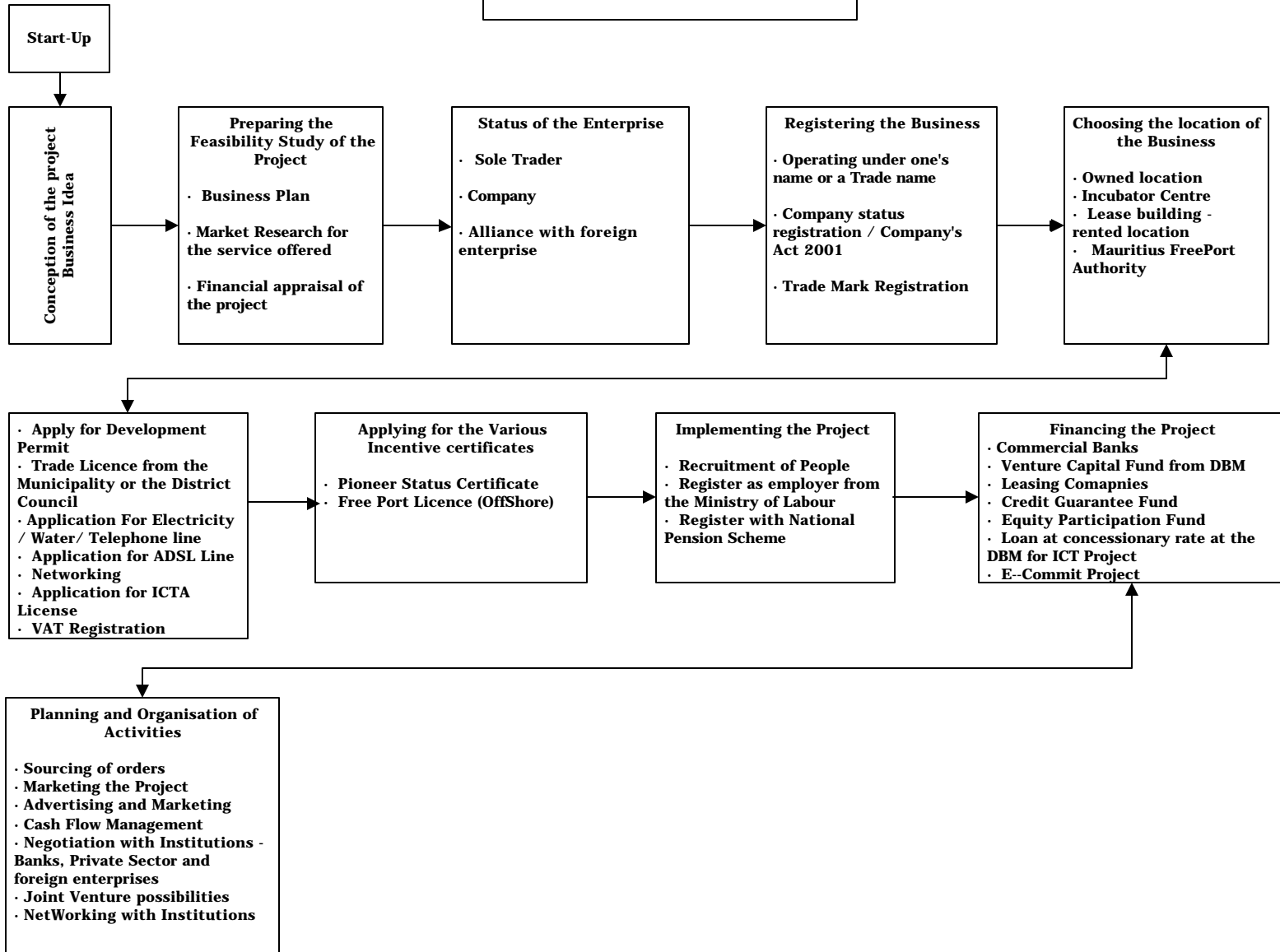


Business Road Map for the ICT Sector



- **Conception of Business Idea - ICT Sector**

The type of product / service to be produced / offered will depend upon the state of the market, the standards of living, customs / habits, trends, new technology and innovation.

