Schedule.

(2) Where compensation as determined under subsection (1) is paid to an insured, the Board shall reduce the general insurance premium payable by the insured accordingly.

28. (1) Subject to subsection (2) the Board shall, in accordance with any arrangement which it may approve for the purposes of this section, but subject to sections 25, 26 and 27, pay to the insured compensation out of the General Insurance Account.

(2) The Board may pay the compensation to the Syndicate for distribution to the insured through his broker, middleman, or other representative authorised by him to receive from the Syndicate payment of the proceeds of the sale of his sugar.

(3) For the purpose of subsection (2), a broker, middleman or other representative shall be deemed to have been authorised to receive payments from the Syndicate in respect of any crop year by an insured who has consigned to the broker, middleman or other representative, as the case may be, the sugar accruing in that crop year to the insured.

(4) Compensation payable in any crop year in respect of a factory or cane plantation with respect to which there has been a change in ownership after registration under section 40 shall, in the absence of a notification under section 41(1), be paid-

(a) in respect of a factory, to the miller who operated the factory;

(b) in respect of a cane plantation, the planter in whose name the canes were supplied.

29. Where the net amount standing to the credit of the General Insurance Account estimated as at the 31st of May is insufficient to meet the liabilities of the General Insurance Account in respect of losses incurred in an event year under this Part, the Minister may, by Order published in the Gazette and in two daily newspapers, direct that compensation assessed in accordance with section 26 or 27 shall be reduced by such percentage as shall ensure that the compensation payable shall not, in the aggregate, exceed the net amount standing to the credit of the General Insurance Account.

30. (1) Subject to subsections (2) and (3), the Board may make advances to an insured eligible to compensation under section 26 on such conditions as the Board may determine.

(2) The advances made under subsection (1) shall in the aggregate not exceed fifty per cent of the loss suffered or likely to be suffered by the insured.

(3) The Board may, for the purposes of subsection (1), and without prejudice to any assessment which is required to be made under this Act of the payment of compensation, assess the loss suffered by an insured in such manner as it thinks fit.

31. (1) Planters cultivating in the aggregate less than ten arpents of sugar cane and metayers shall, with effect from the crop year beginning on the 1st of June, 1974, be grouped by regions.

(2) The regions within any factory area shall be determined by the Board.

(3) The insurable sugar per arpent of a group of planters or of metayers in any crop year shall be the product of the average sugar cane yield per arpent of the group in the normal years and seventy-one per cent of the average extraction of the group in the normal years.

(4) The premium payable by a group of planters or of metayers in a region shall be based upon the total insurable sugar of the group, and the premium payable by a planter or metayer within the group shall be proportional to the tonnage of canes supplied by him.

(6) The sugar accruing to a group of planters and metayers in any crop year shall be the product of the tonnage of canes produced by the planters or metayers within the group and seventy-one per cent of the extraction of the group in that crop year.

(5) The compensation payable in respect of an event year to planters or metayers grouped in a region shall be based upon the shortfall of the region and the compensation payable to a planter or metayer within the region shall be proportional to the tonnage of canes supplied by him.

(7) Where the loss, attributable to a cyclone, drought or an excessive rainfall, of any planter or metayer who is grouped is greater than the average loss attributable to the cyclone, drought or excessive rainfall in respect of other plantations within the region, the Board may pay to that planter or metayer by way of compensation such further amount as it thinks fit but not exceeding ten per cent of the amount of compensation payable under subsection (6) to the planter or metayer.

32. (1) Where the Board is satisfied that the cultivation and maintenance of cane plantations have been neglected before or after the occurrence of a cyclone, drought or excessive rainfall, the Board may refuse to pay compensation in respect of those cane plantations or may reduce the compensation payable to such amount as it thinks fit.

(2) The Board shall not consider any claim by an insured for compensation or for re-assessment of compensation in respect of the loss suffered by the insured in any crop year unless-

(a) the claim is lodged in writing with the Board within nine months of the date on which the crop year was declared an event year or within three months of an order of the Supreme Court declaring or ordering the Board to declare an event year;

(b) in the case of a planter, his cane plantations have been registered.

