



# ANNUAL REPORT

September 2019 to June 2020



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PART I:  
**ABOUT THE  
MAURITIUS  
RESEARCH  
AND  
INNOVATION  
COUNCIL**

The Mauritius Research and Innovation Council (MRIC) is a corporate body set up on the 1st of September 2019 through the proclamation of the Mauritius Research and Innovation Council Act 2019. The Council acts as the apex body which advises the Government on matters concerning applied research, innovation and research and development issues. The new Act empowers the Council in the promotion of high-quality research and in fostering innovation.

### Our Vision:

“Shaping up the Mauritius of tomorrow through research, technology and innovation”

### Our Mission:

“Promoting and pioneering research for sustainable development to enhance the quality of life of the people of Mauritius”

### Objectives of the Council

The objectives of MRIC as enunciated in the Act are to:

- Promote and coordinate applied research, innovation and research and development according to the needs of the country and to improve the quality of life;
- Foster a research, innovation and entrepreneurship culture;
- Encourage the development and application of advanced and innovative technology to meet the needs of industries;
- Enhance private sector participation in research and development and innovation; and
- Promote commercial utilisation of the results of research and development and innovation, in the national interest.

## Message from the Chairperson



The Hon, D. Balgobin  
Level 7, Sicom Tower,  
Wall Street,  
Cybercity,  
Ebene

Honourable Minister,

As required by Act No. 10 of 1992, I have the honour to submit the Annual Report of the Mauritius Research and Innovation Council for the period 01 September 2019 to 30 June 2020. It should be noted that the fact and figures in this report relate to a period when we (Chairman and Executive Director) did not hold office except for the last fifteen days in the month of June 2020.

Yours faithfully,

A handwritten signature in blue ink that reads 'K. S. Sukon'. The signature is stylized and cursive.

Dr K. S. Sukon  
Chairperson

## Statement from the Officer In Charge



Dr N. Gopaul  
Officer in Charge

The period September 2019 - June 2020 has been marked by the transition of the Council to its new status as the Mauritius Research and Innovation Council (MRIC), which took effect by way of proclamation of The Mauritius Research and Innovation Council Act 2019 (Act No. 5 of 2019) on the 1st of September 2019.

We need to understand that the future is not pre-determined in any important sense. It is not an unknown territory into which we step one day at a time, but an extension of the present that we can shape by decisions and actions. The future is something we are creating, and this new legislation charts the pathway for the MRIC's role in helping to shape the country's future.

The changes brought through the new legislation set the national direction for the MRIC in terms of developing policies and strategies for research and innovation involving private sector collaboration, the creation of funding initiatives that strengthen applied research and scientific capabilities, while maintaining a strong focus on achieving economic and national impact. In parallel, these efforts will also improve the country's competitive position internationally.

Among the core issues that have been addressed by the MRIC are the development of appropriate performance metrics and Key Performance Indicators with a bearing on international indices such as the Global Innovation Index, expansion of interdisciplinary benefits arising from industry-academia interactions, and consideration of measures to enhance innovation – all of which will play a key role in the national innovation strategy and in determining the success of our future knowledge economy. Importantly, over the period September 2019 to June 2020 the Council has shifted from an advisory role to a more direct involvement in supporting collaborative applied research and development.



Building on earlier achievements, the focus of the MRIC will be sharpened on growing private sector applied research capabilities and nurturing, through collaborative efforts, high growth innovative enterprises that leverage technology, so that these investments are turned into products, services and solutions that create better economic and societal outcomes for Mauritians.

A handwritten signature in blue ink, appearing to read 'T. Bahorun'.

Prof T. Bahorun  
Executive Director



## Roles and Functions of the Mauritius Research and Innovation Council

As an apex body to promote and co-ordinate national investment in applied research and innovation, the Council is mandated to foster, promote and co-ordinate research and innovation in all spheres of scientific, technological, social and economic activities and encourage commercial utilisation of research and development results in the national interest.

