



Annual Report 2012

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Functions of the Council (NPCC)

The council shall:

- Provide the forum for constant dialogue and consensus building on all matters relating to productivity, quality and competitiveness;
- Advise government on the formulation of national policies and strategies on all aspects of productivity, quality and competitiveness;
- Promote and develop greater productivity and quality awareness and consciousness amongst the public, and organise awards to recognise individuals, teams and organisations for their outstanding achievements in quality and productivity;
- Inculcate new values and attitudes in the country regarding productivity, quality and competitiveness;
- Identify constraints to the improvement of productivity, quality and competitiveness and propose remedial measures;
- Monitor and coordinate programmes and activities relating to the improvement of productivity, quality and competitiveness;
- Collect, analyse, produce and disseminate data on the measurement of, and changes in, productivity, economy-wise and by sector and industry;
- Arrange for consultancy services in the areas of productivity and quality management and related fields;
- Promote and undertake research, including training, in all aspects of productivity, quality and competitiveness;
- Liaise and establish linkages with research institutions and productivity organisations in Mauritius and abroad
- Serve as focal point on all matters relating to productivity, quality and competitiveness;
- Act as resource centre for published works on productivity, quality and competitiveness issues;
- Organise conferences and policy seminars on productivity, quality and competitiveness;
- Constitute such productivity committees and co-opt such persons, as it may deem necessary, to such committees, define their objectives, broad terms of reference and the means of their function;
- Request the productivity committees to carry out studies, prepare opinion statements, reports and information bulletins within the scope of their powers; and
- Do such things as may be incidental to, and consequential upon, the discharge of its functions under this act.



Letter from the Chairman



Mr. Kevin Chuttur, Chairman

Letter from the Chairman

Hon. Charles Gaëtan Xavier-Luc DUVAL G.C.S.K.
Vice-Prime Minister,
Minister of Finance and Economic Development

Dear Minister,

In accordance with paragraph 18 of the National Productivity and Competitiveness Council (NPCC) Act 1999, I have the honour to submit to you the annual report of the NPCC, for the year ended 31st December 2012.

Yours Faithfully,

A handwritten signature in black ink, appearing to be 'K. Chuttur', written over a white rectangular area.

K. Chuttur
Chairman

Performance Report from the Executive Director



Dr. Krishnallal Coonjan,
Executive Director

Performance Report from the Executive Director

INTRODUCTION

Thirteen years from now, the legislators of Mauritius, in an attempt “to stimulate and generate productivity and quality consciousness and drive the productivity and quality movement in all sectors of the economy with a view to raising national output and achieving sustained growth and international competitiveness” legislated to create the National Productivity and Competitiveness Council.

The Council decided to act thereupon by setting the Council’s vision: “Better Living for the Nation”, understanding that productivity and competitiveness are means to an end, the end being the overall welfare of the nation.

Thus, the Council, within the available means, has been striving to address the development of a productivity culture, implying a fundamental change of mindset of the citizen. While laying the foundation for competitiveness, the NPCC has placed the people at the heart of all its productivity improvement programmes. The National Muda-free campaign addressed the whole nation – the corporate sector, the civil society, the students with the clear message that productivity is everybody’s business.

The actions initiated by the NPCC put civic responsibility at centre stage as a driving force for productivity, relating individual and community welfare to productive efforts, emphasizing the element of sharing.

Performance Report from the Executive Director

While attempting to provide a platform for national discussion and debate, the NPCC among others organised a brainstorming on the future orientation of Mauritius – The Competitiveness Foresight Workshop. It identified the constraints at national level that were preventing Mauritius from enhancing its competitiveness and emphasized on the need to:

- Find alternative sources of growth for the Mauritian economy
- Build socio-political consensus on the direction
- Initiate the required changes at all levels (policy, institutional framework, investment climate, business environment) to effectively tap into these initiatives.

Furthermore, the platform highlighted export of professional services as one of the areas where the full potential remained untapped.

In order to lead Mauritius to a high growth path, it was opined necessary to:

- develop a high value IT-enabled service industry (ITES)
- bring the concept of an international city state and the challenges involved into transforming Mauritius into one.
- create the best operating platform (developing an attractive investment climate)
- attract high skilled manpower to Mauritius (developing Mauritius into a knowledge hub servicing the region).
- brand Mauritius
- study openness and its impact on national policies (fiscal, monetary exchange rate policy, immigration policy, FDI policy, foreign policy, Government behavior, business behavior ...)

The challenge was to identify which service has potential for growth. In order to promote the export of professional services from Mauritius, the Ministry of Finance initiated the project Developing a Roadmap for Export of Services involving the NPCC and the Commonwealth Secretariat, later joined in by the Board of Investment.

With the collaboration of Consultants from United Nations University (UNU-MERIT), the University of Mauritius, the Mauritius Research Council, the NPCC organised the workshop on “Innovation Policy and Strategy Framework for Mauritius”. This resulted among others, in calling for the creation of an innovation system for Mauritius and the creation of a high level committee including ministers to be chaired by a high level personality to drive the system.

Another national platform was provided addressing social dialogue whereby workers, trade unions and representatives of the private and public sector were invited to participate in social dialogue with a view to developing consensus among the stakeholders. This forum was facilitated by a professor of the University of Mauritius. Many other such fora were provided and several areas of national interests were debated.

Creation of Value through Capacity Building

The preparation for a productivity campaign was conducted in parallel with our planned activities for the year 2012. The productivity academy, successfully delivered twenty-two courses related to productivity and quality benefiting nearly 500 participants from the public sector and private enterprises.

In 2012, we have increasingly witnessed and met the demand for both “in plant” and in-house training. Through the MOU signed between NPCC and Newskills, the training arm of the Food and Allied Group, we delivered training on “Promoting Employee Involvement through the setting up of Quality Circles” for several companies within the group.

The customer care training and other soft skill courses were customized and delivered to suit the individual company requirements. Besides through collaboration with other institution, course in team building, business communication, promoting employee involvement through Quality Circles and improving productivity through innovation were also delivered.

Performance Report from the Executive Director

Productivity Improvement for Excellence – Muda Free Workplace

In 2012, enterprises were encouraged to forge ahead with the Muda Free workplace programmes for a smarter workplace so as to increase productivity and sustain economic competitiveness. Despite the lack of personnel constraining the internal capacity, the NPCC sustained its intervention in enterprises through the Muda Free Workplace programme. The constant presence of the NPCC’s staff on site in a few companies has resulted into the expansion of a few companies which sustained their improvement initiatives. The key to success has been the systematic approach in selecting “kaizen” project along with implementation by the respective companies internal teams, trained by NPCC’s staff; thus building the foundation for growth.

Other companies were supported in their effort for productivity improvement through the successful implementation of balance score card along with empowerment of the management team to implement and assess the performance of the strategic direction for the coming years.

On-demand Services

It was noted that during 2012, there has been a high demand for training tailored to the needs of the organisations. In order to meet the requirements of specific Government bodies, the NPCC conducted workshops on strategic planning and project management.

Furthermore, in collaboration with the Decentralised Cooperation Programme (DCP), the NPCC ran workshop on project cycle management for DCP staff and their partners working with Non-Government Organisation.

To support the National Women Entrepreneur Council and help participants immigrating to Canada under the Circular Migration Project, the NPCC initiated special training on Business English and Financial literacy courses respectively.

As in previous years, the NPCC collaborated with the Ministry of Industry, Commerce and Consumer Protection in implementing the Mauritian Business Excellence Award by conducting workshops and performing financial assessments of participating companies.

Sustaining English Literacy using Information Technology (ELIT) through Partnership

The ELIT course was again conducted for women with low academic background with the support of Municipal Councils, Microsoft Indian Ocean, Islands and French Pacific and E-Inclusion Foundation. The focus now is to provide ELIT training by trainers (trained by NPCC) coming from the same community of the learners, with the support of partners, ELIT will be extended to assist out-of-school youth to get access to remedial education.

Social Media: Web 2.0

The penetration of Social Media in the daily lives of Mauritian has also influenced individual communication strategy. The NPCC’s website has been revamped including a facebook account for NPCC along with blogs to share trends in productivity have been created. It is furthermore envisaged to increase the use of Social Media to promote productivity concepts more dynamically, thus reaching a wider population.

The actions initiated by the NPCC have bearing on a wide strata of society and have touched all sectors of the nation.

In line with the Government vision to drive the country into the rank of high income more competitive and environmentally sustainable, the NPCC has reoriented its strategic thrusts to address the same.

During the year under review, the strategic focus in 2013 would be on:

- Building and sustaining a Productivity Culture
- Enhancing competencies for value creation
- Strengthening connectivity and collaborations, and
- Advisory and support to Government.

Performance Report from the Executive Director

However, productivity, individual and enterprises have to be supported by an enabling environment to foster industry and country competitiveness. This enabling environment needs to be engineered by making Mauritius work together, and will be a resultant of concerted and coordinated efforts of all stakeholders at national level within the defined integrated strategies.

There is no doubt that boosting productivity is the way forward for a better living of our nation. The productivity movement can be effectively used to achieve the common weal for all, only if key stakeholders put aside all differences and work towards a common goal. Let's all rethink productivity together and continue integrating innovation, productivity and competitiveness in people's every day life. Every effort, no matter how small, is crucial. With everyone onboard, we will be better able to weather the challenges ahead and make Mauritius a better place for all of us.

Acknowledgement

I would like to express my appreciation and thanks to His Excellency, Rajkeswur Purryag, President of the Republic of Mauritius for his participation and support to our Productivity Campaign "Travail pli bien dime dan bien".

Hon. Xavier Luc Duval should be commended for his productive action with regard to changes he brought to the NPCC Act, indeed long overdue. Furthermore, I thank the Hon. Minister for his understanding and support to the Council. I further wish to thank the Chairman, Mr. K. Chuttur and the staff of the NPCC for working together to support Government in its effort to create a better living for the nation.



