ORAL ANSWER TO QUESTION

ADDITIONAL STIMULUS PACKAGE – FIRMS, MONEY DISBURSED ETC.

The Leader of the Opposition (By Private Notice) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the financial assistance given to private firms by Government and the State Investment Corporation under the Additional Stimulus Package, he will state –

(a) the names of the firms having benefitted therefrom as at todate, indicating in each case –

(i) the number of employees; and
(ii) the sums disbursed; and
(iii) if any of them has laid-off employees;

(b) the names of the consultants involved, if any; and
(c) the limitations, if any, imposed on the remuneration and other benefits accruing to the top management.

The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R. Sithanen): Mr Speaker, Sir, to understand Government actions to protect people by saving jobs it is essential to recall that we are living in exceptional times with unprecedented events.

It is by now well known that we are living through the worst and most serious global economic challenge since the 1930’s. As a sign of these exceptional times is that General Motors long the dominant car maker in the World and associated with the strength of the US economy, now appears on its way to bankruptcy. Similarly, in the birthplace and major home of capitalism, the UK and US, Government is now intervening heavily in the market including nationalization of banks and taking controlling interests in large corporations such as Chrysler. Everywhere, unorthodox
policies are emerging in countries that are combating the ill effects of this Great Recession. Our efforts to save jobs must be seen in this global context and it is important to take into account the praise and support our actions are unlocking from the international community.

Indeed one of the most troubling aspects is a severe jobs recession that is unfolding across the globe with global unemployment rising at an alarming pace leading to sharp reversals in social progress in many countries.

International and regional forecasts of economic performance are equally bleak. The predictions, one after the other, keep on getting more pessimistic. The latest IMF forecasts put global GDP growth at negative 1.3 percent and in our region South Africa has surprised yesterday by the depth of the recession over 6 percent and is suffering with unemployment at about 24 percent.

It is now feared that the recession will cost 100 million jobs and trap over 100 million more in poverty with 40 million people already out of work. A human and social crisis is unfolding where the best bonus to workers is to keep one’s job.

To keep their jobs, many hitherto unimaginable approaches are being adopted across the globe. To preserve jobs, workers are having to cut their wages, accept shorter working week and even involuntary unpaid leave. No country is spared. It is happening in strong high income OECD countries like the US, the UK, Japan, Germany and France as well as in developing countries like China and India and emerging economies that were star performers less than a year ago as in the Baltics and Central Europe. Even Nordic countries and Canada, long world leaders on the Human Development Index are not spared.

Our need to respond is heightened because we are an export platform and particularly badly hurt when World Trade declines by 11 percent - its sharpest fall in 80 years. The collapse of long haul world tourism travel, due to economic and health reasons further affects us.
Finally, our economy has been benefitting from unprecedented flows of FDI in response to our reforms. This has driven never before seen levels of job creation in our country but is now under threat.

**Mr Speaker:** May I be allowed to interrupt the hon. Minister. May I be allowed to intervene at this stage? I think that the hon. vice-Prime Minister and Minister of Finance has over the last 2-3 days explained fully all the reasons why he has had to bring the stimulus package; this has been fully debated. I think, according to our rules, we have to stick to the question although some latitude be given. I have given the Minister enough latitude. Now, I think he has to come to the question.

**Dr. Sithanen:** I have no problem, Mr Speaker, Sir, if there is more time given to the hon. Leader of the Opposition to ask questions.

Developing countries are expected to decline by 80 percent compared to 2007 figures.

Unfortunately our scope to respond is limited by the small size of our domestic market which means instruments available to China, India and even South Africa are either ineffective or have only weak impact. This has been a key constraint in developing a Mauritius approach that draws us on the best from the international response but, at the same time, adapted to our needs.

Mr Speaker, Sir, the best way to preserve social cohesion, safeguard progress with human development and protect families and people is to preserve jobs. This is what we have done through the nine ways that I have announced in the Budget.