- **Preparation of a Feasibility Study**

Business Plan - the best managed businesses see planning as a continuous activity in which they set both long-term and short-term objectives. Having a plan should not be considered a straightjacket, but as a way of ensuring that everyday activities happen in a structured way. Well-managed businesses will see a plan as a framework providing the ability to be flexible and responsive when opportunities arise, without being blown totally off course.

Knowing that the bulk of your activities are performing according to plan will give you the freedom to explore those opportunities. Regular monitoring of how a business is performing is also important to determine if goals and objectives are being met. Surveys of small and growing businesses suggest that those who plan are more likely to make a higher profit. The **Marketing Plan** is a subset of the Business Plan, which attempts to offer opportunities to explore in detail the new service to be offered

- **SMIDO** and the **Young Entrepreneur Trust** provide Technical and Financial Assistance to prepare Business Plan.

For more information contact

**SMIDO, Royal Road,
Coromandel Tel 233 5030, Fax 233 5545
Email : smido@intnet.mu
URL : <http://www.intnet.mu/smido>**

**Young Entrepreneur Trust c/o Mauritius Chamber of Commerce and Industry (MCCI), 3, Royal Road, Port Louis,
Tel: 208 3301
Fax: 208 0076
Email: mcci@intnet.mu**

- **Status of the Enterprise**

It is important to note that the choice of the type of business has a direct incidence on a number of key issues such as the ability to raise finance, sharing the risks between the owners and creditors, tax burden amongst others. It is therefore prerequisite that the potential entrants consider the different advantages and disadvantages of each form of business organisation before taking a final decision.

The various legal forms in which a person may start a business are:

- **Sole trader**
- **Partnership**
- **Company**
- **Co-operative society**

Sole trader

No special legal formalities required

Owners shoulders all the responsibilities of the business
Business Income is deemed to be owner's personal income for tax purposes

Owner is personally liable for all the debts of the business

In case of bankruptcy the private assets of the owner may be sold to cover the losses of the business – Unlimited liability

Business registered as a sole trader pay a licence fee to the Local Authority – District Council or Municipal council depending upon the nature of the trade

Tax on Income generated – Progressive Tax to a maximum of 35%

Partnership

Two or more people may form a partnership

The business is managed by one or all the partners

A partnership agreement is drawn up and is known as the partnership deed

All members are liable for the debts of the business – unlimited liability

Partners share profits and losses in an agreed rate

A partnership is to be registered with Registrar of Companies

Payment of a licence fee to the Local Authority – District Council or Municipal council depending upon the nature of the trade

Private Limited Company (As per provisions of Company's Act 2001)

A name (as per certificate of reservation)

Shareholders have limited liability for the obligation of the company. In case of insolvency only the assets of the company may be sold to cover for the losses

One or more directors

The Company's Constitution (formerly known as the Articles and Memorandum of Associations). There is no need to specify the objects or go to the notary to have the document prepared. It can be downloaded at

Payment of a licence fee to the Local Authority – District Council or Municipal council depending upon the nature of the trade

Apply for Certificate of incorporation

Registration with the VAT Office for the VAT Registration number

Corporate Tax of 15 % on profit

Submit annual audited accounts at the end of each financial year

Submit VAT returns on a quarterly basis

To apply for a certificate of incorporation the following documents are needed:

- Filled up prescribed form downloadable at <http://ncb.intnet.mu/medrc/compdiv/download/formf1.pdf> or alternatively collected from the Registrar of Companies at Registrar Building, Emmanuel Anquetil Building, Port-Louis.
 - VAT Registration forms downloadable at <http://ncb.intnet.mu/mof/index2.html> (Click on Departments Section > VAT)
 - Accompanied by Certificate of Reservation of name. <http://ncb.intnet.mu/medrc/compdiv/download/form2.pdf>
 - Documents signed by every shareholder in case the company having in share capital stating his consent as shareholder
 - A document signed by each member signifying his consent to act as member and amounts towards which he agrees to contribute in case of winding up.
 - **A Fee of Rs 2,000 payable to the Registrar of Companies as at date of registration for Small Private Companies.**
- (All online forms located at <http://ncb.intnet.mu/govt/forms.htm>)
- **Registering the Business**

Registration of Trade Marks/Patents

An enterprise wishing to produce under a Trade Mark¹ must enquire whether the chosen Trademark is not already registered and check if it conforms to existing laws. Application must be filed with the Ministry of Commerce & Co-operatives, Patents and Trade Marks Section, 7th Floor, Moorgate House, Sir William Newton Street, Port Louis. Tel 210 8917 Fax: 210 9702 Application is made in writing, sent in 3 copies for each Trade Mark. The name of the person who is representing the company or the enterprise as well as the logo, name and design in respect of the particular brand must be mentioned.