33. (1) Where the Board is satisfied that a planter-

(a) has under his name, sold or disposed of canes harvested from cane plantations other than those registered in his name in respect of any crop year; or

- (b) has sold or disposed of any of the canes harvested from cane plantations, registered in his name, under a fictitious name or to any person other than a person to whom he is authorised to sell or dispose of his canes under the Cane Planters and Millers Arbitration and Control Board Act, 1973,

the Board shall not pay to the planter any compensation to which he may have been entitled for that crop year.

PART VI

FIRE INSURANCE

34. (1) Subject to subsection(2), every insured shall, in respect of the harvest of each crop year, contribute to the Fire Insurance Account and annual fire insurance premium of one rupee per ton of insurable sugar.

(2) The Minister may, in the month of November by Order published in the Gazette, vary the amount of the fire insurance premium.

(3) The Syndicate shall at the request of the Board and without incurring any liability to any person, pay the fire insurance premium to the Board not later than the 31st of December in respect of the crop year for which it is payable.

35. (1) Not later than three days after a cane plantation has been damaged by fire, the planter or metayer in whose name the cane plantation is registered shall notify the Board of the fact by registered letter.

(2) The notification sent to the Board under subsection (1) shall set out-

- (a) the date, time and place of the fire;
- (b) the area of the cane plantation destroyed; and
- (c) the category and variety of canes destroyed.

36. (1) On receipt of a notification under section 35 (1), the Board shall cause the cane plantation to be inspected for the purpose of-

- (a) ascertaining the extent of the damage, if any, in terms of tons of canes which would have been harvested in that crop year but for such fire; and
- (b) determining the cause of fire.

(2) Every insured shall give full assistance to the Board's officer in the carrying out of the inspection.

37. (1) Subject to subsection (2), every insured who has suffered loss as a result of fire shall be entitled to compensation which shall-

- (a) in the case of a planter or metayer, be at the rate of twenty rupees per ton of canes short produced;
- (b) in the case of a miller on a planter's cane plantation destroyed by fire, be at the rate of eight rupees and seventeen cents per ton of canes short produced.

- (2) No compensation shall be paid-
- (a) where the Board is satisfied that the fire was deliberately set by the insured or his agent to the cane plantation with a view to obtaining compensation;
 - (b) in respect of canes which were not due to be harvested in the crop year during which the fire occurred;
 - (c) where the burnt canes can be harvested and milled at a factory; or
 - (d) in case of non-compliance by an insured with section 35 or 36(2).

38. (1) Compensation under section 37 shall be paid out of the Fire Insurance Account.

(2) Where the net amount standing to the credit of the Fire Insurance Account estimated as at the 31st of May is insufficient to meet the liabilities of the Fire Insurance Account in respect of fire losses, the Minister may, by Order published in the Gazette and in two daily newspapers, direct that compensation assessed in accordance with section 37 shall be reduced by such percentage as shall ensure that the compensation payable shall not, in the aggregate, exceed the net amount standing to the credit of the Fire Insurance Account.

39. Where compensation is paid under this Part to an insured, the insured shall not be eligible for compensation under Part V in respect of the insurable sugar represented by sugar short produced as a result of fire.

PART VII

MISCELLANEOUS

40. (1) Every miller shall, not later than the 31st of May, register his factory with the Board and shall furnish, at the time of registration, such information as the Board may require.

(2) Subject to subsection (3) every planter shall, not later than the 31st of May, register with the Board all his cane plantations for the following crop year and shall declare in respect of each cane plantation registered in his name-

(a) the area of land which-

(i) he has under cane cultivation for his own account; and

(ii) his metayers have under cane cultivation;

(b) the area which he intends, and the total area which his metayers intend, harvesting during that crop year.