As regards part (a) of the question, the Mechanism for Transitional Support has directly saved 2,783 jobs by keeping 5 enterprises going that were at the breakdown point. Mr Speaker, Sir, it is important to repeat that we are not doling out money to enterprises. Instead, Government is investing responsibly in temporarily distressed, but viable enterprises to both save jobs as the best way to protect people and to generate a fair return for the taxpayer.
Government is participating through four channels -

i. investing through SIC in debentures at 5 percent interest and redeemable within 5 years;

ii. providing limited guarantees to enable additional lending by commercial banks;

iii. taking equity stakes in the company, and

iv. purchasing assets to provide firms with necessary liquidity.

As announced in the budget, we are also widening our interventions to broaden to all sectors and deepen through instruments.

For the MTSP, before Government intervenes, there is a due diligence exercise that involves thorough investigation and analysis by independent consultants and discussions with the company’s bankers as well as the main shareholders. Assistance is provided conditional on the firm taking measures to control costs including pay and bonuses to management. Moreover, until Government assistance has been paid back, no dividends can be declared and non-revenue generating assets need to be reduced to minimum. The independent consultants are also tasked with regular monitoring to ensure that conditions are being met and the enterprise is taking steps to remain viable. This includes adhering to the agreed cost-cutting plan that involves the above set of measures.

Mr Speaker, Sir, five companies where agreement has been reached so far are -

1. World Knits: 1,700 jobs saved with an investment of Rs40 m. in debentures out of a total of Rs100 m. No worker, as far I as know, has been laid off as part of the restructuring;

2. Beachwear Exports Company: 160 jobs saved with an investment of Rs15 m. in debentures and an acquisition of an industrial building at a cost of Rs50 m. plus charges. No worker has been laid off as part of the restructuring and banks are providing an additional Rs15 m. facility;

3. RS Fashion: 300 jobs saved with Rs3 m. guarantee of additional financing from the commercial banks to meet its working capital needs until 30 June 2009. No
4. RS Denim: 325 jobs saved with financing by SIC of working capital up to Rs30 m. by June 2009. The request has been made by the main lender, namely DBSA - Development Bank of Southern Africa. This is a coordinated intervention with the principal creditor, that is, the DBSA to ensure that the company can be sold as an ongoing concern to preserve jobs. Placing the company into receivership now would have given the wrong signal to the international buyers of our textiles and clothing exports. MTSP along with major creditors decided to provide the breathing space to find a buyer to prevent a distress sale. The facilities provided are subject to the stakeholders’ committee overseeing the conduct of the business and coordinating the sale of the business. An interim manager has been appointed by the Stakeholders’ Committee. The main shareholder of RS Denim has voluntarily relinquished all his rights to the new management of the company. The position of taxpayers has been protected: the Rs30 m. committed by Government will rank above all other creditors to be repaid from the proceeds of sale. To date no worker has been laid off as part of the restructuring, and

5. Avant (Mauritius): 298 jobs saved with an investment from SIC of Rs10 m. in debentures and Rs4 m. in the form of guarantees and Rs10 m. of additional financing by commercial banks. No worker, to my knowledge, has been laid off as part of the restructuring.

Concerning part (b), leading accounting firms were approached and those that agreed to a reduced rate of Rs4,000 per hour which is half their normal rate, were selected to support the MTSP due diligence process. These firms are Baker Tilly, BDO/DCDM, Deloitte, Ernst and Young, Grant Thornton, KPMG. To assist SMEs to prepare for their due diligence process, the MTSP has hired an independent consultant,
Mr Michael Lim with wide experience from Enterprise Mauritius and State Bank of Mauritius, for a determined period of 6 months at Rs 75,000 per month.

As regards part (c) Mr Speaker, Sir, as I have just mentioned, there are conditions on the remuneration and other benefits accruing to the top management as part of the cost cutting exercise. The term sheet signed by all parties contains both conditions precedent and conditions subsequent to ensure compliance. There is also a monitoring exercise to enable adherence to the terms and conditions of the agreement.

