



**MINISTRY OF BUSINESS, ENTERPRISE & COOPERATIVES
(Business and Enterprise division)**

Event	:	India-Mauritius Global Partnership Forum
Location	:	Intercontinental Hotel
Date	:	Monday 25th of July @ 16.40

**THE SME REVOLUTION:
Sustaining Economic Growth and Prosperity at Grassroot**

Distinguished guests

Ladies and Gentlemen,

I feel extremely honoured to be associated with this historical event - it is indeed the very first time that such a prime business and corporate conference involving key business and economic players of India and Mauritius is organized in our country. My heartfelt thanks go to the India Mauritius Trade and Cultural Friendship Forum, which took this initiative.

I would like to highlight the spirit in which this conference has been made possible so that all policy makers, opinion and business leaders, entrepreneurs, media and academicians present here may take full cognizance of the magnitude and significance of this forum. This year marks the 25th anniversary of the liberalization of India's economy. As India's economy has grown, its role as a global power and emerging donor have come to the fore in shaping 21st century geopolitics. Steered by the drive of Prime Minister Shri Narendra Modi, India's foreign policy has become more assertive in forging new relations with strategic partners while deepening and strengthening bilateral relations with African and Indian Ocean countries. This summit will thus serve as a platform to discuss solutions to challenges for stronger trade ties between our two countries.



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Needless to say, India and Mauritius are two countries with deep historical, blood and cultural ties, with systematic diplomatic relations established in 1948 - well before Mauritius achieved independence. I believe that in a rapidly changing regional and international context marked by fast globalization, we have to view Mauritius and India as natural partners - we need to put together our energies towards a new socio-economic development pattern.

The quality of our trade relations deserves to be underlined - India is Mauritius' **largest trading partner** and has been the largest exporter of goods and services to Mauritius since 2007. In FY 2014-2015 India exported goods worth US\$ 1.9 billion to Mauritius and imported goods worth US\$ 21.19 million from Mauritius. Eight Indian **Public Sector Enterprises** are currently functioning in Mauritius - Life Insurance Corporation (LIC), IndianOil, Mahanagar Telephone (Mauritius) Ltd and the Bank of Baroda (BoB) being among the most well-known. Also, the Mahatma Gandhi Institute, the Jawaharlal Nehru Hospital, the Rajiv Gandhi Science Centre and the Rabindranath Tagore Institute are high-visibility Indian-assisted projects in Mauritius. Over the past forty years, India has extended several **Lines of Credit** to Mauritius to assist in the development of its infrastructure, human resource, skills development, capacity building, project appraisal, etc. In March 2015, a new Line of Credit of USD 500 million for civil infrastructure projects was announced by Shri Narendra Modi during his visit to Mauritius. We are also one of the largest beneficiary countries of the Indian Technical and Economic Cooperation (ITEC) programme.

It is clear that over the years, India's relations with Mauritius have diversified to include just about every area, with business bonding becoming stronger by the day. This is formalized by the 42 agreements relating to the promotion and protection of investment (IPPAs) and 35 Memorandum of Understanding that we share.



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In the context of the ministerial portfolio that I hold, I have always paid particular attention to the remarkable manner in which India deals and cares for its SMEs. **StartUp India**, a flagship initiative of the Government of India, shows the country's enthusiasm when it comes to this sector. Launched in 2016 by Prime Minister Modi himself, this initiative aims at fostering entrepreneurship and promoting innovation by creating an ecosystem that is conducive for growth of Start-ups. The objective is to make India become a nation of job creators instead of being a nation of job seekers. From a wider perspective, StartUp India will definitely go a significant way in reiterating the Government of India's commitment to making India the hub of innovation, design and Start-ups that will drive sustainable economic growth.

I was on official mission in India early this year to discuss issues of bilateral cooperation between India and Mauritius in the MSME sector. First and foremost, I was impressed by the fact that the Central Government of India has created a number of associate agencies to cater for the well-being of MSMEs - the Credit Guarantee Fund Trust, India SME Technology Services Ltd, SME Rating Agency of India, India SME Asset Reconstruction Company Ltd, amongst others. From this, I think that it is quite obvious that MSMEs are on top of India's agenda when it comes to fostering economic development.

I am very optimistic about the potentiality of the 'India touch' from which the Mauritian SME sector can benefit. Indeed, during my visit, I had meetings with the MD of the **Small Industries Development Bank of India (SIDBI)** and the CEO of the **Micro Units Development and Refinance Agency (MUDRA)**, whereby SIDBI expressed its interest in offering consultancy services to Mauritius for the setting-up of financing schemes for SMEs. I also had the opportunity of visiting the



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African-Asian Rural Development Organisation (AARDO) - the organization intends to further co-operation with relevant institutions in Mauritius when it comes to the provision of technical assistance for the development of the non-sugar sector, capacity building for the SME sector and expert assistance for the development of SMEs and cooperatives.