Dr Krishnalal Coonjan
Executive Director

“ I have walked that long road to freedom. I have tried not to falter; I have made missteps along the way. But I have discovered the secret that after climbing a great hill, one only finds that there are many more hills to climb. ”

Nelson Mandela

Corporate Governance

Corporate Governance Report for the year ending 31st December 2012

The National Productivity and Competitiveness Council (NPCC) was established as a corporate body as per the NPCC Act no 9 of 1999. Its object is to stimulate and generate productivity and quality consciousness, drive the productivity and quality movement in all sectors of the economy, enhance the country's international competitiveness and raise national output with a view to achieving sustained economic growth. The functions are laid out in the Act.

Compliances and Enforcement

The NPCC is fully committed to attaining and maintaining the highest standards of corporate governance and is gradually taking action within its ambit to ensure compliance with the code of corporate governance for Mauritius issued by the National Committee on Corporate Governance as applicable to state owned enterprises.

Board and Directors

The NPCC Act makes provision for a Council and an Executive Committee.

As per the act, the Council shall consist of not less than 15 but not more than 20 members. The members are non-Executive and independent of the NPCC. Members represent the interests of the Government, the employers, the trade unions and industry associations, consumer organizations, professionals & academia respectively.

The Executive Committee emanates from the Council and consists of the Chairman, the Vice Chairman, the Executive Director and three other members of the Council appointed by the Council. The Executive Committee is responsible for:

- the preparation of budget proposals and accounts for approval by the Council,
- the preparation of yearly programmes of work for approval by the Council and
- monitoring the use of manpower and financial resources, including disbursement, acquisition of equipment and selection and hiring of staff.

As such, the Executive Committee functions at the operational level and reports to the Council which operates at the policy level.

Operations of the Board

The Council and the Executive Committee meet at the request of the Chairman and meetings are scheduled in advance. Papers are circulated before each meeting.

In order to ensure a link between management and the Council, the NPCC Act provides for the Executive Director to act as the Secretary of the Council and the Executive Committee and, in that capacity, attend all meetings of the Council and the Executive Committee.

The roles of the Chairman and the Executive Director are distinctly enunciated under the Act. The Chairman heads the Council while the Executive Director is responsible to the Council for the proper administration and management of the day-to-day business of the Council in accordance with guidelines laid down by the Council. The NPCC operates independently of Government but is accountable to parliament and ultimately to the public through the tabling of its report annually.

A new Chairman was nominated in April 2012.

Corporate Governance

PROFILE OF COUNCIL MEMBERS

Mr. Rajendraparsad Mungur was appointed Chairman of the National Productivity and Competitiveness Council (NPCC) in February 2010 and remained in this position till April 2012. He is presently Senior Lecturer at the Eastern Institute for Integrated Learning in Management (EILM) University. He graduated in Economics with Management Studies at the Napier University. He also holds a Master's degree in Business Administration from the University of Mauritius.

Mr. Kevin Chuttur Mr. Kevin Chuttur was appointed Chairman of the National Productivity and Competitiveness Council (NPCC) in April 2012. Mr Chuttur is the Owner/Chairman of the Whitefield Business School, a tertiary education provider that offers a variety of programmes to students and also works in collaboration with World Leadership Guru, Mr. Robin Sharma, Management Guru, Shiv Khera and Professor Philip Kotler, Father of Modern Marketing for corporate training in Mauritius. He is a Generic Designer and a Training Needs Analyst, Registered with the Human Resource Development Council. Mr Chuttur holds a Master in Business Administration from the Management College of South Africa.

Mr. Poorunduth Dyail was nominated Vice Chairperson in April 2011.

MEMBERS REPRESENTING THE INTERESTS OF THE GOVERNMENT

Ms K F K F Kong Win Chang is Principal Assistant secretary at the Ministry of Education and Human Resources and was nominated Council Member in April 2011.

Mr Rechad Moolye is presently Principal Assistant Secretary at the Ministry of Tourism and was appointed Council member in September 2009 up to March 2012.

Mrs Shirley Benyett was appointed Council member in March 2012.

Mr Jean Maxy Simonet is presently the Permanent Secretary of the Ministry of Business Enterprise & Cooperatives. Mr Simonet holds a B.Sc (Hons) from the University of London, an MBA with specialization in Finance from the University of Technology, Mauritius as well as a Diploma in Public Administration & Management (DPAM) from the University of Mauritius. Mr Simonet was nominated Council Member in April 2011.

MEMBERS REPRESENTING THE INTERESTS OF THE EMPLOYERS

Mr Nicholas Blandin De Chalain is General Manager of Long Beach resorts. He has wide experience in the tourism sector within the Sun Resorts Group as well as at international level in the MICE markets. Mr De Chalain is a board member of AHRIM, Bagatelle and Event of Mauritius as well as an Executive Member of School Development of Cascavelle (ZEP). He holds a Bsc (Hons) Bachelor of Business Science majoring in Business Administration and Economics from Rhodes University, Grahamstown and a Bachelor of Commerce from the University of Natal Pietermaritzburg. He was nominated Council Member in April 2011.

Mr Azize Ebrahim has been in business for more than 50 years as an importer and wholesaler of foodstuffs. He has been the President of the Wholesalers Association for 30 years. He was a member of the Price Advisory Committee. Mr Ebrahim was nominated Council Member in April 2011 up to July 2012.

Mr Cliff Grenade is a Finance Manager with wide experience in Finance and Administration within the financial and manufacturing sector. He holds a Bachelor of Business Accounting from Monash University, Australia and an Advanced Diploma in Accounting from the Casey College, Melbourne. He is also a member of the Australian Society of Certified Practising Accountant, a member of the Australian Institute of Public Accountant and a fellow of the Taxation Institute of Australia. Mr Grenade was nominated Council Member in April 2011. He resigned in March 2012.

Corporate Governance



MEMBERS REPRESENTING THE TRADE UNIONS

Mr Sattyadeo TENGUR was nominated Council member in April 2011. He was replaced in July 2012.

Mr Fritz THOMAS is the Chairman of the Mauritius Ex-Services Trust Fund and has been the General Secretary/Negotiator of the Electrical & Mechanical Workers' Union. He holds a Diploma in Book-keeping from the Institute of Book-keepers and was the Lord Mayor of the City of Port Louis. Mr Thomas is the advisor of the Mauritius Labour Congress since 2010 and was nominated Council member in April 2011.

MEMBERS DRAWN FROM INDUSTRY ASSOCIATIONS, CONSUMER ORGANISATIONS PROFESSIONALS AND ACADEMIA

Mr Abu Mustapha BHOLAH is a businessman and the Vice President of The Blue Crescent (Mauritius Branch), a Voluntary Humanitarian Organisation. He was nominated Council Member in April 2011.

Mr Nizaar DOWLUT was nominated Council Member in April 2011 and up to March 2012.

Mr Dayasing GULAB is sales and marketing manager at Innodis Ltd. He holds a B.Sc (Hons) Management with specialization in Marketing Management. He has experience in Production and Marketing in the Textile Sector and in sales and Marketing in the Distribution Trade. He was nominated Council Member in April 2011.

Mr Christian HURRUNGEE is a teacher at Curepipe College. He holds a Teacher's Certificate and a Teachers Diploma from the Mauritius Institute of Education. He was also the Mayor of Curepipe for the period Oct 2005 to November 2006. Mr Hurrungee was nominated Council Member in April 2011 up to July 2012.

Mr Prakash JANG was nominated Council Member in April 2011.

Mr Prem SHAM is the managing Director of Escapade DMC Ltd, a destination management company. He also has working experience in the international MICE sector and is a trainer for the Italian language. He holds a certificate from the Chartered Institute of marketing UK. He also followed several training programmes both in Mauritius and at international level. Mr Sham was nominated Council Member in April 2011.

Mr Ahmad SOOGALLI is a Senior Teacher-Educator/Supervisor at the Early Childhood Care and Education Authority. He holds among others an MSc in Community Services Management from the University of Wales, a Diploma in Social Work from the University of Mauritius and a Certificate of Proficiency in Pre-school Teacher Training from the Mauritius Institute of Education. He has also followed several training in early childhood development and community services. Mr Soogalli was nominated Council member in March 2012.

Ms Nishma Pratibha SOOKOOL GOOLAB is a trainer in Applied Science at Ecole Hoteliere Sir Gaetan Duval, delivering courses on Food Hygiene, Food Microbiology and Nutrition. She holds a BSc (Hons) in Food Science and Technology, and a Msc Food Technology from the University of Mauritius. She was nominated Council Member in April 2011.

Mr Dillen VEERARAGOO is the director of waterlily car hire co ltd, waterlily co ltd, waterlily services ltd, waterlily investment co ltd, dolores co ltd and carfill co ltd. He holds a Certificate in Management from (ADA France – Franchise) and a Certificate in Management (Airport – Charles de Gaulle). He was nominated Council Member in April 2011.

Ms Jane YEE SAK CHAN is an accountant within the manufacturing sector, and has also a wide experience in the IT field. Ms Yee Sak Chan is a member of the Association of Chartered Certified Accountant. She also holds an MSc in Analysis, Design and Management of Information System from the London School of Economics and Political Science, and a BSc in Management Sciences from the University of Warwick. She was nominated Council Member in April 2011.