Mr Bérenger: Mr Speaker, Sir, can I know from the hon. Minister of Finance - whether there is available - what is the expected total amount to be disbursed to private firms under that program and how much of it Government estimates that will be recouped?

Dr. Sithanen: Mr Speaker, Sir, it is a difficult question. Nobody has the answer. I would like to find the person who has this answer. Basically, it is about risk and reward and I am sure that the hon. Leader of the Opposition knows that. I have given the figures for the five companies where the money has already been disbursed. You can see, Mr Speaker, Sir, that we have used three instruments-

i. debenture at the rate of interest of 5%;
ii. a guarantee for a facility given by commercial banks, and
iii. an asset swap for a company.

You can see in the case of asset swap we are guaranteed already because the company wanted Rs80 m. for that building; SIC has paid Rs50 m. So, there is a guarantee in case of a failure. In many cases we would like as Government that these enterprises succeed, maintain jobs, pay back the money and we are back to normal. But there is no guarantee, the hon. Leader of the Opposition knows that, Mr Speaker, Sir.

What are the risks and rewards? The rewards of the scheme, Mr Speaker, Sir, are that we can save jobs, protect people and they will gain their livelihood. We know 45,000 people lost their jobs between 2003 and 2005 and this has inflicted a lot of suffering on 80% of them who were women. So, this is the human toll that we are trying to avoid. The risk, maybe some will not make it. But I have said in this House, Mr Speaker, Sir, that in
some cases we will not be able to save these jobs. There is one case where we thought that the model was not viable and sustainable and the financial institutions were too greedy, we did not support it. It is difficult to answer this question. What can we do Mr Speaker, Sir, is to come to the House on a regular basis to say how much money has been spent, how much has been provided by the banks, whether the conditions have been adhered to and then it will depend to a large extent on what happens to the world economy.

Let me give the hon. Leader of the Opposition an example because it is from his Constituency. There is one company that straddles his Constituency and my Constituency and that of my colleagues, hon. X. L. Duval and hon. Ms. Deerpalsing. The gentleman came to see me Mr Speaker, Sir, he has been a loyal supporter of Mauritius for 25 years. He is leaving. He came to see me, I told him: “why don't you stay?” He said, “Minister, I love your country, I am leaving for three reasons. First, the demand for my products has gone down because I sell to the UK market. Second, the rupee has appreciated. Third, we are going to China, to Bangladesh and to India where we are getting a subsidy on export earnings.”

Mr Bérenger: Can I know from the hon. Minister, before money is extended to those firms, who takes the final decision? Is it a committee; is it the Ministry?

Dr. Sithanen: Mr Speaker, Sir, let me explain the process because I think this is a very fair question. They apply to the MTSP Committee and there is a desk at Enterprise Mauritius, now there will be two desks one at Enterprise Mauritius and one at SEHDA because we want to give dedicated service to the SME. There is a first analysis that is carried out by the committee; there is investigation and analysis and then there is an independent financial analyst who makes a detailed analysis of the long-term viability of the company. Est-ce que le problème est conjoncturel ou structurel? Then on the basis of the report submitted by the independent financial analyst, the committee brings together the shareholder, the banks, SIC and the independent consultant. Then the decision is made by this committee after they have reached agreement with the banks and the shareholder. Let me give the example of one company, Mr Speaker, Sir. They reached agreement with World Knits after the independent financial expert submitted that it has a
future. So, Rs40 m. were put by the banks, Rs40 m. by the Government through the SIC and Rs20 m. by the shareholder.

The final decision is made by the committee. Let me be very fair Mr Speaker, Sir. There will be some risks; there is no decision you take in life that is a riskless proposition. But the alternative is basically massive job layoff. If there is massive job layoff there will be social crisis, a human crisis and there could be social upheaval.