- **Choosing the location of the enterprise**

The choice for the location of the enterprise will depend upon the type of product or service offered and the target market. The different possibilities are: -

- Owned location – the potential entrant chooses to operate from his home place as a temporary measure and hence save on rental cost.
- Rented premises – in this situation the entrepreneur rents a private building for commercial purposes to carry out his business activities. While applying for trading licence he must produce written evidence from the owner which allows him to carry out his business venture.
- Incubator Centre at the National Computer Board – The entrepreneur can file an application along with a business proposal for his new venture. The Incubator Centre is equipped with a digital PABX System and will provide start-ups their own telephone number, voice mailbox, executive digital handset and with Internet Access via an ADSL connection, which will be shared among the start-ups. Facilities will be offered such as photocopy and telephone services will be provided on a cost-sharing basis.

For further information Contact

National Computer Board - Incubator Centre
Jhummah Mosque Str, Jade Court,
Tel : 2171010/14 ,Fax : 2170818
Website : <http://incubator.intnet.mu>
[email : incubator@ncb.intnet.mu](mailto:incubator@ncb.intnet.mu)

- Mauritius Freeport Trade & Marketing Centre (TMC)

The main concept behind TMC is to provide an intelligent e-Business incubator. It has been conceived, designed and built as an intelligent building with an integrated framework of business facilities and services supported by latest information and communications technologies, whilst providing a high quality and pleasant work environment. TMC is an open environment that allows customisation of any type of e-business activity. TMC is operational and functional since November 1999.

For further information please contact

Mauritius Freeport Authority Trade & Marketing Centre (TMC) Freeport Zone #6,
Mer Rouge. Port-Louis.
Tel: +230 206 2500 Fax: +230 206 2600
Email : mfa@freeport.gov.mu Web Site : <http://www.freeport.gov.mu>

- **Applying for the necessary permits and licenses**

Before starting an enterprise, an entrepreneur is required to obtain a number of permits and licenses

These include:

- ***Development Permit / Building Permit***

A Development Permit for construction purposes from the local authority concerned (i.e. Municipalities in urban areas and Districts Councils in rural areas) where the construction of a building to accommodate the enterprise is envisaged. An application/processing fee of Rs 300 is payable.

For Application contact: The Town Clerk of Municipality concerned or Secretary of respective District Council.

- ***Building Permit***

A building permit is also required from the Municipality in urban areas and from the Ministry of Public Infrastructure in rural areas.

- ***Trade Licence***

A Trade licence must be obtained from the local Authority (Municipality or District Council) concerned, prior to starting operation. Before the issue of permit, necessary clearances must be obtained from the following authorities concerned.

- Ministry of Health and Quality of Life.
- Ministry of Environment,

- Occupational Health & Safety Inspectorate Division, Ministry of Labour & Industrial relations, Victoria House, Corner St Louis and Barracks Street, Port-Louis (for Health & Safety matters to ensure safety, health and welfare of all employees)
- Fire Services Department, Cr. St George and De Poivre Streets, Port-Louis (for Fire Security, where more than 20 persons are employed elsewhere than on the ground floor and where explosive or flammable material is stored/used or situated in premises).
- Police Department (District Headquarters) for Police Security, to ensure that there is adequate parking, storage facilities and is not a threat to the environment.
- A Tenant Tax to the tune of 15% of the rent payable is applicable and is payable on a quarterly basis to the Municipality.