Corporate Governance

Statement of Attendance at Council/Executive Committee meetings

No of Council meetings held: 10	No of Meetings Attended
Mr Rajendraparsad MUNGUR, Chairperson January to March 2012	4/4
Mr Kevin CHUTTUR, Chairperson as from April 2012	6/6
Mr Poorunduth DYAIL Vice-Chairperson	9/10
Members representing the interests of the Government	
Mrs S BENYETT – As from April 2012	4/7
Mr R MOOLYE – January to March 2012	0/3
Mr Jean Maxy SIMONET	8/10
Ms K F K F KONG WIN CHANG	5/10
Members representing the interests of the Employers	
Mr Nicholas Blandin DE CHALAIN	4/10
Mr Azize EBRAHIM (up to July 2012)	5/6
Mr Cliff GRENADE (Up to 15th March 2012)	1/3
Members representing the Trade Unions	
Mr Sattyadeo TENGUR (up to July 2012)	5/6
Mr Fritz THOMAS	9/10
Members drawn from Industry Associations, Consumer Organisations Professionals and Academia	
Mr Abu Mustapha BHOLAH	10/10
Mr Nizaar DOWLUT (up to March 2012)	1/3
Mr Roland Dubois (As from October 2012)	2/2
Mr Dayasing GULAB	9/10
Mr Christian HURRUNGEE(up to July 2012)	5/6
Mr Prakash JANG	9/10
Mr Prem SHAM	10/10
Mr Ahmad Soogali (As from April 2012)	7/7
Ms Nishma Pratibha SOOKOOL	10/10
Mr Dillen VEERARAGOO	9/10
Ms Jane YEE SAK CHAN	6/10

Statement of Attendance at Executive Committee meetings

No of Executive Committee meetings held: 4	No of Meetings Attended
Mr Kevin Chuttur Chairperson as from April 2012	3/4
Mr Poorunduth Dyail Vice-Chairperson	3/4
Mrs. Shirley Benyett	4/4
Ms. Nishma Pratibha Sookool	4/4
Mr Satyadeo Tengur	2/2
Mr Fritz Thomas	2/2

Sub Committee of the Council

In line with good corporate governance practices, the Council has set up a tender committee to examine the recommendation of a bid evaluation committee prior to advising Council on the best alternative regarding procurement for the NPCC.

Membership of the Tender Committee is as follows:-

1. Mr Jean Maxy SIMONET (Chairperson)
2. Mrs S Benyett
3. Mr. Dayasingh GULAB
4. Mr. Prem SHAM
5. Ms. Jane YEE SAK CHAN

Statement of Attendance at Council/Executive Committee meetings

The Chairman of the Council receives a monthly fee of Rs 25,000 excluding travelling and mobile phone allowance and Executive Committee member's fees are set at Rs 8000 per month whereas Council members receive a fee of Rs 3000 per sitting.

Remuneration of members for financial year 2012 is as follows:

Council Members	Remuneration
Mr Rajendraparsad Mungur Chairperson Up To April 2012	71,100
Mr Kevin Chuttur Chairperson As From April 2012	234,900
Mr Poorunduth Dyail Vice-Chairperson	165,000
Mrs S Benyett	84,500
Mr Nicholas Blandin De Chalain	21,000
Mr Roland Dubois	6,000
Mr Jean Maxy Simonet	51,000
Mr Satyadeo Tengur	47,000
Mr Abu Mustapha Bholah	28,500
Mr Nizaar Dowlut	3,000
Mr Azize Ebrahim	15,000
Mr Cliff Grenade	4,500
Mr Dayasing Gulab	38,000
Mr Christian Hurrungee	12,000
Mr Prakash Jang	24,000
Ms Kfkf Kong Win Chang	21,000
Mr Rechad Moolye	3,000
Mr Prem Sham	41,000
Mr Ahmad Soogali	21,000
Ms Nishma Pratibha Sookool	79,500
Mr Fritz Thomas	53,500
Mr Dillen Veeraragoo	27,000
Ms Jane Yee Sak Chan	33,000
Total	1,084,500

Corporate Governance



Donations

No donation has been effected during the year.

Code of Ethics

Issues such as ethics, employees' involvement and equal opportunity of employment are key to the long term interest of the NPCC to conduct itself as a responsible corporate body. Work is on-going to refine internal policies and practices that would enhance the existing practice in these areas.

The Council also provides a safe workplace for its staff together with a medical scheme and a 24-hr Insurance cover.

Related Party Transaction

There has not been any related party transaction during the year.

Corporate Governance

Statement of Directors' Responsibility

The NPCC acknowledges its responsibilities for:

- adequate accounting records and maintenance of effective internal control systems;
- the preparation of financial statements which fairly present the state of affairs of the council 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 (IPSASs); and
- the selection of appropriate accounting policies supported by reasonable and prudent judgements

The external auditor (i.e the Director of Audit, National Audit Office) is responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

- adequate accounting records and an effective system of internal controls have been maintained;
- appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- applicable accounting standards have been adhered to; and
- the code of Corporate Governance as applicable to State-Owned Enterprises has been adhered to.

Staff turnover amongst the professional cadre represents a potential risk for the Council. The duties being carried out by such staff are in principle quite technical and inability to retain them can result in considerable loss of valuable human resources. In view of the established rules of the public sector, it has unfortunately, not been possible, up to now, to refrain professional staff from leaving the Council.

Signed on behalf of the NPC Council.

Mr L.K. Chuttur
Chairman

Mrs N.P. Sookool Goolab
Council Member

Corporate Governance

Directors' Statement for Internal Control

The NPCC acknowledges its responsibility for the setting up of adequate system of internal controls and for the setting up of appropriate policies to provide reasonable assurance that the control objectives have been attained. The activities are closely monitored by the Council. Procedures and policies are well documented and consistently applied. Management has the relevant experience and skills to ensure proper running of the Council.

The organisation being lean, there is no specific provision for an Internal Controller. However, we have put in place an effective system, which includes:

- Proper segregation of duties whereby the different functions in process are crosschecked and verified.
- Expenditure limits for the Executive Director has been fixed by the Executive Committee and purchases are duly authorised by the appropriate instances.
- Follow up and implementations of recommendation of the Director of Audit in order to improve the process and ensure proper accountability, is regularly adhered to.
- Adequate supervision of duties performed by staff members by the Executive Director.
- The assets of the Council are properly safeguarded.
- All cheques issued by the Council are signed by two authorised signatories.

Signed on behalf of the NPC Council.

Mr L.K. Chuttur
Chairman

Mrs N.P. Sookool Goolab
Council Member

Strategic Planning



Strategic Planning

The ultimate goal of Productivity Improvement as a driving force of economic development is to improve the quality of life of the people.

The objects of the National Productivity and Competitiveness Council as defined by the NPCC Act No 9 of 1999 shall be “to stimulate and generate productivity and quality consciousness and drive the productivity and quality movement in ALL SECTORS of the economy with a view to raising NATIONAL OUTPUT and achieving sustained GROWTH and INTERNATIONAL COMPETITIVENESS”.

Productivity is a key factor that enables society to generate “value added” through an optimal mix of available resources – human knowledge and skills, technology, equipment, raw material, energy, capital and intermediary services. Productivity growth contributes towards the prosperity of the nation, makes companies competitive in the global market and thus contributes to the quality of life.

It is self-evident therefore that to survive and prosper today and in the future, it is imperative to become more innovative and productive.

Strategic Planning

Strategy 2011-2013

Following an internal SWOT analysis conducted in 2011, consensus was reached on the following strategic directions to drive productivity and competitiveness.

Vision

“Better Living for the Nation”

Mission

Make Mauritius Work. Together

Core Objective

Development of a Productivity Culture

Guiding Principles

The NPCC is guided by the 4 Es: Empowerment through Education for greater Employability and Entrepreneurship.

Strategies

Strategy I - To Sustain a Productivity Culture/Productivity mindset at all levels

If Mauritius aspires to become a productive nation, the starting point should be the development of a “productivity mindset”. The productivity movement begins with people and its success will depend on how far it is able to rally people to its cause, change their mindset, harness their passion, hone their skills, and build them into a cohesive competitive team. This is directly related to the culture of a group, organisation, or society and which shapes how people act, directing them to be fast or slow workers, individual or team players, agile entrepreneurs or sluggish bureaucrats.

Taking into account what has been achieved by the movement so far and what remains to be done, it is believed that the core objective of ‘Development of a Productivity Culture’ is still very much relevant today than it was ten years back.

The importance of promoting the right mental models transcends the passage of time.

Positive work attitudes, such as teamwork, pride in work, and service quality, creativity and Innovation will, be further stressed.

Strategy II - To build competencies for value creation.

Today, the production of goods and services and their distribution transcend national boundaries. Powerful companies dominate world trade, constantly seeking cost reduction opportunities and increased productivity to enhance competitive advantage. Provision of financial and other services have become integrated through improved telecommunications and capital flows.

The new economic environment demands not only diligent but also skillful workers. There is a need to equip workers with the technical and managerial skills to enable them to perform better. Our workers must be multi-skilled, and knowledge based who are able to think, use information, and be innovative. Productivity cannot and should not be imposed.

We have to provide the right tools and the appropriate environment to make people become more productive.

Strategic Planning



Strategy III - To strengthen connectivity and collaborations

Connections and Collaborations are crucial aspects of the productivity movement. By strengthening and leveraging linkages at national, regional, and international levels, the movement can help to enhance knowledge and technology flows for development. It is imperative for an organization to benefit from the experience and guidance of others while drawing new ideas and lessons from best practices in other countries. These enable ‘leapfrogging’ of intermediate development stages.

At the national level, the NPCC has been promoting Networking and Clustering among small entrepreneurs with a view to making them more competitive.

On the international front, the NPCC has also with the support of the Japanese Government and through the Pan African Productivity Association (PAPA) benefitted from the collaboration of the Japan Productivity Centre for implementation of Model Companies in Mauritius and that of the Asian Productivity organization for training of Productivity Practitioners.

Connections and Collaborations are crucial aspects of the productivity movement. By strengthening and leveraging linkages at national, regional, and international levels, the movement can help to enhance knowledge and technology flows for development. It is imperative for an organization to benefit from the experience and guidance of others while drawing new ideas and lessons from best practices in other countries.

Strategy IV - To advise and support Government

As a National Productivity Organisation (NPO), the NPCC should be a ‘critical friend’ of government ensuring and advising government on a supportive business environment for businesses to thrive. This is done directly, where the NPO is an active partner with government in the national strategy.

One example is tripartite cooperation among the government, employers, and workers. Policies formulated in consultation with both employers and workers and implemented with their involvement, will no doubt promote a harmonious climate which will engender social dialogue and confidence in both local and foreign investors. The tripartite nature of the NPC Council and the connectivity of its members make it easy for the NPCC to act as a platform to support government in this direction.