Mr Bérenger: Can I ask the hon. Minister whether among the five firms that have already received public funds from either Government or the SIC, is there any, among those five, where there are no guarantees, there has been no asset swap and no collaterals?

Dr. Sithanen: Again let us look at the instruments Mr Speaker, Sir. In the case of the asset swap, the company has already sold the building to the SIC. In the case of debenture - a debenture is a loan- at 5% rate of interest and then there is a ranking of the payment of this loan. In one case, it is a small amount of Rs3 m., it is a guarantee is given to the banks for 50% of the amount lent.

Now, the conditions put are basically the conditions precedent and the conditions subsequent, Mr Speaker, Sir. There are a lot of conditions that are put, that they need to take certain decisions to reduce the costs and they need to take certain decisions to repay the debenture. The guarantee is a small amount, Mr Speaker, Sir, if this is what the Leader of Opposition has in mind, but for the large amount that have forked out there are guarantees given in terms of assets and other collaterals.

Mr Bérenger: Let me move to two of the five firms which have been mentioned, World Knits, we have been told how much money World Knits has received. The hon. Minister had told us that an inquiry is on the cross shareholding between that company and another where certain events have taken place. Can we have more details about the cross shareholding which the hon. Minister himself referred to?

Dr. Sithanen: Mr Speaker, Sir, the committee has issued a communiqué and I am sure that the hon. Leader of the Opposition has had the time to read the communiqué. There is cross shareholding, but the information given to me, Mr Speaker, Sir, is that
there is no interparty relation between these two companies. Let me also inform the House that one of the subsequent conditions imposed on World Knits is that they have to dispose of their expenses for leasing of cars and these have been transferred from the company to the individual themselves. It is unfortunate that this has happened. But the money given to World Knits has not been used for that particular purpose.

Mr Bérenger: In the case of RS Denim, before money from the SIC went to that firm, can I know whether an evaluation - and if yes, by whom - of their assets has been made and whether it is a fact, that in the past RS Denim gave as guarantee State lands?

Dr. Sithanen: I am not aware of whether State lands has been given as guarantee, but let me make it very clear to this House Mr Speaker, Sir. This is a good project. It was approved by both the former Government and by this Government, Mr Speaker, Sir. There are three companies that are within the parastatal set-up that have supported RS Denim. First, Mr Speaker, Sir, is the National Equity Fund. Mr Speaker, Sir, the decision was taken in May 2005 to support RS Denim, to the tune of Rs100 m. for the main reason that there were two very important banks that were supporting the project, DBSA and Barclays.

Second, the DBM has supported this project to the tune of Rs50 m. and the decision was taken in October 2004. Third SIC has supported to the tune of Rs75 million, the decision was taken in September 2005. So, we can see, Mr Speaker, Sir, because it was a good project, both the former Government and this Government have supported it. Out of the Rs200 m., Rs150 m. were committed by the former Government and Rs75 m. by this one. They have had two unlucky circumstances. First, there has been cost overrun which has been quite high. And second when they open, they hit the recession. Now what has happened Mr Speaker, Sir? The DBSA which I am sure the hon. Leader of the Opposition will agree with me, is a leading financial institution in Southern Africa. They are very concerned, they have taken over the management of the company. They have appointed an independent manager and, in fact, things have improved since. They have taken over and instead of selling it, Mr Speaker, Sir, at a distressed price and where people might lose their job, we have agreed to support them. But we have a first rank guarantee in case it is sold and Government will get its money back, Mr Speaker, Sir.
Now with respect to the point that the hon. Leader of the Opposition has made on land, I don't know whether the building has been constructed on State land because we have many difficulties on this issue, whether the land itself can be used as a guarantee. Because, otherwise, what happen, is that we cannot remove the buildings and you keep the land. I don't know whether this is what the hon. Leader of the Opposition has in mind because very often, Mr Speaker, Sir, in the specific circumstances, as it is an immovable property, they can use the land as some sort of guarantee. I don't know whether it has happened in this particular case I have to check.