With the proclamation of the MRIC Act, the roles and functions of the Council have been redefined and now includes:

- Develop, every 5 years, a national strategy for research and development and innovation, based on the scientific, technological, social and economic needs and challenges of the country;
- Rationalise and coordinate the research and development and innovation strategies of the Government and facilitate collaboration with other persons and exchange of ideas and knowledge;
- Establish national, regional and international linkages with institutions having objectives similar to those of the Council;
- Facilitate connection between, and collaboration among, innovators and funding partners;
- Develop and manage research and development and innovation programmes and schemes, in areas of national priorities, emerging sectors and social innovation;
- Establish, and provide support for the development and management of, vehicles of innovation;
- Adopt a strong business focus to drive entrepreneurship and growth to facilitate start-ups and assist innovators to launch, build and grow successful businesses with the participation of the private sector;
- Create and manage a research repository;
- Act as the apex body which advises the Government on matters concerning applied research, innovation and research and development issues;
- Create strategic links between research and development, innovation, intellectual property and other components of the knowledge economy;
- Engage in a process of internationalisation.

In line with its main role of a funding agency, the Council constantly reviews its funding schemes to meet the needs of the country. The schemes advocate a risk sharing and matching/part grant approach to funding research and innovation projects. The schemes being promoted by the Council are (1) Social Innovation and Research Grant Scheme (SIRGS), (2) Collaborative Research and Innovation Scheme (CRIGS), (3) Proof of Concept Scheme (PCS), (4) National SME Incubator Scheme (NSIS), (5) Intellectual Property Promotion Scheme (IPPS), (6) Pole of Innovation Grant Scheme (PoIGS) and (7) Research and Innovation Bridges (RIB). In response to the COVID-19 pandemic, the Council initiated a Special Call for Proposals that reached out to a larger target base with a view to support research and innovative endeavors aimed at addressing the challenges posed by the Coronavirus (COVID-19).

## Brief Overview of the Centers under the Council

### Technology Transfer Office

The Technology Transfer Office was set up with the aim of providing technical and legal support to local inventors and innovators, as well as helping to identify, manage and make commercial use of their Intellectual Property (IP) assets. The activities of the TTO are directed towards a wide range of stakeholders, including academia/universities, the business community (especially SMEs) and innovators from public and private sectors.

### Rodrigues Office of the MRIC

The Rodrigues Office of the MRIC was launched at Port Mathurin on 31st October 2011. The office was set up to facilitate interactions between the Head Office and stakeholders in Rodrigues while addressing specific Research and Innovation issues on the island. The staff of the Rodrigues Office interacts closely with the community on the island including Commissions, NGOs and Entrepreneurs. The activities of the Office have led to a number of concrete outcomes such as new products, new policies and set up of new cooperatives.

### Centre for Applied Social Research (CASR)

The Centre for Applied Social Research (CASR) is the social research arm of the Council. It has, over the years, developed an expertise in carrying out nationwide social surveys as well as social research projects using a variety of relevant research methodologies. CASR undertakes all its research projects and its data collection with high standards of objectivity and academic rigour. The research outcomes of most of its studies are of direct policy relevance to address in a positive manner the problem areas investigated

## About Our People

The Executive Director is the Chief Executive Officer of the Council and is, subject to the provisions of MRIC Act 2019, responsible for the implementation of all decisions of the Council and for carrying out all the day-to-day activities of the Council.

The Executive Director is also responsible to the Council for the execution of policy and the control and management of the day-to-day business of the Council.

The Executive Director is assisted in his responsibilities by a team of 55 staff. The team supports the Council in the effective implementation of its objectives and in strengthening our strategic focus, communications, governance and service delivery.

## Directors' Responsibility Statement

### Financial Statements

The Council of the MRIC acknowledges its responsibilities for and confirms that:

- Adequate accounting records and effective system of internal controls have been maintained.
- The preparation of Financial Statements fairly presents the state of affairs of the Council as at the end of the 10 months' financial period and results of its operations and cash flows and comply with International Public Sector Accounting Standards (IPSAS); and
- Appropriate Accounting Policies supported by reasonable and prudent judgments and estimates have been used consistently; and
- Applicable Accounting Standards have been adhered to.

### Risk Management

The Council is responsible for the system of internal control and Risk Management for the Mauritius Research and Innovation Council. The Council is committed to maintaining a sound system of risk management and adequate control procedures with a view to safeguarding its assets.

The Council believes that the Council's systems of internal control and risk management provide reasonable assurance that control and risk issues are identified, reported on and dealt with appropriately.

### Governance

The Council Members will endeavor to apply principles of good governance at the level of the Mauritius Research and Innovation Council.