Another important task is Research & Analysis on Productivity matters. Presently the NPCC is equipped with a knowledge centre which gathers and stores useful information on productivity for use by NPCC staff and members of the public. Measurement is equally important. Without which, it is difficult to know ‘the current state of the game’ or to measure progress towards agreed goals. Analysis and dissemination of data on productivity will no doubt motivate all those concerned to fulfill their role and to genuinely understand the competitiveness of the nation. Measurement within the enterprise fulfills the same role. Measuring progress on a consistent basis over time helps in motivation and is as well a useful basis of ‘celebration and reward’. Benchmarking on a sustained basis over time on the other hand also helps in showing ongoing progress while remembering that the benchmarked nations or organisations are all the time on the move to address new challenges and targets. The necessary human resource for research, analysis, Productivity measurement and benchmarking is presently lacking at the level of the NPCC.

Furthermore, policy evaluation and continuous reforms are prerequisite to sustaining an enabling business environment.

Implementing the strategies

It is to be noted that the strategies and objectives identified are intertwined. The present flexible organizational structure which focuses on projects instead of one specific function is very much appropriate for implementation. The structure is comprised of multi-competency teams that works on specific activities/projects and disbands after completion. Each team member is involved in different teams with varying levels of contribution in each.

With the present staffing, and budgetary allocation, there is no choice but to concentrate on Strategy II - Enhancing Competencies for value creation and part of Strategy I - Building and Sustaining a Productivity Culture.

Additional staff with the required competencies must be recruited as soon as possible to be able to implement the other two strategies.

It is interesting to further note that in the process of implementing the strategies, social capital will be reinforced, which will in turn, widen business opportunities and contribute to enhancing national competitiveness.

National Campaign on Productivity



National Campaign on Productivity

With a view to continually sensitise the population on productivity both at national level as well as at micro level in the different sectors of activities of the Mauritian economy, and in order to highlight the importance of productivity to economic growth and competitiveness as well as to galvanise organizations and individuals to think productivity and act on it, the NPCC decided to launch a National Productivity Campaign 2012-2013 in October 2012.

The need to go for a national productivity campaign was due to an urgent and pressing concern to:

- Achieve a shared understanding of the term productivity and engage followers in the productivity movement
- Influence a change in mindset by helping people adopt a positive attitude towards productivity
- Promote productivity and quality consciousness

National Campaign on Productivity

The National Productivity Campaign

The theme of the National Campaign is "Travay pli bien, dimé dan bien" (Work smarter, tomorrow will be better) and is planned for one year - October 2012 to September 2013.

A budget of Rs 4 million has been earmarked for the whole campaign, divided into 3 phases as follows:-

1. Awareness
2. Maintenance
3. Sustainance

The aim of the campaign is to focus on the term productivity, to demystify the word productivity by popularising different perspectives of productivity as lived by people in the different sectors of activities of the Mauritian economy, ranging from agriculture to manufacturing, from corporate bodies to citizens at grass root level and from potential entrepreneurs to NGOs.

It is believed that this exhaustive list of perspectives can somehow serve as a yardstick to gauge the level of understanding of productivity among the Mauritian population while at the same time attempting to do away with the misconceptions about productivity.

As a result of a tendering exercise including a pitch to members and staff of the NPCC, LevelNext Communication was selected as the consultant for this project.

The official launching ceremony was held on the 17th of October 2012 at the Atelier Dumont in Cyberville, Ebene.

Hon. Charles Gaëtan Xavier-Luc Duval G.C.S.K. Vice-Prime Minister, Minister of Finance and Economic Development could not make it for the launching but he reiterated his support to the National Campaign and was represented by his Senior Adviser, Mr Roland Dubois.

The National Productivity Campaign was launched by Mr Kevin Chuttur, Chairman of the NPCC, together with Mr Roland Dubois Senior Adviser at the Ministry of Finance and Economic Development.

About 100 people attended the launching event which was also seized as an opportunity to familiarize them with different messages of productivity.



PRODIKTIVITÉ LI PA KOMPLIKÉ.

C'EST PA TRAVAY PLIS C'EST TRAVAY PLI BIEN

Prodiktivité li concerne tou dimoune



National Campaign on Productivity

Productivity messages were communicated to the public through:-

- The press
- Radio Clips
- TV
- Social Media
- Outdoor advertising

TV



Social Media



Radio



National Campaign on Productivity

Other communications tools such as billboards will continue being used in 2013 to keep the momentum and further sensitise the Mauritian population on the importance of productivity.

There is also a need to re-skill the workforce and to get companies to upgrade their work processes so that Mauritians can work faster and smarter.

To this effect, the NPCC has mounted a two-hour training programme to be delivered in companies during the campaign. The training will start in January 2013.



The Press



Outdoor Advertising



National Campaign on Productivity

The President of the world Confederation of Productivity Science, Mr John Heap visits Mauritius



In the context of the National Productivity Campaign and in order to meet with stakeholders at different level to discuss and sensitise on issues relating to productivity improvement as well as to diffuse a range of productivity concepts and acquaint the public with new productivity tools, the NPCC invited Mr John Heap, President of the world Confederation of Productivity Science. The expected outcome of the visit was as follows:-

- To learn about new productivity perspectives viz social, economic and environmental dimensions of productivity (SEE)
- The role of productivity in overcoming the economic and financial crisis
- Enterprise productivity best practices

Meetings were organized in the form of workshops/lectures for people of different background from the 26th November to 3rd December 2012 as follows:-

Trade Unionists

The first workshop was held on Monday 26 November at the NPCC conference room for the Trade Union Movement. The theme was “Improving National Productivity: What’s in it for us?” 22 Trade Unionist attended the workshop which was opened by his Excellency Mr Rajkeswur Purryag, GCSK, GOSK, President of the Republic of Mauritius.



Education Sector

150 people from the Education sector attended the workshop on Tuesday 27 November at the Mahatma Gandhi Institute (MGI) which was organized in collaboration with the Ministry of Education and Human Resources. The theme was “Educating for Productivity”. His Excellency Mr Rajkeswur Purryag, GCSK, GOSK, President of the Republic of Mauritius made it a must to be present on this occasion as well.



National Campaign on Productivity

Mauritius Employers Federation

On Wednesday 28 November a talk on productivity was organized in collaboration with the Mauritius Employer’s Federation at the MEF conference room in Ebene. 20 MEF members were present to listen and discuss with John Heap on pertinent issues relating to productivity.



The General Public

A training was held at the Paul Octave Wiehe Auditorium on Thursday 30 November for the general public. The training had as theme “Mauritius Unlimited – create, share, enjoy.” 310 people from the public and private sector participated in the training program.



John Heap also facilitated a strategy workshop for council members and staff of the NPCC on Friday 30th November 2012.



Signature of a Memorandum of Understanding

A Memorandum of Understanding was signed on Thursday 30 November 2012 by the NPCC with the Institute of Productivity (UK) of which John Heap is the Director. The aim of the MoU is for the two organisations to collaboratively design and deliver courses through the NPCC Academy. The courses will be regulated under the UK national standards by the National Open College Network and endorsed by the World Confederation of Productivity Science.



Empowerment for Development

Empowerment for Development

English Literacy using IT (ELIT)

The English Literacy using IT(ELIT) programme has the core objective of enabling participants improve their competencies in functional English Literacy so as to participate actively in their socio-economic environment. In 2005, the NPCC submitted the ELIT project to UNESCO and obtained a seed grant to initiate the project. The project has been pilot tested and scaled up with the assistance of the local authorities (Municipal Councils) and non-governmental organisations (NGOs). NPCC is responsible for conducting the training of trainers, monitoring and evaluation of the ELIT courses. The quality of the course is evaluated through the portfolio developed by participants and upon successful completion of the course, NPCC bestows the participants an attendance certificate.

For the period January 2012 to December 2012, more than 120 women successfully completed the ELIT course. The support of the municipal councils of Quatre Bornes and Vacoas/Phoenix has been invaluable to this achievement. However, increasingly, NGOs are taking over the project into their own community. A total of 18 women were trained with the collaboration with Municipal Councils of Quatre Bornes and Vacoas/Phoenix while 25 women were trained with the collaboration of Centre Socio-Culturelle de Tranquebar and Long Mountain Social Welfare Centre.

Partnership with E-Inclusion Foundation and Microsoft Indian Ocean Islands and French Pacific

Microsoft Indian Ocean Islands and French Pacific sponsored training of 11 NGOs through the collaboration with E-Inclusion Foundation. The NGOs were beneficiaries of refurbished computers from E-Inclusion Foundation. The project was initiated with the training of trainers in May 2012 with one participant from each NGO. A total of 15 potential trainers were successfully trained. The ELIT course was then delivered relying on the ability of each NGO to organise and administer the training. As at December 2012, 4 NGOs were able to complete one batch of the ELIT course with a total of 71 participants. The remaining 7 NGOs will be completing the course in 2013. The trainer's fees from each NGOs were financed by Microsoft Indian Ocean Islands and French Pacific and the trainer were bestowed a 'Certificate of Competency' as ELIT trainers by NPCC.

ELIT for youth

In partnership with E-Inclusion Foundation and Microsoft Indian Ocean Islands and French Pacific, NPCC facilitated a full-day workshop with 25 representatives of NGOs on the needs analysis for English Literacy for out-of-school youth. The output of the workshop was used for drafting a project called Remedial Education for Improved Social Inclusion(REISI) targeted to out-of-school youth. The project was submitted to the Decentralised Cooperation Programmes(DCP) under the 10th European Development Fund.

From 2007 to date, nearly 1000 Mauritians has benefited from the ELIT course. The need for ELIT to be replicated for different target groups is still felt and more effort had to be put in to bridge both the language and digital divide.

Business English for National Women Entrepreneur Council

Engaging, effective, persuasive use of words is an incredibly important and influential business skill, yet one that is often overlooked. If women entrepreneurs can write well, they can sell more. If they can present their ideas effectively, which will help them secure loans from banks for expanding their businesses and finally if they can draft accurate invoices and quotations, they can improve profitability of their businesses. In collaboration with the National Women Entrepreneur Council, The NPCC conducted the Business English course with the main objective to sharpen the English language skill of women entrepreneurs.

The course was primarily learning-by-doing with a series of practical exercises to help women entrepreneurs use English for improving communication about their small businesses. More than 40 women successfully completed the course.