Mr Bérenger: I have not got an answer as far as the asset worth as at to date of the company concerned.

Dr. Sithanen: Mr Speaker, Sir, the information I have is on the total indebtedness of the five companies. The highest one is RS Denim at Rs 800 m., then Avant at Rs48 m., Beachwear at Rs70 m., RS Fashion at Rs70 m. and World Knits at Rs300 m. These are the indebtedness I don’t have the figures as far as the asset is concerned but let me make very clear, Mr Speaker, Sir, in the case of RS Denim, the asset is worth more than Rs1 billion because of that building itself.

Mr Bérenger: We have to check on the worth of the assets, the hon. Minister has made it clear that hundreds of millions of rupees from the National Equity Fund, DBM and SIC have gone into the RS Denim. He said himself that there has been massive project cost escalation. My information is that the project evaluation moves from some Rs800 m. to more than Rs1,300 billion. Can I ask the hon. Minister whether before fresh additional money is put into that, because all this happened over the recent years, not at the start of the project, has a full inquiry been made into why the project jumped from Rs 800 m. to Rs1.2 m; whether second hand equipment was purchased and overvalued and that, therefore, there have been illegal transactions, there has been diversion of funds including of SIC, DBM and NEF.

Dr. Sithanen: Mr Speaker, Sir, let me be very candid as the hon. Leader of the Opposition very often teases me. I am not happy on how it has been done. Having said that, Mr Speaker, Sir, we need to act also in a very responsible manner. Project evaluations were carried out prior to this Government coming into power and prior to me
assuming the office of Ministry of Finance. The project and the detailed business plans were presented to all three organisations, way back in 2003-2004. Barclays which a banking institution of repute and DBSA supported it, Mr Speaker, Sir. The NEF (National Equity Fund) has already agreed to support the project and also the DBM. And often you are in a very tricky situation. We have had an inquiry, the DBSA also has done an inquiry but, at the end of the day, the project has to be completed. I believe *c’est un excellent outil industriel*. Maybe the hon. Leader of the Opposition is right that we have to investigate the cause of the cost overrun, but as far as these three organisations are concerned, they have secured their collateral. We have made sure that the Rs30 m. additional—the only additional that we have given Mr Speaker, Sir, is the Rs30 m. When the DBSA came—a huge team came to see me—and said that they are putting the company in bankruptcy. I told them that: look, you will send the wrong signal, you will put all these people out of work and is it possible to do something? They said: “you have to give us money”. I say: “we cannot give you money”. This was very clear. This is where they start discussing and they said: “could we have a facility of Rs30 m. until we find an entrepreneur”. But then, we put the condition that we want to have these Rs30 m. back and this would be a first rank security. This is how it has unfolded. Let me say again, I am not happy the way it has happened. But you know we inherited that baby, Mr Speaker, Sir, and we had to look after the baby, unfortunately.

**Mr Bérenger:** I am not challenging the viability of the project at the beginning. I have never said that. It was a viable project. What I am asking is whether credible investigations will take place as to the use of these millions of rupees from NEF, DBM, SIC which, I repeat, according to my information, have been swindled, second hand machinery has been overvalued and money has gone where it has ended, whether full criminal investigation will be carried out?

**Dr. Sithanen:** Mr Speaker, Sir, the DBSA is carrying out an investigation and we will support the DBSA in order to find out exactly what happened. They have also been requested at different stages of project implementation to inject additional fund and they reached a stage where they said that they don’t have additional fund. So, we have to make sure that public money that has been committed and invested by both the former Government and this Government is protected and, at the same time, we have to make
sure that the additional funding of Rs30 m. is protected in the event that they have to dispose of the assets. Our priority, Mr Speaker, Sir, in addition to finding out what the hon. Leader of the Opposition has stated, we have to keep *cet outil de production* which is very good for the region. But, unfortunately, its opening has coincided with the recession and to make sure that we maintain the jobs of people.