Dr K. S. Sukon  
Chairperson



Professor T. Bahorun  
Executive Director

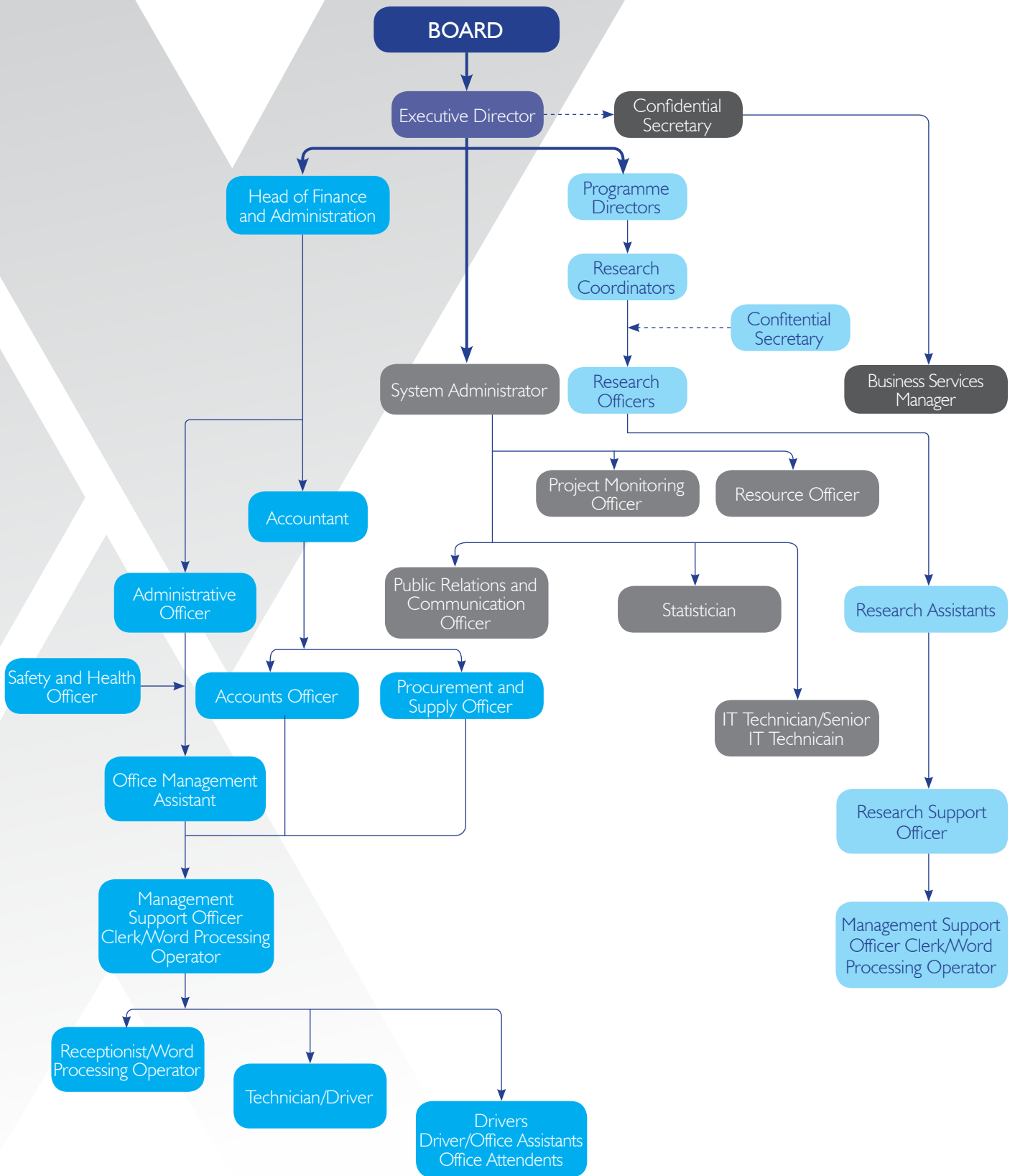
## Mauritius Research and Innovation Council 01 September 2019 to 30 June 2020

