



Welcome to



**A Presentation
on
SME Partnership Fund Ltd**

**Port Louis
Thursday, 22nd March, 2007**

Presentation



By Prem Beejan

Executive Director

Capital Asset Management Ltd

**Fund Manager of
SME Partnership Fund**

SPF



- ✦ Initially known as Empowerment Fund
- ✦ Set up by Government
 - to assist Small and Medium Enterprises
- ✦ Launched in August 2006

SPF (cont'd)



- ✦ Approved by FSC as Equity Fund
- ✦ More than 1,500 inquiries made
- ✦ 425 Applications Received
- ✦ 15 Requests Approved for Disbursement
- ✦ Target 90 Disbursements by June 30, 2007
- ✦ Being Managed by CAM

The Promoters



Public Sector

- ✦ Government of Mauritius (GoM)
- ✦ State Investment Corporation Ltd (SIC)
- ✦ Development Bank of Mauritius Ltd (DBM)

Private Sector

- ✦ Commercial Banks

The Promoters' Funds



GoM	Rs 50m
SIC	Rs 25m
DBM	Rs 25m
SBM	Rs 25m
MCB	Rs 25m
SEAB	Rs 1m
Total	Rs 151m

Directors of SPF



- ❖ Mr Raj Ringadoo (Chairman)
- ❖ Mr Iqbal Mallam-Hasham
- ❖ Mr Dev Chooramun
- ❖ Mrs Selvida Naiken
- ❖ Mr Philippe Forget

Fund Manager of SPF



Capital Asset Management Ltd

- Fully owned by SIC
- Set up in 1997
- Licensed by Financial Services Commission
- Asset under Management=Rs1,400m
- Also Fund Manager of Port Louis Fund
- Has a Dedicated Team of Professionals
- Executive Director: Prem Beejan

Objective of SPF



Broad Objective

- ❖ To provide Equity and Quasi- Equity Funding to companies registered in Mauritius

Investment Focus

- ❖ Companies in the SME sector

Preference

- ❖ Any economic activity that is feasible and viable

Sectors



- ❖ Manufacturing
- ❖ Tourism
- ❖ Agro-Industry
- ❖ ICT
- ❖ Others

Question



**How can
SME Partnership Fund Ltd
Assist You?**

Experiment



A Thought Experiment

Grandma's Legacy

A Secret Formula

To Prepare Spices

Business Concept



Company: **Island Spices Ltd**

Brand Name: **Granny's Mix**

Assets	Rs	Financing	Rs
Machinery	450,000	Promoters	1,050,000
Delivery Van	200,000		
Working Capital	400,000		
Total Assets	1,050,000	Financing	1,050,000

Island Spices Ltd

Assets	Rs	Financing	Rs
Machinery	450,000	Promoters	1,050,000
Delivery Van	200,000		
Working Capital	400,000		
Total Assets	1,050,000	Financing	1,050,000

Island Spices Ltd



Assets	Rs	Financing	Rs
Machinery	450,000	Promoters	1,050,000
Delivery Van	200,000		
Working Capital	400,000		
Total Assets	1,050,000	Financing	1,050,000

Island Spices Ltd



Assets	Rs	Financing	Rs
Machinery	450,000	Promoters	750,000
Delivery Van	200,000		
Working Capital	400,000	Bank	300,000
Total Assets	1,050,000	Financing	1,050,000

Island Spices Ltd



Assets	Rs	Financing	Rs
Machinery	450,000	Promoters	350,000
Delivery Van	200,000	SPF	300,000
Working Capital	400,000	Bank	300,000
Total Assets	1,050,000	Financing	1,050,000

Island Spices Ltd



Assets	Rs	Financing	Rs
Machinery	450,000	Promoters	350,000
Delivery Van	200,000	SPF	300,000
Working Capital	400,000	Bank	300,000
Total Assets	1,050,000	Financing	1,050,000

SPF Financing Terms



- ✦ Amount = Rs 300,000 – Rs 3 million
- ✦ Period = up to 5 years
- ✦ Redemption Price (Repayment)
 - Year 1 Rs 109
 - Year 2 Rs 120
 - Year 3 Rs 133
 - Year 4 Rs 148
 - Year 5 Rs 165Or Net Asset Value, whichever is higher
- ✦ Flexible Repayment at any time
 - Without Penalty
 - In Any Amount

SPF Financing Terms (cont'd)



- ✦ Promoters' Financing at least 51%
- ✦ SPF's Financing maximum of 49%
- ✦ SPF does not appoint any Director
 - Subject to default conditions
- ✦ SPF is not involved in day-to-day mgt
- ✦ On default SPF takes control of Board

Share Capital of Investee Company



✦ Promoters subscribe to

- ✦ Ordinary A shares (voting rights)
- ✦ Ordinary B shares (no voting rights)

✦ SME Partnership Fund subscribes to

- ✦ Golden Shares (special voting rights)
- ✦ Redeemable Preference Shares (no voting rights)

Promoters' Share Class



✦ Ordinary 'A' Shares

- ✦ One vote per share
- ✦ Equal share in dividend
- ✦ No of shares = No of Golden Shares

✦ Ordinary 'B' Shares

- ✦ No voting rights
- ✦ Equal share in dividend
- ✦ Balance of Promoters' investment

SPF's

Share Class



✦ Golden Shares

- ✦ Special voting rights (4 votes/share)
- ✦ Equal share in dividend
- ✦ Represent 1% of SPF's investment
- ✦ Cannot be redeemed

✦ Redeemable Preference Shares

- ✦ No voting rights
- ✦ Cumulative dividend of 9%
- ✦ Represent 99% of SPF's investment

Investment Process



Application
A4 Form

SME Partnership Fund Ltd

2nd Floor, Celicourt Building
6, Sir Celicourt Antelme St, Port Louis
Tel: 213-2727 Fax: 213-2730

Client Info Sheet

for office use

National Identity Card No.

Surname (Mr/Mrs/Miss) _____

Other Name _____

Address _____

Email (if any) _____

Company name (if any) _____

Tel _____

Mobile _____

Fax _____

	Assets in Rs 000		
	Existing	Additional	Total
Land			
Non-Current Assets			
Net Current Assets			
Total			

	Financing in Rs 000		
	Existing	Additional	Total
Promoters			
SME Partnership Fund			
Loans/Leasing			
Total			

Brief description of business _____

Type of Business

Expansion Start up Restructuring New lines of business

Sector

Manufacturing Agro-industry Tourism ICT Other

Do You Have a Business Plan? Yes No

Signature of Applicant

Date

for office use

Received by:

Remarks:

Investment Process



Application
A4 Form

Meeting
Client

Letter of
Intent

Due
Diligence

Board
Approval

Disbursement
On
Preference shares

Meeting
of
Pre-conditions

Disbursement
On
Golden shares

Signature of
Agreement

Types of Project



- ◆ Start-ups
- ◆ Expansions
- ◆ Restructurings
- ◆ New lines of activities

Other Services



- ✦ **Business Plan Preparation**
 - List of Preferred Business Consultants
- ✦ **Company Incorporation**
 - Preparation of Constitution
 - Incorporate Company
- ✦ **Writing of Resolutions**
 - Directors Resolutions
 - Shareholders Resolutions
- ✦ **Filing of Allotment of Shares**
- ✦ **Holding of Shareholders' Meetings**

Thank You



**Thank You
for
Your Kind Attention**