**Mr Bérenger:** Concerning the firm RS Denim, can I ask the hon. Minister whether he is aware …

**Dr. Sithanen:** Which firm?

**Mr Bérenger:** Same firm RS Denim! Whether he has information, which I have, to the effect that as at now, end of May, RS Denim owes the Central Electricity Board more than Rs8 m.?

**Dr. Sithanen:** I am not aware of the specific liability that the hon. Member has mentioned, but it seems to me, Mr Speaker, Sir, when the officer of the DBSA came to see me, they did mention that they were not covering their operating expenses at that time. I was informed this morning, Mr Speaker, Sir, that since the change in management and the appointment of a new gentleman from South Africa to look after it, things have started to improve. I did give to the hon. Leader of the Opposition the indebtedness of RS Denim which is at Rs800 m. So, I am sure that part of that indebtedness could be current liabilities in not paying the utilities that the hon. Member mentioned.

**Mr Bérenger:** Can I know the names of the consultants that were involved in those two cases, World Knits and RS Denim?

**Dr. Sithanen:** Mr Speaker, Sir, in the case of RS Denim, the job has been carried out by DBSA itself and in the case of RS Fashion it is Mr Satar Hajee Abdoula who is a consultant. For World Knits, Mr Speaker, Sir, it is BDO/DCDM, represented by Mr Ebrahim, for Avant (Mauritius) it is KPMG represented by Mr Deven Padiachy and for Beachwear it is BDO/DCDM represented by Mr Ebrahim.

**Mr Jugnauth:** Mr Speaker, Sir, may I know from the hon. Vice-Prime Minister how many applications have been received from SMEs, since when and why is that none
has so far benefitted from the ASP? I hope the Minister will not come back again to the
definition of SME, because we all know that under the company law, there is a definition
with regard to SME and companies other than the small private companies.

**Dr. Sithanen:** Mr Speaker, Sir, the hon. Member cannot ask the question and
give an answer at the same time. He asks questions and I give answer. Mr Speaker, Sir, we
know how tricky the definition of SME can be. There is one company with 160
employers. Some people tell me you have to look at the number of employees, others
that we have to look at turnover. Yesterday, I chaired a meeting. My colleagues, the
Minister of Industry, Science & Research, the Minister of Women’s Rights, Child
Development & Family Welfare were there and the Minister of Business, Enterprise &
Cooperatives also. We took a decision, because for seven years, there have been reports
on how to classify SMEs. I read a report of 100 pages from the experts. I was more
confused at the end, Mr Speaker, Sir. So, we have taken the decision that henceforth all
companies that are below Rs10 m. would be classified as S, all companies between Rs10
and Rs50 m would be classified as M…

(Interruptions)

Turnover! And above Rs50 m. would be large. I must say that there are some that have
applied, but the difficulty we are facing with that scheme is that many are individuals.
So, that’s why we have introduced in the Budget a scheme that we want them to be
corporatized. Then it becomes easier. However, there are Rs100 m. from the other
scheme which have been used to help the SMEs and I can give a list of all these SMEs
that have benefitted. In fact, I did give some indication the day before yesterday of how
they have benefitted. The problem we are facing with this one, is that you need to
discuss with a company and we are encouraging the small business to corporatize. And
that’s why we are waiving the Land Transfer Tax, the registration duties and when they
remove their assets from an individual company and put it in a corporate entity.

**Mr Dulloo:** Mr Speaker, Sir, the hon. Minister has stated the state of the
indebtness of the so-called distress and viable companies which have been afforded
financial assistance under the ASP after due intelligence. We have learned, for example,
that RS Denim has got a debt of Rs800 m. plus. So, can we have an indication as to the
amount owed to the DBM, the State Bank of Mauritius and also the National Equity Fund and the security given for the amount owed to these bank institutions?