### Senior Management Team

<p>Prof T Bahorun, GOSK Executive Director as from 15 June 2020 Professional Qualification: "Doctorat Sciences de la Vie et de la Santé" in Biotechnology (1995), DEA "Génie Enzymatique, Bioconversion et Microbiologie" (1990), "Maîtrise" in "Biochimie Alimentaire" (1989), "Licence" in Biochemistry (1988)</p>		
<p>Dr A Suddhoo Executive Director Professional Qualifications: <i>PhD Computational fluid Dynamics (1985), MBA (2010), BSc (Hons) in Aeronautical Engineering (1981).</i> Date Joined: February 1999 (On leave with Pay as from 29 April 2019)</p>	<p>Dr N Gopaul Research Coordinator Professional Qualification: <i>PhD Analytical Biochemistry</i> Date joined: February 2002 (Officer in charge as from 19 April 2019)</p>	<p>Mrs P Veer-Ramjeawon Research Coordinator Professional Qualifications: <i>M.Sc. Agricultural Communication and Extension</i> Date joined: December 2001</p>
<p>Dr M Madhou Research Coordinator Professional Qualifications: <i>PhD Agricultural Biotechnology, MPhil Environmental Science, BSc Agricultural Science</i> Date Joined: April 2008</p>	<p>Dr V Bissonauth Research Coordinator Professional Qualifications: <i>Ph.D. Cell and Molecular Biology, M.Sc. Cell and Molecular Biology, B.Sc. Biochemistry</i> Date Joined: December 2009</p>	<p>Dr A Peedoly Research Officer Professional Qualifications: <i>PhD, Development Studies, (2016), MA (Social Sciences) Sociology, BA Sociology with Social Policy (Combined Hons.)</i> Date Joined: July 2008</p>
<p>Mrs H Mungun-Jhurry System Administrator Professional Qualifications: <i>M.Sc. Computer Security and Forensics, B.Eng. (Hons.) Software Engineering</i> Date Joined: October 2002</p>	<p>Mrs P Doman Administrative Officer Professional Qualifications: <i>BSc (Hons) in Management with Specialisation in Human Resource Management, Diploma in Management with Specialisation in Public Administration and Management</i> Date joined: May 1993</p>	<p>Mrs R Tooree-Veerapen Accountant Professional Qualification: <i>FCCA</i> Date joined: July 2008</p>

# MRIC Organisation Chart

The organization chart is disclosed below.



PART II:  
**CORPORATE  
GOVERNANCE  
REPORT**

## Principle 1: Governance Structure

The Mauritius Research and Innovation Council is a statutory body set up under the Mauritius Research and Innovation Council Act 2019. To fulfill the above responsibilities, the MRIC is administered and managed by a Council which sees to it that the MRIC performs effectively with regard to accountability, transparency, responsibility and ethics.

The Council operates its mandate in a manner which is consistent with good governance and ensure compliance with the National Code of Corporate Governance of Mauritius (2016).

## Principle 2: The structure of the Council and its Committees

The Council is ultimately responsible and accountable for the performance and affairs of the organisation. The fulfilling of these responsibilities is facilitated by a well-developed governance structure comprising various Committees of the Council. Management is accountable and subject to the control of the Council and operates within the policy framework laid down by the latter. All functions are exercised in accordance with the MRIC Act 2019, other relevant statutory provisions and the principles of good corporate governance.

The Council shall have such powers as are necessary to enable it to effectively discharge its functions and may, in particular, enter into any contract or other arrangement, in conformity with good governance practices.

### Composition of the Council

The Council is composed of representatives from the government, academia and the private sector as listed in the MRIC Act. The Council met five times during the period September 2019 to June 2020 (MRIC Act was proclaimed in September 2019).

The Chairman and members of the Council are appointed by the Minister, to whom responsibility of the Council is assigned in accordance with Section 6 of the MRIC Act. The Executive Director is appointed by the Council. The profiles of the Council members for the period September 2019 to June 2020 are disclosed in this annual report.

The composition of the Council was as follows:

Dr Kaviraj Sharma Sukon, Chairperson (Open University of Mauritius)

Mr Ramesh Bheekhoo, Deputy Permanent Secretary (Ministry of Information Technology, Communication and Innovation)

Mrs Subashini Rama, Director Economic and Finance (Ministry of Finance, Economic Planning and Development)

Mr Vasu Ally Mootoo Putchay, Permanent Secretary (Ministry of Education, Tertiary Education, Science and Technology)

Mr Kevin Ramkaloan, Chief Executive Officer (Business Mauritius)

Mr Ravin Rampersad, Chief Executive Officer (Small & Medium Enterprises Mauritius) (up-to 7 December 2020)