In 2013, India and Mauritius signed an inter-governmental MoU on Cooperation in the field of Micro, Small and Medium Enterprises, hence affirming India's commitment to extending all necessary cooperation in the field of small and medium enterprises to Mauritius. Together with my Indian counterparts, we identified priority areas of cooperation within the framework of this MoU so as to create the basis for a mutually beneficial arrangement. This is a golden opportunity for Mauritian MSMEs, which will be able to benefit from the Indian expertise through capacity building, exchange of business missions, cluster initiatives etc. our must consider ourselves lucky Mauritian MSMEs. Moreover, the facilitation of appropriate technology transfer specific to SMEs has also been identified as a crucial area of cooperation.

In Mauritius, the cooperative movement is a major source of wealth creation at grassroots level. We have around 1200 cooperative societies at Primary & Secondary level having a membership of 1.3 million and which are active in agricultural services, fisheries and most importantly as credit unions. 2016 is a milestone when it comes to cooperation between our two countries as my ministry and the Ministry of Agriculture of India will sign an Inter-Governmental Agreement for greater cooperation in areas pertaining to the regulatory framework for cooperative development policies and strategies. Since the very beginning of this Government's mandate, I have often expressed my



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determination to leave my mark in the local cooperative sector, which needs to be revamped and re-engineered. I am particularly confident that this will be made possible through the close collaboration between our two countries, given that both parties are committed to sharing information, exchanging views and identifying new avenues in cooperatives in relation to areas such as agriculture, agro-processing and handicraft.

Ladies and Gentlemen,

For me, India is a model when it comes to the MSME sector. I will even go further to say it is a **source of inspiration**, notably for its pioneering efforts in the field of social entrepreneurship. Indeed, when it comes to social entrepreneurship, India is often referred to as the epicenter of impact investing, and the world's laboratory for testing new ideas.

Some well-known Indians became aware of the potential of Social Entrepreneurship quite early. Indian social entrepreneurs are a growing phenomenon bringing positive change to several social areas ranging from education to healthcare, renewable energy, waste management, e-learning and e-business, housing and slum development, water and sanitation, violence against women, other issues related to women, children and the elderly etc. Many of the social entrepreneurship models developed in India, for instance rainwater harvesting for schools, are today exported around the world.

And I think that I am pretty much on the safe side if I affirm that one of the very first social entrepreneurs of the world was Indian... Mahatma Gandhi! Why Gandhi? The Mahatma was a man obsessed with sustainability, being environment friendly, making the best use of local resources, growth of villages, the power of



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cooperatives, promoting local industry and community-driven initiatives. If social entrepreneurs can be described as visionaries who solve old problems with new ways of thinking, Gandhi certainly is one of the most notable social entrepreneurs.

The Government of India has initiated many public-private partnerships in key development sectors, the most notable action being the launch of the **India Inclusive Innovation Fund** that will invest in ventures catering to the country's economically weaker sections. This tells us a lot about the transformational power of SMEs on any society.

While we undeniably have a lot to learn from India, I also believe in our complementarity. It is a recognized fact that Mauritius offers great opportunity to Indian business houses to make investment in different sectors like tourism, food processing, manufacturing like textile, light engineering goods, trading, pharmaceuticals ICT BPO and financial services. The government of Mauritius has also always made it a point to provide a friendly, hassle free and highly competitive environment for foreign companies, especially Indians, to start their own business. In addition, a strong feature that Mauritius has to offer to Indian corporates setting up their ventures here is that they can consequently enjoy a privileged access to African countries.

Mauritius wants to learn from the exquisite Indian experience and expertise for promoting the MSME sector in general as well as specific ones, such as food processing and packaging, zero budget farming, dairy development, handicrafts, SME finance, and small scale industries. I am confident that this Forum will strengthen the India-Mauritius Partnership by creating a new socio-economic and cultural framework in a spirit of mutual cooperation and understanding. This Forum is the ideal platform for us to realize the potential of the synergy of our



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respective forces. And on that point, our Prime Minister rightly said that Mauritius will be blessed to host this conference and to welcome the knowledge gurus hereby present. The contribution of each and every one present here can be instrumental in transforming our country into a high income economy and in elevating India even more in the world affairs landscape. I am confident that all of us, especially MSMEs, will reap the fruits of this natural partnership between our two countries.

Long live the India-Mauritius Partnership.