**Dr. Sithanen:** I have given the answer already, Mr Speaker, Sir. I gave the amount. I also said when it was approved. Obviously, the security is always on the assets of the company. In some cases, the shareholder has given their personal asset as collateral.

**Mr Bodha:** Mr Speaker, Sir, in view of the fact that we do not know the extent or the length of the crisis, can we have an idea of the lifespan, the duration of the breathing space given to each company by the funds that we have provided?

**Dr. Sithanen:** One of the most important criteria for such type of support is flexibility. There is no one size fits all, Mr Speaker, Sir. It has to be temporary, targeted, timely, it also has to be flexible and it has to be sustainable. Mr Speaker, Sir, in the case of RS Denim, I think the facility I have mentioned is until 30 June 2009. What will happen after 30 June 2009? Nobody knows! If someone knows, Mr Speaker, Sir, my office is open. That’s why we have put more money in this Budget to save jobs and that’s why we have put more money also in training. We hope it will not happen. This is risk and reward analysis, Mr Speaker, Sir. The reward is we can save jobs. The risk that the hon. Member mentioned exists and it exists all over the world. Look, Mr Speaker, Sir, at GM, the Icon of American capitalism. For six months they have been fighting to save GM. This morning I read the icon of capitalism, *la fièreté des Americans*, is collapsing. Who could have forecast this, Mr Speaker, Sir?

**Mr Bérenger:** Two last questions, Mr Speaker, Sir! Again, RS Denim, the main shareholder, is a backbencher of the Labour Party. Can I ask the hon. Minister whether he knows that the Development Bank of Southern Africa is the main involved party in all this affair? Can I know from the hon. Minister whether he has information as to who was in the recent past and may be still representative of DBSA in Mauritius?

I don’t know Mr Speaker, Sir, I will find out. But let me inform the House, Mr Speaker, Sir, that the DBSA, which is the main creditor was very concerned and it caused the main shareholder to relinquish all of his rights, not only in the company, but also in the management. Subsequent to this they have appointed a new manager. And if I am not
mistaken, I speak under correction, Mr Speaker, Sir, they have appointed a firm to look
after their interests. I don’t know whether it is one of these top five consulting firms. But
I will find out, but they would like to dispose of the assets. And what we have told them
that instead of doing it in a distressed way, whether they can do it in an orderly way, in
order pour sauver cet outil de production and keep the jobs of the workers.

Mr Bérenger: Can we be provided with the name of that firm which the hon.
Minister has referred to and would care to check whether Mr Amédée Darga is not and
may be still the representative of DBSA in Mauritius?

Dr. Sithanen: No, I am not aware, Mr Speaker, Sir. I will check.

Mr Bérenger: Mr Speaker, with your permission, I am really surprised that the
hon. Minister of Finance knows the debts of RS Denim - massive Rs800 m. debt and yet
does not know the value of the assets as at today of RS Denim? Can I know whether any
examination of the assets worth of the RS Denim has been carried out and if yes, by
whom?

Dr. Sithanen: I don’t have the answer to that specific question, Mr Speaker, Sir,
which, in fact, does not arise from the main question of the hon. Leader of the
Opposition. Let me say a final thing, Mr Speaker, Sir, I think it is the last question. It is
not easy. We are navigating with very little visibility, predictability and heightened
volatility, Mr Speaker, Sir. Nobody knows with certainty what is the depth, what is the
length of the recession, end of the recession, Mr Speaker, Sir. What we are trying to do is
to save jobs, but something else I must tell the House. We are trying to save vital sectors
of the economy also. This is important. Many people seem to forget - that, vital sectors of
the economy. We are trying to save textile and clothing. Now, there will be some risks;
we are trying to do our best to mitigate the risks and make sure that we have a judicious
use of public funds, Mr Speaker, Sir.