(3) Where a planter fails to register his cane plantations under subsection (1) he may register his cane plantations with the Board on payment of a late registration fee of ten rupees together with a surcharge of one rupee for every arpent or part of an arpent which he intends or his metayers intend harvesting on those plantations.

(4) The Board may require a planter to furnish a certificate signed by a sworn land surveyor in support of any declaration made by him under this section.

(5) Where a husband and wife, married under the system of community of goods and property, own cane plantations, those cane plantations shall be registered in the joint name of the husband and wife.

(6) Cane plantations owned by two or more planters in undivided ownership or jointly leased by them, shall be registered in their joint name.

41. (1) Any change in the ownership of a factory or cane plantation after registration under section 40 shall, within one month of the change in ownership, be notified in writing to the Board jointly by the previous and the new owner who shall, at the time of notification, give the Board documentary evidence of the change in ownership.

(2) On receipt of a notification under subsection (1), the Board shall-

- (a) change the registration in respect of the factory or cane plantation from the name of the previous to that of the new owner, and
- (b) assign to the new owner, if he has at the time of registration no other cane plantation registered, the ranking which had been or would have been assigned to the previous owner; or
- (c) where necessary adjust the ranking assigned to the previous and new owners.

42. An officer may, on being so directed by the Board for the purposes of this Act-

- (a) enter on any land and inspect any cane plantation;
- (b) on the production of his authority, if so required, require the production, by the owner of a cane plantation or his representative or by any other person, of any book, register or document which, in his opinion, is likely to contain any matter which will enable the Board to exercise its duties under this Act.

43. (1) (a) The Board shall keep a register in which shall be entered the area of the cane plantations of every planter.

(b) The Board may, on evidence being adduced to its satisfaction that any entry in the register is incorrect, cause such entry to be rectified.

(2) Notwithstanding anything contained in the Sworn Land Surveyors Ordinance, the Board may cause the area of any cane plantation to be ascertained by an officer or by a sworn land surveyor, and the area so ascertained shall, for the purposes of this Act, be deemed to be the correct area and shall be entered by the Board as the area of the cane plantation in the register.

44. (1) The Board shall have a special privilege ranking before any other privilege conferred under any other law in force and operating independently of inscription, on all sugar deposited in any place in the name of the Syndicate in respect of-

- (a) any amount due to the Board in respect of a general insurance premium or a fire insurance premium by an insured; and
- (b) any amount unduly paid to an insured by the Board by way of compensation for any crop year.

(2) The Syndicate shall, on a written request from the Board and without incurring any liability to the insured, deduct from any money payable to an insured the amount due by or overpaid to him under subsection (1), and shall pay that amount to the Board.

45. (1) Every miller, planter, co-operative society or middleman shall furnish in writing to the Board such information within such time and in such manner as may be prescribed.

(2) Every planter shall, on being so required by the Board, furnish to the co-operative society, middleman or miller to whom he sold his canes such information within such time and in such manner as may be prescribed.

(3) The Board may call for such other information from any person as it may reasonably require for the purposes of this Act.

(4) Any compensation which may be payable under this Act may be withheld by the Board until the provisions of this section have been complied with.

46. Where a planter is unable to sign a document required under this Act or regulations made under this Act, his thumbprint or mark, if attested by the signature of two witnesses, shall have the same effect as if that person had signed his name.

47. (1) The Minister shall on or before the 31st December in any crop year, after consultation with the Chamber of Agriculture, determine the sugar price, applicable to any specified class of insured, at which insurable sugar shall be valued for that crop year in respect of that particular class of insured.

(2) the sugar price determined under subsection (1) shall be-

(a) expressed to the nearest rupee; and

(b) published in the Gazette and in two daily newspapers.

48. The Board shall, with the approval of the Minister, appoint a consulting actuary who shall, at least once every five years, review the position of the Fund and make such recommendations to the Board as he considers necessary and who shall advise the Board on any change to be made to-

(a) the percentages laid down in the Second Schedule; and

(b) the method of determining ranking and the value of insurable sugar.