Mrs Vijayelaxmee Goorah, Lead Innovative Advocacy & Entrepreneurship (National Productivity and Competitiveness Council) (as from 9 February 2021)

Dr Sudhirsan Kowlessur, Director Health Promotion and Research (Ministry of Health and Wellness)

Mr Nadeem Nazurally, Senior Lecturer, (Independent Member)

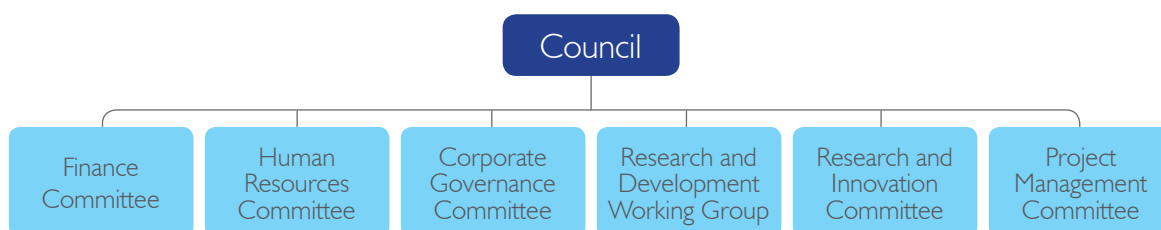
Dr Vijayanti Mala M Ranghoo-Sanmukhiya, Associate Professor, (Independent Member)

## Sub-Committees

In order to assist in discharging its duties and responsibilities, the Council has established five (6) sub-committees to provide specific expertise namely:

- Project Management Committee
- Research and Development Working Group
- Finance Committee
- Corporate Governance Committee
- Human Resource Committee and
- Research and Innovation Committee.

Each subsidiary committee has well defined terms of reference to guide them to meet the set objectives.



## Principle 3: Director Appointment Procedures

The Executive Director is appointed, with the approval of the Minister, by the Council. He is the Chief Executive Officer of the MRIC and is responsible for the implementation of all decisions of the Council and for carrying out all day-to-day activities of the MRIC.

The Chairperson and members of the Council are appointed by the Minister with the approval of the Prime Minister.

The Council has a formal and transparent process for the appointment of Executive Director of the organisation. The post of Executive Director is filled through an open advertisement. An Independent Panel of Interviewers is set up by the Council and the latter may co-opt members with relevant competencies and experience to assist the Council in the decision making. A shortlist of candidates is made by the Independent Panel of Interviewers based on the criteria laid down in the advertisement with regards to qualifications, experience, skills and knowledge.

An interview is carried out and based on merit, the right candidate is selected. The recruitment and selection process are ratified by the Council, prior to seeking approval of the Minister.

## Principle 4: Duties, remuneration and performance

Members of the Council are appointed in accordance with section 7 of the Mauritius Research and Innovation Act 2019. Members other than an ex-officio member, shall hold office for a period of 3 years and may be eligible for reappointment. The Executive Director shall, unless otherwise directed by the Council, attend every meeting of the Council and may take part in its deliberations,

Pursuant to section 8 of MRIC Act 2019, the Council shall meet as often as is necessary, but at least once every 2 months.



## Attendance at Council Meetings

### Mauritius Research and Innovation Council

Members	Attendance	Payment (Rs)
Dr M Atchia	5/5	
Ex-Officio Secretary		
Dr N Gopaul, Officer-in-Charge	5/5	see note 1.3
<b>Representatives of Government</b>		
Mr R Bheekhoo, Ministry of Information Technology, Communication and Innovation	5/5	5,000
Mrs S Rama, Ministry of Finance and Economic Development	4/5	4,000
Mr V Putchay, Ministry of Education, Human Resource, Tertiary Education and Scientific Research	2/5	2,000
Dr M K Elahee, University of Mauritius	4/5	4,000
Mr R Rampersad, Small and Medium Enterprise, Mauritius	4/5	4,000
Dr S Kowlessur, Ministry of Health and Wellness	4/5	4,000
Mr K Ramkaloan, Business Mauritius	2/5	2,000