- ***ICTA (Information Communication and Technologies Authority) license***

For certain type of operation in the ICT sector, specific licensing is required by the operators which are issued by the ICTA (Information Communication and Technologies Authority). Some of the objectives of the ICTA include :-

- (a) To license and regulate the information and communication services.
- (b) To ensure that information and communication services including telecommunication services are reasonably accessible at affordable cost nationwide and are supplied as efficiently and economically as practicable and at performance standards that reasonably meet the social, educational, industrial, commercial and other needs of Mauritius.
- (c) To encourage the optimum use of information and communication technologies in business, industry and the country at large, the introduction of new technology and the investment in infrastructure and services.

Licensing are required in the following areas of operation:-

- Telecommunication Operators'
- Aeronautical Radio communication
- Maritime Radio communication
- Radio Broadcasting
- Television Broadcasting
- Fixed Radio communication
- Spectrum
- Land Mobile Radio
- Radio Amateur
- Satellite Services
- Others

For further information

Information Communication Technology Authority
 Jade House
 C/r Jummah Mosque & Remy Ollier Streets
 Port Louis
 Tel: (230) 217 2222
 Fax : (230) 217 7777

E- Mail : icta@intnet.mu
<http://ncb.intnet.mu/icta/>

- **Applying for the different Incentive Certificates**

- **Pioneer Status Scheme**

Under the Pioneer Status Scheme, operators can both export and sell their services or products on the local market without restrictions.

(i) Qualifying Activities: -

1. Activities involving technology and skills likely to enhance industrial and technological development.
2. Applicant companies may come under one of the three broad categories, namely

(a) New technology, (b) support industries, (c) service industries.

(ii) Incentives

1. No customs duty or sales tax on scheduled equipment or materials
2. 15% corporate tax
3. No tax on dividends
4. Free repatriation of profits, dividends and capital.

For further information contact the Board of Investment

- **Board of Investment**

The Board of Investment has been set up under the Investment Promotion Act 2000 with a view to streamlining the legal framework and to make better provisions for the promotion and facilitation of investments in Mauritius. It acts as a facilitator and provides a one-stop shop service to both local and foreign investors ensuring a reliable and speedy processing of applications.

Board of Investment
Victoria House, Corner of St. Louis St. & Line Barracks St.,
Port Louis, Mauritius.
Tel No: (230) 211 4190
Fax No: (230) 208 3009
Email Address: gercom@intnet.mu

- **Small and Medium Industries Development Organisation - SMIDO**

The Small and Medium Industries Development Organisation (SMIDO) is governed by the Industrial Expansion Act 1993 and has amongst its objective to provide Technical Assistance to small and medium enterprises (smes) which are willing to start business.

For More information contact
SMIDO,
Royal Road, Coromandel
Tel 233-5030 , 233-5545

Email smido@intnet.mu or smes@intnet.mu
URL : <http://www.intnet.mu/smido>

- **Implementing the project**

- **Water Supply**

Application for water supply should be made to the Central Water Authority, St. Paul, Phoenix, Mauritius. Tel No: (230) 601 5000 Fax No: (230) 686 6264

- **Electricity Supply**

Application for electricity should be made to any branch office of the Central Electricity Board, Royal Road, Curepipe. The total load requirements and, if possible the expected maximum demand (KVA) and monthly consumption in kWh should be indicated. The CEB will deliver a permit only after authorisation to operate a factory in the locality has been obtained from the Municipality or District Council concerned.

- **Telephone, Telex, Fax & E-mail Services**

Application for telephone, telex, faxes and e-mail services should be made to the Mauritius Telecom Ltd., Telecom Tower, Edith Cavell Street, Port Louis or any of the Customer Services Centre, Tel No: (230) 203 7000, Fax No: (230) 208 1070

- **Registration with Income Tax Department**

It is mandatory for enterprises with turnover exceeding Rs. 1.0 M to register with the Income Tax Department for eventual declaration of all yearly revenues and deductions (income tax reliefs) as applicable under the prevailing Income Tax Act.

For further information, contact the Income Tax Department

1. Headquarters, 8th Floor, Emmanuel Anquetil Bldg. 15 Jules Koenig Street, Port Louis Tel No: (230) 201 1830/31, Fax No: (230) 201 3033/69

- **National Pension Scheme**

The enterprise should register itself with the National Pension Scheme (NPS) operated by the Ministry of Social Security, Senior Citizens' Welfare and Reforms Institutions for contributions to the National Pensions Fund in favour of their employees.