49. The Board may, with the approval of the Minister, insure against its liability to pay compensation under this Act.

50. (1) The Minister may, where he is of opinion that the price of sugar on the world market so justifies, by Order published in the Gazette, authorise the Syndicate to levy a special duty on all insurable sugar.

(2) A special levy authorised under subsection (1) shall be paid into the Reserve Fund by the Syndicate without incurring any liability to any person.

51. (1) The Minister may, by Order published in the Gazette, declare that planters or metayers who are grouped shall pay such reduced general insurance premium as is specified in the Order.

(2) Where planters or metayers who are grouped are authorised under subsection (1) to pay reduced general insurance premiums, there shall be paid from the Consolidated Fund into the General Insurance Account the difference between the general insurance premiums payable under section 24 by such planters or metayers and the reduced premium authorised under subsection (1).

(3) Notwithstanding any Order under subsection (1) for the payment of reduced general insurance premium, planters and metayers to whom the Order applies shall, for the purposes of reinsurance under section 49, be deemed to have paid the full general insurance premium.

52. Any insured who is aggrieved by a decision of the Board under sections 22, 23, 25, 26, 27, 32, 33, 37 or 53(2) may appeal against the decision to the Supreme Court in such manner as may be provided by rules made by the Supreme Court.

53. (1) Any person who-

- (a) knowingly makes a declaration required under section 40 or knowingly furnishes information under section 45 which is false in any material particular;
- (b) prevents or impedes or attempts to prevent or impede any officer from entering any land or from exercising any of his powers under this Act;
- (c) fails to comply with any request made by any officer under section 42(b);
- (d) otherwise fails to comply with or contravenes any other provision of this Act or regulations made under this Act,

shall commit an offence and shall, on conviction, be liable to a fine not exceeding one thousand rupees and to imprisonment for a term not exceeding twelve months.

(2) Where any planter or metayer has been convicted of an offence under subsection (1) (b) the Board may withhold, in whole or in part, any compensation payable to him.

54. In any proceedings-

- (a) by an insured against a decision of the Board under section 32(1), the onus of proving that the cultivation and maintenance of the cane plantations had not been neglected;
- (b) by an insured dissatisfied with the assessment made by the Board under Section 26., the onus of proving that the basis on which the assessment was made is incorrect,

shall lie on the insured.

55. The Minister may, by Order published in the Gazette and in two daily newspapers, amend the Schedules to give effect to any recommendation which the Board may make following the advice of the consulting actuary.

56. The Board may make such regulations as it deems necessary for carrying into effect the provisions of this Act.

57. The First Schedule to the Statutory Bodies (Accounts and Audit) Act, 1972, shall have effect as if for item 12 there were substituted the following item-

"12. The Sugar Insurance Fund - Act No. 4 of 1974"

58. (1) (a) Subject to paragraph (b), the assets and liabilities of the Cyclone and Drought Insurance Fund established under the Cyclone and Drought Insurance Fund Act, 1969, shall at the commencement of this Act, accrue to the General Insurance Account.

(b) One million rupees shall at the commencement of this Act be transferred from the General Insurance Account to the Fire Insurance Account.

(2) The assets of the Special Reserve established under the Cyclone and Drought Insurance Fund Act, 1969, shall, at the commencement of this Act, accrue to the Reserve Fund.

(3) Any matter which was pending before, or any proceeding started by or against the Cyclone and Drought Insurance Board established under the Cyclone and Drought Insurance Fund Act, 1969, immediately before the commencement of this Act, shall continue and be determined as if begun before, or started by or against the Sugar Insurance Fund Board.

(4) Any appointment made, any authorisation granted or delegation given under the Cyclone and Drought Insurance Fund Act, 1969, shall, if the appointment, authorisation or delegation is in force at the commencement of this Act, continue and shall, in so far as it could have been made, granted or given under this Act, have effect as if it had been so made, granted or given.

59. The Cyclone and Drought Insurance Fund Act, 1969, is repealed.

60. This Act shall come into force on the 1st June, 1974.