## Project Management Committee

### Meetings of the Project Management Committee

Members	Attendance	Payment (Rs)
Mr R Rampersad, Small and Medium Enterprise, Mauritius	1/3	1,000
Dr S Saumtally, Mauritius Sugarcane Industry Authority	3/3	3,000
Mr R S Sonea, Ministry of Agro Industry and Food Security	-	-
Mr J Oh Seng, Ministry of Social Security, National Solidarity and Environment and Sustainable Development	2/3	2,000
Prof. U Bhowon, University of Mauritius	1/3	1,000
Mr A Sowdagur, National Social Inclusion Foundation	2/3	2,000
Dr N Gopaul, MRIC	3/3	see note 1.3

## Human Resources Committee

### Meetings of the Human Resources Committee

Members	Attendance	Payment (Rs)
Mr R S Sonea, Ministry of Agro Industry and Food Security	1/1	1,000
Mr M I Mohamedhosen, Ministry of Information Technology, Communication and Innovation	1/1	1,000
Dr D Marie, Mauritius Oceanography Institute	1/1	1,000
Mr V Putchay, Ministry of Education, Human Resource, Tertiary Education and Scientific Research	1/1	1,000
Dr N Gopaul, MRIC	1/1	see note 1.3

### Research Development Working Group

Meetings of the Research Development Working Group		
Members	Attendance	Payment (Rs)
Mr K Ramkaloan, Business Mauritius (Co-Chairperson)	3/3	3,585
Mrs S Rama, Ministry of Finance and Economic Development	3/3	2,670
Mr R Bheekhoo, Ministry of Information Technology, Communication and Innovation	2/3	1,780
Dr D Ramdenee, Economic Development Board	1/3	890
Mr R Sungkur, Ministry of Industrial Development, SMEs and Cooperatives	3/3	2,670
Prof. S Jugessur	3/3	2,670
Mr R Makoond, Specialist Expert	-	-
Dr N Gopaul, MRIC (Co-Chairperson)	2/3	2000
Prof. T Bahorun, MRIC	1/3	1,195

### Research And Innovation Committee

Members	Attendance	Payment (Rs)
Dr Y Maudarbocus, Specialist (Chairperson)	5/5	5,600
Mrs S Rama, Ministry of Finance and Economic Development	4/5	3,260
Mr K Ramkaloan, Business Mauritius	2/5	1,630
Mr R Hawabhay, Ministry of Information Technology, Communication and Innovation	4/5	3,260
Mr Z Noor Mohamed, Ministry of Information Technology, Communication and Innovation	1/5	815
Mr B Ramdoyal, Ministry of Industry, Commerce and Consumer Protection	1/5	815
Mr L Ping Wing, Ministry of Industry, Commerce and Consumer Protection	2/5	1,630
Mrs S Carrim, Principal Industrial Analyst, Ministry of Industrial Development, SMEs and Cooperatives	2/5	1,630
Dr D Ramdenee, Economic Development Board	1/5	815
Dr R Ng Kee Kwong, Specialist	4/5	3,260
Prof S Jugessur, Specialist	5/5	4,075

### Finance Committee

The Finance Committee evaluates and recommends all procurements above Rs 800,001 to Council for approval.

#### Meetings of the Finance Committee

Members	Attendance	Payment (Rs)
Mrs S.Rama, Ministry of Finance and Economic Development	1/1	1000
Mr R Bheekhoo, Ministry of Information Technology, Communication and Innovation	1/1	1,000
Dr N Gopaul, MRIC	1/1	see note 1.3

## Remuneration

The remuneration of the Chairman and members of the Council are as per below: Chairperson: Rs 29,925 per month up to 30 June 2020

Council members: Rs 1,000 per sitting

The Officer in Charge/Executive Director is not remunerated for Sub-Committees of the Council.

The total remuneration for the Chairman and members of the Council for the period ended 30 June 2020 was Rs 340,478 comprising Chairman fees Rs 288,278 and Members Rs 52,000.

The total remuneration for the Officer in Charge/ Executive Director for the period ended 30 June 2020 was Rs 2,161,265 while the total remuneration for Heads of Division for the year ended 30 June 2020 was Rs 7,467,110. Remunerations are in line with the recommendations of the Pay Research Bureau 2016.

## Risk Management

Given that risk management is one of the most important components of Corporate Governance, the MRIC is consolidating its risk management functions. Risk management is embedded in its day to day operations and in its management culture. Moreover, during PMC, any risks associated with sponsored projects are monitored.