Empowerment for Development

Decentralised Cooperation Programme

The Decentralised Cooperation Programme (DCP) is currently being implemented through the Ministry of Finance and Economic Empowerment with the financial support of the European Union. The purpose is to ensure that by 2015, NSAs (NGOs, CBOs, Associations, Federations, etc), have increased capacity to deliver projects that have an impact on priority concerns of poor communities; strategic planning, networking, advocacy, dialogue with policy makers tooling and implementation of projects as well as Monitoring & Evaluation. At the request of the DCP, the NPCC organized a customized training on Project Cycle Management for capacity building of its staff and the key federations of Non-State Actors.

14 participants successfully completed the course and were given a certificate of attendance after their respective presentation of their project write-ups.



Providing assistance for the Mauritius Business Excellence Award

The NPCC has been associated with the Ministry of Industry, Commerce and Consumer Protection and Ministry of Business, Enterprise and Cooperatives for the development of the Mauritius Business Excellence Award (MBEA). The NPCC conducted financial assessment of all companies that sent entries for participation in the award. The following are the established criteria for the financial assessment under the MBEA:

- Organisation of finance department
- Record Keeping procedures & IT Systems
- Finance Cost
- Investment in the last 3 years
- Financial performance over the last 3 years :
- Capital Productivity
- Labour Productivity
- Profitability
- Liquidity
- Return on sales
- Total Productivity Measure(TPM)



Best Practices

Best Practices

In order to continuously make best use of available resources, businesses have to challenge existing norms. They do so by learning and adopting best practices from other companies in the same industry as theirs or from breakthrough thinking from world-class companies. Best practices can be applied to any method – whether focusing on customer requirements, creating growth, reducing costs and increasing profits – which one can learn about and adopt to implement, in view of improving one’s organization.

In this highly competitive environment, whether in manufacturing or services, knowing and implementing best practices enable to achieve competitive advantage and ultimately business excellence. Knowing the best practices indicates some of the ways in which excellent practice differs from practice which is good and enables planning for the journey towards excellence. The development of indicators and performance measures enables to assess the present business situation, and judge the remedial steps that need to be taken in the continuous improvement process. Moreover, the knowledge gained can also be used to adopt and innovate on the best practices and thus introduce methods that are “better than the best.”

The Productivity Improvement Programme (PIP) covers an array of productivity and quality tools that the NPCC proposes to public bodies and private companies in their journey towards productivity improvement.

Through the “improve-sustain-improve-sustain” pattern, the NPCC ensures results in continuous improvement throughout the organizations by focusing on the needs of the customer, empowering employees, and optimizing existing activities and resources in the process.

The following are companies where the Productivity Improvement programme (PIP) was successfully implemented:

IDECO Center Ltd:

A Muda Free Workplace programme was implemented at IDECO Centre Ltd from January to November 2012. The programme followed an Employee Engagement Survey conducted in 2011. The objectives were to build and enhance the foundation for productivity improvement through sensitisation on basic productivity concepts and the need to improve productivity to maintain the growth of the company. The employees were grouped in cross functional teams and were trained to use tools such as 5S, process improvement in specific KAIZEN projects.

A sensitisation session was conducted for all the employees and management of IDECO Center Ltd on the 10th January 2012 followed by the training of a core team in February-March 2012. On the 6th April 2012 all employees as well as the management team were involved in a half-day cleaning of the shop floor. The NPCC subsequently conducted 5S audits until September 2012 of the shop floor to measure the implementation of the 5S by the respective teams.

Four KAIZEN projects were identified namely:

- Improving delivery of products to outdoor team: A better coordination process was put in place between the departments and the outdoor team worked out a checklist of items needed for outdoor delivery.
- Reducing rework in blinds making: New Standard Operating Procedures (SOPs) were developed for the installation of blinds and On-The-Job training of the team was conducted.
- Reducing amount of offcut in flooring: New standards were defined to dispose of offcuts and the sales process was reviewed. The amount of offcuts was reduced considerably
- Reducing time for retrieval of samples: Time to retrieve samples from racks was reduced from 10 minutes to 2 minutes thus leading to no waiting time and customer satisfaction



Best Practices

Mauritius Duty Free Paradise Co Ltd

A Productivity Improvement Programme (PIP) was initiated at the Mauritius Duty Free Paradise Co Ltd with a view to improve the company's productivity and efficiency. A walk-through survey was conducted by the NPCC in September 2012 followed by a presentation of the results to the management.

Sensitisation sessions on productivity concepts were conducted with employees in October 2012.

The second task of the PIP consisted of a Productivity Awareness Survey (PAS) for the purpose of identifying the areas requiring improvement with all the 360 employees of the organization. This was effected in October 2012 which highlighted the focus areas for productivity improvement.

Training of a core team of 30 employees from all the departments of MDFP Co Ltd was conducted in November 2012. Kaizen projects were identified and will be implemented in 2013.



Central Procurement Board

In April 2012, the Central Procurement Board (CPB) requested NPCC to review its strategic plan. NPCC's productivity intervention at the CPB aimed at reviewing the strategic directions of the Board. An Employee Engagement Survey was conducted and Strategic planning workshops was organised with all senior management staff, General Staff & Technical staff of CPB. An action plan was worked out and validated with all staff of CPB.

A final report on the findings and a strategic plan was submitted to CPB in May 2012 by NPCC. The CPB initiated implementation of actions highlighted in the Strategic Plan.



Best Practices

Master's Continuous Stationery Ltd.

At the Master's Continuous Stationery Ltd (MCS Ltd), the NPCC addressed productivity improvement through the development of a Balanced Scorecard in the year 2011.

The project continued in 2012 and addressed the issue through:

- Introduction to Balanced Scorecard
- Defining Vision of the Company
- Strategic Objectives
- Department's Scorecard
- Strategic Map with Targets
- Strategic Initiatives Portfolio
- Implementation

Focused discussions with management team at MCS Ltd lead to decisions for improvement of internal systems. MCS Ltd has witnessed an increase in number of customers and sales in 2012. Internal staff has now a better understanding of their roles and responsibilities and therefore improved their performance within the factory. There is better inter-department coordination and the number of client complaints has reduced significantly. The Balanced Scorecard has given a new competitive edge to MCS Ltd.



Best Practices

PRODUCTIVITY ACADEMY

During 2012 there has been an increased demand for customised training in customer service.

The Tourism Authority requested the assistance of the NPCC to deliver a series of training on improving customer satisfaction to operators in the tourism sector, such as beach hawkers, pleasure craft operators and taxi drivers operating in hotels. A total of 280 people have been trained in the sector.

Additionally the NPCC trained 50 staff of the Registrar General Department and also 50 entrepreneurs, members of the SMEDA on customer service.

A training calendar for the year 2012 was developed for the NPCC Productivity Academy and a series of courses were advertised. The courses were tailored to enhance productivity improvement to both the public and private enterprises. Twenty-two courses were delivered under the Productivity Academy in 2012 reaching 425 participants.

The different courses delivered were as follows:

Total Quality Management for Productivity Improvement

The Total Quality Management (TQM) for Productivity Improvement course aims at making quality everyone's business and targets both management and supervisory personnel. Its objective is to give participants a thorough understanding of TQM, define and explain the tools used, and, through case studies and group exercises show how the tools can be applied in the participant's work environment. This training was delivered in January 2012



Customer Care

This intensive two-day program, held in February 2012, provide an insight to participants on how to give excellent customer service to customers both inside and outside the organisation. It also emphasizes the role that each person plays towards good customer relations within their organization. They learn how to develop and maintain a positive attitude, show extra attentiveness to customers, develop customer-friendly attitude, and deal effectively with customer complaints and problems.

The participants for this course included customer service representatives, sales-people, team leaders, and public officers.



Best Practices



Train-The-Trainer for On-The-Job Facilitators

This program imparts to participants how to determine the needs of the learners and improve effectiveness and efficiency of performing tasks and has as participants team leaders and internal and on-the-job trainers. The "Train-The-Trainer for On-The-Job Facilitators" was run in March 2012.



Unleash Your Creative and Innovative Skills and Unleash The Creative and Innovative Skills of Your Students

These two courses are targeted towards students and teachers respectively with the objective of developing the creativity potential of students. They were held during the end of 1st and 2nd term holidays.



Lean Management through Kaizen

This training program shows participants how to change the focus of management from optimizing separate technologies, assets, and vertical departments to optimizing the flow of products and services through entire value streams that flow horizontally across technologies, assets, through departments to customers.

The purpose of this course is to develop skills for implementing Lean Management at the workplace with particular emphasis on good housekeeping (5S) and MUDA/waste elimination.

Best Practices

Enhancing Productivity Through Improved Communication

Our intensive two day training programme, held in May 2012 teaches the importance of communication in improving productivity, and common communication problems that hinder productivity improvement.

With the “Enhance Productivity through Improved Communication” course, employees at all levels — from an intern to the CEO — learn effective interpersonal communication skills to improve workplace morale, enhance meeting efficiency, bolster teamwork, resolve conflict resolution.



Creativity and Innovation for Enterprises

The “Creativity and Innovation for Enterprises” Course helps participants to become more creative. It is designed to help them devise creative and imaginative solutions to problems, and help them to spot opportunities that they might otherwise miss in order to improve their business.



The course was targeted to team leaders and team members of organizations and was delivered in June 2012.

Productivity improvement through good housekeeping

This programme targeted the administrative officers and aims at providing an insight to the participants about this useful managerial tool for increasing effectiveness and efficiency of the officers. It was held in July 2012.



Best Practices

Teambuilding for Team Leaders

The “teambuilding for team leaders” course delivered in July 2012 provides participants with the knowledge and skills to select a complementary team strengthen relationships among team members as well as their own leadership styles.



Financial Literacy (IOM)

The International Office of Migration (IOM) requested the NPCC to train participants migrating to Canada under the circular migration project in “financial literacy” so that the candidates can better manage their finances in their new environment.

Two trainings were delivered in August and December 2012.



Employee Involvement through Quality Circles

Employee Involvement through Quality Circles introduces participants to quality tools and techniques used at the workplace in order to solve problems in a systematic way. This training was held in August 2012.