The employer benefits from NPS in terms of:-

- 1) Income tax relief on contributions made in this respect, and
- 2) Industrial injury allowance payable to injured employees for only 14 days; allowances for the remaining number of days (as prescribed by law) is payable by the NPS.

More information can be obtained from the National Pension Scheme, Ministry of Social Security, Senior Citizen's Welfare and Reforms Institutions, Renganaden Seneevassen Building, Cr.Pope Henessy & Maillards Streets, Port Louis; or phone the Public Relations Officer on (230) 800 6163/3401.

3) The Ministry of Skills Development and Productivity has set up a scheme whereby employers who provide work to students who have completed their graduation from the University of Mauritius can benefit from a 50% financial support for their salaries (After July 2003)

For further Information contact:

Ministry of Training, Skills Development and Productivity

Level 6, Renganaden Seeneevassen Building

C/r Jules Koenig & Maillard Streets

Port Louis.

Tel : 212 5051-53; 212 5048

Fax: : 212 5820

E-mail : mhrd@intnet.mu

o **Copyright/Brand Names**

The object of copyright is to encourage authors, composers, artists and designers to create original works by rewarding them with exclusive right for limited period to exploit the work for monetary gains Registration of copyright is not compulsory. The advantage of copyright registration is that it is prima facie evidence of copyright in a court of law. In case a brand name or logo is to be registered as a copyright, it is essential to have a trademark registration before copyright is granted.

An exclusive licence may apply for registration as owner of the copyright.

For more information on copyright, Contact

The Mauritius Society for Authors (MASA), Nova Building, Quatre Bornes.

Tel No: (230) 454 3105

Fax No: (230) 454 0578

Email Address: copyrightsoc@intnet.mu

o **VAT Registration**

For further information, please contact the Taxpayer Service, VAT Department, Mere Barthelemy Street, Port-Louis Tel No: (230) 208 1262-65, Fax: (230) 210 5952.

o **Residence Permit**

Any foreign investor and expatriate who wish to reside in Mauritius must obtain a residence permit.

The application, together with the relevant documents relating to the applicant, should submit an application to the

Board of Investment

Victoria House, Corner of St. Louis St. & Line Barracks St., Port Louis, Mauritius.

Tel No: (230) 211 4190

Fax No: (230) 208 3009

Email Address: gercom@intnet.mu

- **Financing the project**

Access to the following financing schemes amongst others from Development Bank of Mauritius Ltd (DBM) will be facilitated by the Incubator Centre:-

- Venture Capital Fund from DBM
 - Credit Guarantee Fund
 - Equity Participation Fund
 - Loan at concessionary rate at the DBM for ICT Project
 - E--Commit Project
- Venture Capital Fund where DBM Ltd will subscribe up to Rs 1 m in the share capital of the start-up in addition to the investment capital brought in by the foreign partner.
 - SMEFIN Credit Guarantee Scheme, which provides guarantee coverage up to 50% of the loan amount, within a limit of Rs 500,000.
 - SME Equity Participation Fund (SEPF)

The SEPF will subscribe to the share capital of SME's for the implementation of new or expansion projects. SEPF's equity investment in equity will not exceed 49% of the equity capital within a limit of Rs 840,000. The SEPF will exit by selling back its shares according to a buy back agreement

- Loans for entrepreneurs in ICT for an amount representing 75 % of the project cost at concessionary interest rates.

The start-up will have to make an application with the Development Bank of Mauritius for the above financing schemes.

Development Bank of Mauritius Ltd
Address: Chaussée Street, Port Louis, Mauritius
Tel No: (230) 208 0241/2/3, (230) 208 3081/
Fax No: (230) 208 8498
Email Address: dbm@bow.intnet.mu
Web site: <http://www.dbm-ltd.com/>
Contact Person: Mr Raj Ringadoo

- **Planning and organisation of activities**

- Sourcing of orders
- Marketing the Project
- Advertising and Marketing
- Cash Flow Management
- Negotiation with Institutions - Banks, Private Sector and foreign enterprises
- Joint Venture possibilities
- Networking with Institutions