## Internal Control

Internal control is the responsibility of everyone within the MRIC. However, it is the Council's role to ensure that procedures and practices are in place to protect MRIC's assets and reputation. The Council regularly reviews processes and procedures to ensure the effectiveness of the MRIC's Internal Control Systems and proper segregation of duties.

## Quality Management System

As a means to further enhance its customer satisfaction in conformity to stakeholders' statutory and regulatory requirements, the MRC implemented a Quality Management System based on ISO 9001: 2008. The Quality Management System at MRC covered all its operations, processes and activities of the organisation as required by ISO 9001:2008 and was reviewed for continual improvement and enhancement of customer satisfaction and in conformity to the stakeholder's statutory and regulatory requirements. The MRC was ISO 9001:2008 certified from July 2016 to September 2018.

Further to the transformation into the MRIC, the Council engaged in a new exercise for the implementation of a Quality Management System based on ISO 9001: 2015.

## Safety and Health

The MRIC is fully committed to maintaining health and safety of all its employees. In order to get prepared and to respond effectively to emergencies, the Council has a Safety and Health Policy.

## Gender Equality Statement

MRIC is committed to promoting gender equality and to ensuring equality of opportunity and outcomes for all staff and stakeholders.

## Corporate Social Responsibilities

Given that the MRIC is a non-profit making organization, no CSR contribution has to be made.

## Strategic Plan

The Council is in the process of developing its Strategic Plan in line with the roles and functions of the Mauritius Research and Innovation Council Act 2019. The strategies of the Council are based on the following:

- To develop relevant innovation policies and strategies to facilitate the transformation of Mauritius into an innovation-driven economy
- To encourage knowledge creation, transformation, management and dissemination for commercialisation
- To contribute towards the development of an entrepreneurial culture
- To promote emerging sectors
- To promote Intellectual Property and Technology Transfer for innovation
- To facilitate citizen engagement and promote social innovation to address societal issues
- To engage in a process of internationalisation through developing Regional and International Cooperation
- To strengthen the organisational support to achieve MRIC's goals

## Related Party Transactions

During the financial period 2019/20, the Council had no related party transaction.

Major decisions of the MRIC Council for the period September 2019 to June 2020

Council approved funding of the project proposal entitled “ABC-SWBP/MRC Pole of Innovation for Innovative Seaweed-based Products” under the Pole of Innovation Grant Scheme. The project aimed at developing the seaweed industry on a commercial scale in Mauritius.

Council approved the signature of a Memorandum of Understanding between MRIC and SME Mauritius Ltd to facilitate the sharing of expertise and resources with a view to promoting research and innovation in Mauritius.

Council approved the signature of a Memorandum of Understanding between MRIC and Federation of Indian Chambers of Commerce and Industry (FICCI) to enable both institutions to collaborate on Research and Development and Innovation programmes.

Council took note that MRIC had been requested to act as the main coordinator responsible for the development, implementation and management the National SME Incubator Scheme (NSIS).

Council approved a series of capacity building and training workshops scheduled to be held in line with the MIR-SAT I, for capturing Data from satellites using an antenna built from simple readily available parts. The objective of the training workshop was to target students of the secondary and tertiary school/MITD, aged 15 to 25, with a view to inspire the younger generation of Mauritius to consider space/satellite technology as a field of further studies.

Council took note that the Industrial Property Office had been granted the registration of a new design for a ‘Pivotable antenna support structure’ developed by MRIC research staff, as part of the activities of the Council under the MIR-SAT I initiative to support the antennas to communicate between the cube satellite in orbit and the ground station based at the MRIC.



PART III:  
**ACHIEVEMENTS  
& CHALLENGES**

## Portfolio

For the period 1st September 2019 to 30th June 2020, the portfolio of the Council consisted of 127 ongoing and 53 completed funded initiatives. A breakdown of the funded initiatives per scheme is provided below:

Scheme	Ongoing Initiatives	Completed Initiatives	Total No. of Initiatives
Incubation of Business Ideas			
Unsolicited Research and Innovation Grant Scheme	31	9	40
Small Scale Research and Innovation Grant Scheme	5	3	8
Post Graduate Award	34	-	34
Collaborative Research and Innovation Grant Scheme	10	3	13
High Performance Computing Research and Innovation Grant	3	2	5
Research and Innovation Projects			
Biotechnology Research and Innovation Grant	2	-	2
Social Innovation and Research Grant Scheme	1	2	3
Pole of Innovation Grant Scheme	4	-	4
Research and Innovation Bridges	2	-	2
Research and Innovation Programmes			
Fighting Diabetes at the Workplace	4	-	4
National SME Incubation Scheme	14	30	44
Proof of Concept Scheme	3	4	7
Special Call for Proposals - COVID-19	14	-	14
<b>TOTAL</b>	<b>127</b>	<b>53</b>	<b>180</b>