Best Practices

Customised Training

On request of the Tourism Authority, the NPCC conducted one day training on Customer Care to its staff in June 2012 at the Domaine Les Pailles. A series of customised training on Customer Care and Ethics were delivered through the Tourism Authority to beach hawkers, pleasure craft operators and taxi drivers trading in the various hotels. For the year 2012, the customized training was delivered to tourist operators working in front desk at Le Preskil Hotel, Dinarobin Hotel, Golf and Spa and Paradis Hotel and Golf Club.

Two in-house trainings were delivered to the management team of the Energy Service Division on (1) Teambuilding for team leaders and (2) Promoting Employee Involvement through Quality circles in July 2012 and August 2012 respectively.

Courses on “Business Communication and Customer Care” and “Improving Productivity through Innovation” were delivered to entrepreneurs registered with the SMEDA in May 2012 and July 2012 respectively.

Following a request for submission of a sealed quotation from the Registrar General Department on “Customer Service”, the NPCC was selected to deliver the course to two batches of 15 participants on the 21- 25th August 2012 and on the 1-5th October 2012.

In line with the Memorandum of Understanding signed between Newskills, the training arm of the Food and Allied Group, and the NPCC, the following training courses were held in 2012:

Promoting Employee Involvement through the setting up of Quality Circles for Avipro Farming, Panagora Marketing, les Moulins de la Concorde, Henessy Park, Labourdonnais Hotel, training and implementation of the first 3S in some departments, at the FAIL Head office.



Corporate Services

The Team

The NPCC is a lean organisation with a flat and matrix type of structure.

The total number of staff on the establishment as at 31st December 2012 was 35. 14 staffs including two Office Attendants/Drivers and three support staffs were in post.

No recruitment was effected during the financial year.

Capacity Building

In order to be effective in an environment of constant change, the staff requires knowledge/access to knowledge and a range of specific skills. The NPCC therefore sponsors its staff to attend training programmes, Conferences and workshops both locally and internationally. During the period under review, NPCC staff have undergone training as follows:-

- Mr D Appalswamy, Mrs F M Charlotte and Miss H Ramsok attended the Elite Performers Business Forum by Robin Sharma of Sharma Leadership International and Whitefield Business School from 17th – 18th July 2012. Their attendance was sponsored by Whitefield Business School.

- Mrs V Goorah attended the Web 2.0 Learning Opportunity training workshop organized by the Technical Centre for Agricultural and Rural Cooperation (CTA), a joint international institution of the African, Caribbean and Pacific (ACP) Group of States & the European Union and the University of Mauritius (Faculty of Agriculture) from 9th to 13th July 2012.
- Mrs S Mathaven and Mr T Marechal attended the Web 2.0 Learning Opportunity training workshop organised by the Technical Centre for Agricultural and Rural Cooperation (CTA), a joint international institution of the African, Caribbean and Pacific (ACP) Group of States & the European Union (EU) and the University of Mauritius (Faculty of Agriculture) from 23 to 27 July 2012.
- Mrs V Goorah and Mr T Marechal attended the Business plan training organised by the National Computer Board and Microsoft on 29th and 30th September 2012.
- Mr D Appalswamy, Mrs V Goorah, Mr D Louise, Mrs S Mathaven and Mr T Marechal attended the “Grow by Mastering Selling Skills and Developing Customer Service Excellence. Gain and Retain Customer,” a one day Master Class conducted by Mr. Shiv Khara on 30th October 2012. This course was again sponsored by the Whitefield Business School.

International Networking

International networking plays a key role in the development and success of an organization. It is a powerful source of Knowledge and new ideas as well as an opportunity to identify and promote the development of quality collaboration in productivity with international partners. The NPCC International Networking objective is to put emphasis on collaborative efforts to develop, share and transfer skills and competencies required to strengthen the organisation.

No networking missions have been undertaken during the period under review.

During the Financial year, the NPCC has been a member of the following boards/ committees/ organizations:-

The Executive Director of the NPCC is a member of the Human Resource Development Council.

The NPCC is a member of the Pan African Productivity Association (PAPA). The Executive Director of the NPCC is presently the President of PAPA. PAPA is the umbrella organisation established essentially for championing the enhancement of productivity in Africa in order to leverage the competitiveness of the African continent.

The NPCC is a member of the Advisory Board of the Pan African Competitiveness Forum (PACF), represented by its Executive Director. The PACF is a new continent-wide competence and action centre for innovation and cluster based competitiveness approaches to national and regional economic development in Africa. The PACF is an Initiative of The Competitiveness Institute.

As President of PAPA, the Executive Director of the NPCC is an Executive Board Member of the World Academy of Productivity Science. The World Academy of Productivity Science is comprised of individuals (rather than organizations) who support the aims of the World Confederation of Productivity Science and who wish to contribute to its efforts towards productivity improvement worldwide.

NPCC is a member of Global Benchmarking Network (GBN). The GBN is a global network of organisations and experts focused on promoting and facilitating the use of benchmarking and sharing of best practices by helping one other, and working together.

The NPCC is also a member of The Competitiveness Institute (TCI). TCI is the leading global network for practitioners, policy makers, researchers and business leaders working towards improving competitiveness mainly through development of specific regions and worldwide.

International Networking

Report Of The Director Of Audit 2012

Report Of The Director Of Audit 2012

Report on the Financial Statements

I have audited the accompanying financial statements of the National Productivity and Competitiveness Council, which comprise the statement of financial position as of 31 December 2012, the statement of financial performance and the statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the National Productivity and Competitiveness Council as at 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with the International Public Sector Accounting Standards.

Report on other Legal and Regulatory Requirements

Management's Responsibility

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the laws and authorities which govern them.

Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements described above, my responsibility includes expressing an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them.

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

The Council is responsible to keep proper accounting records for the purpose of recording all the transactions relating to the undertakings, funds, activities and property.

Opinion

In my opinion, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the Statutory Bodies (Accounts and Audit) Act.



(Dr R. JUGURNATH)
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
Port Louis

18 September 2013

Statement of Outturn for the fiscal year ended 31 December 2012


Accounts

Details	Revised Estimates Rs	Actual Rs
Salaries and Allowances	9,606,612	10,171,428
Travelling & Transport	1,059,932	1,045,411
Overtime	33,970	24,795
Staff Welfare	40,000	21,256
Contribution to the N.S.F.	51,000	49,671
Cost of Utilities	510,000	435,199
Fuel & Oil - Vehicles	85,000	69,258
Rental of Building	3,251,832	3,251,832
Office Equipment	150,000	99,000
Office Furniture	10,000	-
Office Expenses	231,000	293,179
Maintenance	726,768	563,729
Cleaning Services	110,400	110,400
Publications and Stationery	475,000	209,533
Overseas Travel	100,000	-
Fees	1,941,000	1,625,721
Pensions	797,280	797,265
Gratuities	195,400	162,970
Insurance - Vehicles	41,893	56,978
Insurance - Equipment & Staff	331,347	332,007
Acquisition of Non-Financial Assets	50,000	-
Training and Consultancy	800,000	466,626
Promotion, Communication & Sensitisation	2,700,000	2,666,418
Knowledge centre	110,000	84,689
International Networking	130,000	92,250
Total	23,538,434	22,629,615

Statement of Financial Position as at 31 December 2012

	NOTES	December 31 2012	December 31 2011
		Rs	Rs
ASSETS			
Current assets			
Trade and Other Receivables	5	2,175,040	2,534,870
Cash & Cash Equivalents		13,971,112	13,311,127
		<u>16,146,152</u>	<u>15,845,997</u>
Non-current assets			
Plant and Equipment	6	325,210	500,062
Total assets		<u>16,471,362</u>	<u>16,346,059</u>
LIABILITIES			
Current liabilities			
Trade & Other Payables	7	4,638,743	3,923,992
Non Current liabilities			
	8	4,979,158	4,617,126
Total liabilities		<u>9,617,901</u>	<u>8,541,118</u>
Net Assets		<u>6,853,461</u>	<u>7,804,941</u>
EQUITY			
General Fund	9	6,853,461	7,804,941

The Notes to the Accounts from pages 69 to 80 form part of the Financial Statement.


Mr L.K. Chuttur
Chairman


Ms J.Yee Sak Chan
Council Member

Statement of Financial Performance for the fiscal year ended 31 December 2012

	NOTES	December 31 2012	December 31 2011
		Rs	Rs
Revenue			
Income		2,189,150	3,127,141
Government Grant	10	18,901,000	18,983,465
Other Income	11	869,069	881,317
Total Revenue		<u>21,959,219</u>	<u>22,991,923</u>
Expenses			
Staff costs	12	11,763,235	12,911,339
Administrative costs	13	7,388,778	6,524,905
Other expenses	14	3,309,983	1,589,457
Depreciation		273,852	450,507
Total Expenses		<u>22,735,848</u>	<u>21,476,208</u>
Surplus for the year		(776,629)	1,515,715
Surplus brought forward		7,304,880	5,789,165
Surplus carried forward		<u>6,528,251</u>	<u>7,304,880</u>

Statement of changes in equity for the fiscal year ended 31 December 2012

	CAPITAL FUND	RESERVES	TOTAL
As at 1 January 2012	500,062	7,304,880	7,804,942
Transfer from Government Grant	99,000		99,000
Deferred income - transferred to Income & Expenditure	(273,852)		(273,852)
Deficit for the year		(776,629)	(776,629)
As at 31 December 2012	<u>325,210</u>	<u>6,528,251</u>	<u>6,853,461</u>

Statement of Cash Flows for the fiscal year ended 31 December 2012

	December 31 2012	December 31 2011
A. Cash Flow from operating activities		
Surplus for the period	(776,629)	1,515,715
Adjustments for:		
Depreciation	273,852	450,507
Amortisation of capital grant	(273,852)	(450,507)
Operating Surplus before working capital changes	(776,629)	1,515,715
(Increase) / Decrease in Receivables	(83,018)	1,929,593
Increase / (Decrease) in Payables	1,519,632	(5,003,934)
<i>Net cash flow from operating activities</i>	<u>659,985</u>	<u>(1,558,626)</u>
B. Investing activities		
Purchase of Property, plant and equipment	(99,000)	(16,535)
C. Financing activities		
Capital grant	99,000	16,535
	<u>99,000</u>	<u>16,535</u>
Increase / (Decrease) in cash and cash equivalent	659,985	(1,558,626)
Cash and cash equivalent at the beginning of the period	13,311,127	14,869,753
Cash and cash equivalent at the end of the period	<u>13,971,112</u>	<u>13,311,127</u>

Statement of Budgets and Accrued Based Amounts for the fiscal year ended 31 December 2012

Details	Estimates Rs	Revised Estimates Rs	Financial Statements Rs
Salaries and Allowances	10,294,740	9,606,612	10,171,428
Travelling & Transport	1,315,680	1,059,932	1,045,411
Overtime	60,000	33,970	24,795
Staff Welfare	50,000	40,000	21,256
Contribution to the N.S.F.	55,200	51,000	49,671
Cost of Utilities	600,000	510,000	435,199
Fuel & Oil - Vehicles	100,000	85,000	69,258
Rental of Building	3,260,000	3,251,832	3,251,832
Office Equipment	250,000	150,000	99,000
Office Furniture	10,000	10,000	-
Office Expenses	185,000	231,000	293,179
Maintenance	820,700	726,768	563,729
Cleaning Services	114,000	110,400	110,400
Publications and Stationery	495,000	475,000	209,533
Overseas Travel	350,000	100,000	-
Fees	1,971,000	1,941,000	1,625,721
Pensions	797,280	797,280	797,265
Gratuities	250,800	195,400	162,970
Insurance - Vehicles	80,000	41,893	56,978
Insurance - Equipment & Staff	360,000	331,347	332,007
Acquisition of Non-Financial Assets	50,000	50,000	-
Training and Consultancy	1,025,000	800,000	466,626
Prommation, Communication & Sensitisation	1,200,000	2,700,000	2,666,418
Knowledge centre	110,000	110,000	84,689
International Networking	140,000	130,000	92,250
Total	23,944,400	23,538,434	22,629,615

Statement showing reasons for variances between Estimates and Revised Estimates for the fiscal year ended 31 December 2012

Details	Estimates Rs	Revised Estimates Rs	Variation Rs	Comments
Salaries and Allowances	10,294,740	9,606,612	(688,128)	Provision made for recruitment, not effected
Travelling & Transport	1,315,680	1,059,932	(255,748)	
Overtime	60,000	33,970	(26,030)	
Staff Welfare	50,000	40,000	(10,000)	
Contribution to the N.S.F.	55,200	51,000	(4,200)	
Cost of Utilities	600,000	510,000	(90,000)	
Fuel & Oil - Vehicles	100,000	85,000	(15,000)	
Rental of Building	3,260,000	3,251,832	(8,168)	
Office Equipment	250,000	150,000	(100,000)	
Office Furniture	10,000	10,000	-	
Office Expenses	185,000	231,000	46,000	
Maintenance	820,700	726,768	(93,932)	
Cleaning Services	114,000	110,400	(3,600)	
Publications and Stationery	495,000	475,000	(20,000)	
Overseas Travel	350,000	100,000	(250,000)	No official overseas travel effected in 2012
Fees	1,971,000	1,941,000	(30,000)	
Pensions	797,280	797,280	-	
Gratuities	250,800	195,400	(55,400)	
Insurance - Vehicles	80,000	41,893	(38,107)	
Insurance - Equipment & Staff	360,000	331,347	(28,653)	
Acquisition of Non-Financial Assets	50,000	50,000	-	
Other Recurrent Expenditure				
Training and Consultancy	1,025,000	800,000	(225,000)	
Prommation, Communication & Sensitisation	1,200,000	2,700,000	1,500,000	Productivity Campaign launch in Oct 2012
Knowledge centre	110,000	110,000	-	
International Networking	140,000	130,000	(10,000)	
Total	23,944,400	23,538,434	(405,966)	

Notes for the year ended 31 December 2012

1. GENERAL INFORMATION

The National Productivity and Competitiveness Council (NPCC) was established as a corporate body under the National Productivity and Competitiveness Council Act 9 of 1999 and came into operation in May 2000. The office of the NPCC is presently located at 4th floor, Alexander House, Ebene, Cybercity.

The object of the Council is to stimulate and generate productivity and quality consciousness and drive the productivity and quality movement in all sectors of the economy with a view to raising national output and achieving sustained growth and international competitiveness. The Council therefore designed the implementation of actions based on four main strategic thrust as follows:

- Promotion of Productivity and Competitiveness Issues of National Interest
- Promotion of Innovation
- Improvement of Business Environment and Corporate Productivity
- Empowering people

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Board (IPSASB) which is a Board of the International Federation of Accountants Committee (IFAC).

Where an IPSAS does not address a particular issue, the appropriate International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) of the International Accounting Standards Board (IASB) are applied.

The financial statements have been prepared on a going-concern basis and the accounting policies have been applied consistently throughout the period. They have been prepared on the historical cost basis.

The preparation of financial statements in conformity with IPSAS and generally accepted accounting practices requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The financial statements are presented in Mauritian Rupees.

At the date of authorisation of the financial statements, the following relevant Standards and Interpretations were in issue but effective on annual periods beginning on or after the respective dates as indicated:

IPSAS 28 Financial Instruments: Presentation - effective date 1st January 2013

IPSAS 29 Financial Instruments: Recognition and Measurement - effective date 1st January 2013

IPSAS 30 Financial Instruments: Disclosures - effective date 1st January 2013

IPSAS 32 Service Concession Arrangements: Grantor - effective date 1st January 2014

2(a) Accounting Judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with IPSAS requires the NPCC'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. Judgement 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. Judgement has been exercised in determining provisions for Current Liability on Passage Benefits.

Notes for the year ended 31 December 2012

3. MEASUREMENT BASE

The accounting principles recognized as appropriate for the measurement and reporting of the financial performance, cash flows, and financial position on an accrual basis using historical cost are followed in the preparation of the financial statements.

5. ACCOUNTING POLICIES

The following specific accounting policies that materially affect the measurement of financial performance and the financial position are applied:

(a) Revenue Recognition

Income

Income is measured at the fair value of the consideration received.

Government Grant

The revenue necessary to finance the expenditure of NPCC is derived from the National Assembly by means of the Annual Estimates and the corresponding Appropriation Act. Government recurrent grant is recognized to the extent that expenditure has been incurred.

Government grant received to finance expenditure on property, plant and equipment is recognized as a deferred income in the Statement of Financial Position and is released to the Statement of Performance over the life of the assets.

(b) Trade and Other Receivables

Trade receivables do not carry any interest and are stated at their nominal value. The carrying amount of trade receivables is reduced when a trade receivable is uncollectible.

(c) Leased assets

NPCC does not have any finance leases.

(d) Foreign currency transactions

Transactions in foreign currencies are translated to Mauritian rupee at the exchange rate ruling at the date of transaction.

(e) Employee Entitlements

Employee entitlements to salaries, pension costs, and other benefits are recognized when they are earned. Employees are allowed to bank sick leaves not taken at the end of each calendar year up to a maximum of 110 days as at 31 December 2011. The balance of bank sick leave is valued at the end of the financial year and is recognised as long term payables. Beyond this ceiling of 110 days, officers are refunded part of the annual entitlement of sick leaves not taken at the end of every calendar year and is expensed to the Statement of Financial Performance.

A provision is made for the estimated liability for passage benefits. The passage benefits for each staff are valued at year end and amounted to Rs 480,779/- at 31st December 2012. The annual increase in passage benefits is expensed to the Statement of Financial Performance.

Notes for the year ended 31 December 2012

Defined Benefits Pension Plan

The Council makes provision for retirement benefits in respect of all employees who are on establishment under the Statutory Bodies Pension Act. The NPCC Staff Pension Fund is a defined benefit plan and its assets are managed by the SICOM Ltd. The cost of providing the benefit is determined in accordance with an actuarial review.

The assets of the funded plan are held and administered by the SICOM Ltd.

The defined benefit pension plan for the Council is based on the report submitted by SICOM Ltd, "see note 16" as at 31 December 2011 and 31 December 2012.

(f) Property, plant and equipment (PPE)

Recognition and measurement

Property and equipment are stated in the Statement of Financial Position at cost less accumulated depreciation. PPE are depreciated (as outlined below) at rates estimated to recognise the consumption of economic benefits of the property, plant and equipment over their useful lives.

Depreciation

Depreciation is calculated on a straight-line basis to recognise the consumption of economic benefits of an asset over its useful life. A full year depreciation is provided in the year of purchase.

The estimated useful lives of property and equipment are as follows:

Furniture Fixtures & Fittings	10 years
Office Equipment	6.67 years
Computer Equipment	4 years
Motor Vehicles	5 years

(g) Statement of Cash Flows

The Cash Flow Statement is prepared using the indirect method.

(h) Operating Lease Obligations

Leases where substantially all the risks and rewards of ownership remain with the lessor are classified as operating leases. Payments of rent made under operating leases are charged in the Statement of Financial Performance on a straight-line basis over the term of the lease.

NPCC entered into a five year operating lease with Stanmore Investment Ltd, for office space at Alexander House, Ebene in January 2007. Operating lease payments for the year ended 31st December 2012 were Rs 3,251,832/- (year ended December 2011: Rs3,251,832). The monthly rental is presently Rs 292,664/-. The lease has been further extended for one year, ending 31st December 2013.

(i) Risk management Policies

Financial risks

The NPCC, as a public sector entity, is not much exposed to financial risks.

Credit risk

In the normal course of business, NPCC incurs credit risk from trade accounts receivable. NPCC manages its exposure to credit risk by an effective debtors reporting system.

Interest rate risk

NPCC is not exposed to any interest rate risk on car loans to staff as it is government secured. The interest rate risk associated with car loans to staff is considered minimal.

Liquidity Risk

This refers to the possibility of default by the Council to meet its obligations because of unavailability of funds to meet both operational and capital requirements. In order to ensure adequacy of its funding, cash flow is managed regularly and actions taken accordingly.

Notes for the year ended 31 December 2011

(j) Employee Disclosure

As at December 31, 2011 and December 31, 2012, NPCC had 14 full-time employees and 1 trainee, out of which 9 are technical.

(k) Key Management Personnel

NPCC is governed by a management with key personnel that, at 31st December 2012, included the Executive Director and two Productivity Consultant who are responsible for operating the various activities of the organisation. The aggregate remunerations of key management personnel was Rs 3,857,960/- for the period 1st January to 31st December 2012, which are all short term benefits.

(l) Related Parties

For the purposes of these financial statements, parties which are considered to be related to the NPCC are other government ministries/ departments and parastatal bodies if they have the ability, directly or indirectly, to control the NPCC or exercise significant influence over the financial and operating decision making, or vice versa. Related parties may be individuals or other entities. There were no transactions conducted with related parties other than at arm's length.

(m) Trade Payables

Trade payables are not interest bearing and are stated at their nominal value.

5. TRADE AND OTHER RECEIVABLES

	31 December 2012	31 December 2011
	Rs	Rs
Debtors	199,208	635,642
Prepayments	54,414	44,520
Deposits	778,540	778,540
Retirement benefit obligation - "see note 16"	509,560	-
Advances (Car loan granted by government to Staff)	633,318	1,076,168
	2,175,040	2,534,870

Notes for the year ended 31 December 2012

6. PLANT AND EQUIPMENT

	Furniture Fixtures & Fittings Rs	Office Equipment Rs	IT Equipment Rs	Motor Vehicles Rs	Total Rs
COST					
At 1 Jan 2012	1,594,129	1,087,881	3,632,713	2,246,300	8,561,023
Additions / (Disposal)		99,000		(1,499,000)	(1,400,000)
At 31 December 2012	1,594,129	1,186,881	3,632,713	747,300	7,161,023
DEPRECIATION					
At 1 Jan 2012	1,504,091	1,059,248	3,251,322	2,246,300	8,060,961
Charge for the year	47,103	33,924	192,825		273,852
Disposal				(1,499,000)	(1,499,000)
At 31 December 2012	1,551,194	1,093,172	3,444,147	747,300	6,835,813
NET BOOK VALUES					
At 31 December 2012	42,935	93,709	188,566	-	325,210
At 31 December 2011	90,038	28,633	381,391	-	500,062

7. TRADE & OTHER PAYABLES

	31 December 2012 Rs	31 December 2011 Rs
Trade payables	868,961	242,240
Provisions	850,000	850,000
Other payables and accruals	2,473,932	1,969,736
Car loan - 'see note 9(a)'	192,850	447,016
Provision for Passage benefit - 'see note 9(c)'	253,000	415,000
	4,638,743	3,923,992

Notes for the year ended 31 December 2012

8. NON CURRENT LIABILITIES

	31 December 2012 Rs	31 December 2011 Rs
Car loan - refundable by staff	440,468	629,151
Provision for Leaves refund	4,310,911	3,762,583
Provision for Passage Benefit	227,779	225,391
	4,979,158	4,617,126

8 (a) Car loan - refundable by staff

	31 December 2012 Rs	31 December 2011 Rs
Amount due	633,318	1,076,168
Deduct : Amount falling due within one year	(192,850)	(447,017)
Amount falling due after more than one year	440,468	629,151

8 (b) Provision for Leaves refund

	31 December 2012 Rs	31 December 2011 Rs
At start of the period	3,762,583	3,355,304
Provision for the year	548,328	407,279
At end of the period	4,310,911	3,762,583

8 (c) Provision for Passage Benefit

	31 December 2012 Rs	31 December 2011 Rs
At start of the period	640,391	991,484
Payments during the year	(467,293)	(626,647)
Provision for the year	307,682	275,554
At end of the period	480,779	640,391
Deduct : Amount falling due within one year	253,000	415,000
Amount falling due after more than one year	227,779	225,391

Notes for the year ended 31 December 2012

9. GENERAL FUND

	31 December 2012 Rs	31 December 2011 Rs
Capital Fund " see note 16 "	325,210	500,062
Surplus of income carried forward	6,528,251	7,304,880
	6,853,461	7,804,942

10. GOVERNMENT GRANT

Grant Received	19,000,000	19,000,000
Less Grant devoted to Capital Expenditure	(99,000)	(16,535)
	18,901,000	18,983,465

The amount of Rs 99,000 has been credited to the capital grant account and will be amortised over the useful life of the assets purchased.

11. OTHER INCOME

Interest received	491,591	415,784
Miscellaneous income	103,626	15,027
Deferred Income in respect of Government Grant	273,852	450,507
	869,069	881,317

12. STAFF COSTS

Salaries and allowances	10,171,427	10,874,736
Travelling & Transport	1,045,411	1,251,908
Overtime	24,795	41,772
Staff Welfare	21,256	24,159
Contribution to the N.S.F.	49,671	55,815
Pensions	287,705	411,814
Gratuities	162,970	251,135
	11,763,235	12,911,339

Notes for the year ended 31 December 2012

13. ADMINISTRATIVE COSTS

	31 December 2012 Rs	31 December 2011 Rs
Cost of utilities	435,199	520,214
Fuel & oil - vehicles	69,258	82,605
Rental of building	3,251,832	3,251,832
Office expenses	293,179	117,909
Maintenance	563,729	773,052
Cleaning services	110,400	110,400
Publications and stationery	209,533	293,735
Fees	1,625,721	959,758
Insurance - vehicles	56,978	49,723
Insurance - staff & equipment	332,007	365,677
Provision for bad debt	440,942	-
	7,388,779	6,524,905

14. OTHER COSTS

Training and consultancy	466,626	1,098,754
Promotion, communication & sensitisation	2,666,418	207,285
Knowledge centre	84,689	101,581
International networking	92,250	134,106
Difference on foreign exchange	-	47,732
	3,309,983	1,589,457

15. CAPITAL FUND

Balance b/f	500,062	934,033
Transfer from government grant	99,000	16,535
Less Deferred Income	(273,852)	(450,506)
	325,210	500,062

Notes for the year ended 31 December 2012

16. RETIREMENT BENEFIT OBLIGATION

	Year ending 31 December 2012	Year ending 31 December 2011
	Rs	Rs
Amounts recognised in balance sheet at end of year:		
Present value of funded obligation (Fair value of plan assets)	7,067,833 (7,379,860)	6,131,740 (5,908,759)
	<u>(312,027)</u>	<u>222,981</u>
Present value of unfunded obligation	0	0
Unrecognised actuarial gain/(loss)	(197,533)	(267,970)
Unrecognised transition amount	0	0
Liability recognised in balance sheet at end of year	<u>(509,560)</u>	<u>(44,989)</u>
Amounts recognised in income statement:		
Current service cost (Employee contributions)	635,573 (413,770)	600,776 (384,251)
Fund expenses	67,003	21,134
Interest cost	613,174	557,670
(Expected return on plan assets)	(642,453)	(554,496)
Actuarial loss/(gain) recognised	0	0
Past service cost recognised	0	0
Transition effect of adopting IAS 19	0	0
Total, included in staff costs	<u>259,527</u>	<u>240,833</u>
Movements in liability recognised in balance sheet:		
At start of year	(44,989)	386,617
Total staff cost as above	259,527	240,833
(Actuarial reserves transferred in)	0	0
(Contributions paid by employer)	(724,098)	(672,439)
At end of year	<u>(509,560)</u>	<u>(44,989)</u>
Actual return on plan assets:	527,264	131,217
Main actuarial assumptions at end of year:		
Discount rate	10.00%	10.50%
Expected rate of return on plan assets	10.00%	10.50%
Future salary increases	7.00%	7.50%
Future pension increases	5.00%	5.50%

The assets of the plan are invested in funds managed by State Insurance Company of Mauritius Ltd.
The discount rate is determined by reference to market yields on bonds.

Notes for the year ended 31 December 2012

16. RETIREMENT BENEFIT OBLIGATION (continued)

	Year ending 31 December 2012	Year ending 31 December 2011
	Rs	Rs
Reconciliation of the present value of defined benefits obligation		
Present value of obligation at start of period	6,131,740	5,311,144
Current service cost	635,573	600,776
Interest cost	613,174	557,670
(Benefits paid)	(39,328)	(42,294)
Liability (gain)/loss	(273,326)	(295,556)
Present value of obligation at end of period	<u>7,067,833</u>	<u>6,131,740</u>
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	5,908,759	4,784,280
Expected return on plan assets	642,453	554,496
Employer contributions	724,098	672,439
Employee contributions	413,770	384,251
Actuarial reserves transferred in	-	-
(Benefits paid + other outgo)	(106,331)	(63,428)
Asset gain/(loss)	(202,889)	(423,279)
Fair value of plan assets at end of period	<u>7,379,860</u>	<u>5,908,759</u>
Distribution of plan assets at end of period		
<i>Percentage of assets at end of year</i>	31 December 2012	31 December 2011
	(%)	(%)
Government securities and cash	58.80%	50.6%
Loans	6.60%	7.8%
Local equities	21.00%	23.2%
Overseas bonds and equities	12.80%	17.5%
Property	0.80%	0.90%
Total	<u>100%</u>	<u>100%</u>

Notes for the year ended 31 December 2012

16. RETIREMENT BENEFIT OBLIGATION (continued)

Additional disclosure on assets issued or used by the reporting entity

	2012 (%)	2011 (%)
Percentage of assets at end of year		
Assets held in the entity's own financial instruments	-	-
Property occupied by the entity	-	-
Other assets used by the entity	-	-

History of obligations, assets and experience adjustments

Year	2012 Rs	2011 Rs
Currency		
Fair value of plan assets	7,379,860	5,908,759
(Present value of defined benefit obligation)	(7,067,833)	(6,131,740)
Surplus/(deficit)	312,027	(222,981)
Asset experience gain/(loss) during the period	(202,889)	(423,279)
Liability experience gain/(loss) during the period	273,326	295,556

Year	2013
Expected employer contributions	716,582





National Productivity and Competitiveness Council



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