## Innovation Schemes as at 30th June 2020

Since the launch of new schemes focused on the new philosophy of risk sharing and commercialization of research outputs, the Council has funded 195 research and innovation projects, programmes and incubates on a matching grant basis with the private sector. The private sector commitment amount to Rs 184 M out of a project value of Rs 481 M, with the MRIC contributing 184 M. The projects are being undertaken in areas such as Biotechnology, Construction, ICT, Waste Management and Life Sciences.

National SME Incubator Scheme: Three (3) Incubators are accredited under the National SME Incubator Scheme and 131 incubatees have been supported. There are 14 ongoing incubatees (project value: 3.5 M; private sector contribution: 2.4 M; amount requested from MRIC: 1.1 M). The total project value since the start of the scheme is 108.7 M with the Council contributing a total of Rs 20.3 M and the Incubator/Incubatee partners putting a total sum of Rs 88.3 M.

Collaborative Research and Innovation Grant Scheme: CRIGS supports research, development and collaboration between local companies and local research/academic institutions. Fourteen (14) projects are ongoing (project value:

- 102.18 M; private sector contribution: 57.22 M; amount requested from MRIC: 44.96 M). Seventeen (17) projects have been completed (project value: 115.9 M; private sector contribution: 61.5 M; amount requested from MRIC: 53.4 M).

Research and Innovation Bridges: The scheme was launched in December 2017 to support the creation of research and innovation bridges between Mauritius and Partner Countries allowing knowledge transfer and stimulation of innovation. Two (2) projects are ongoing (project value: 26 M; private sector contribution: 13 M; amount requested from MRIC: 13 M). Links have thus been created with three universities in Australia, South Africa, and UK.

Pole of Innovation Grant Scheme: the scheme was initiated in November 2017. Two calls for proposals have been launched. Four (4) Poles of Innovation have been created and are ongoing (project value: 103 M; private sector contribution: 62 M; amount requested from MRIC: 33 M, funding from other sources: 8 M).

The Proof of Concept Scheme, launched since February 2017, is designed to provide support for project proposals in areas where opportunities exist to develop innovative technology-based ideas for either new or improved industry-oriented products, processes or services that will enhance socio-economic benefits in the country. Three (3) projects are ongoing (total project value: 5.19 M, private sector contribution: 2.76 M, MRIC contribution: 2.43 M). Four (4) projects have been completed (total project value: 6.03 M, private sector contribution: 2.12 M, MRIC contribution: 3.91 M).

The Social Innovation Research and Grant Scheme prompts research institutions, NGOs, government bodies and the private sector, preferably in a networked form, to undertake socially innovative projects to address social issues for the greater good of Mauritian society as a whole thereby meeting the goals of a more inclusive, fairer and sustainable society high-end research and foster innovation. One (1) project has been completed (project value: 0.5 M; amount requested from MRIC:

- 0.5 M) and two (2) other projects are ongoing (project value: 1.67 M; private sector contribution: 0.61 M; amount requested from MRIC: 1.06 M)

Fighting Diabetes at the Workplace (FDW) Pilot Programme is a socially innovative matching grant scheme accompanied by a pilot programme which has been designed with the aim to incentivize interested large establishments to provide at workplace level, a comprehensive range of medical, educational and psychosocial support facilities to their employees to ensure systematic detection, follow-up and treatment of diabetic and pre-diabetic employees. Four companies/institutions have applied to the scheme and their programmes are currently under way: Omnicane, Mauritius Telecom, Mauritius Prison Services, Air Mauritius. Total project value is 25 M, with the Council contributing 10 M and the rest of 15 M coming from the companies/institutions. So far, 6745 employees have been screened for diabetes.

The Special Call for Proposals (SCP COVID-19): Fast-track innovative projects to counter the impacts of COVID-19 was launched on 4th April 2020 to contribute towards efforts being deployed nationally, through the provision of dedicated and targeted funding for Research and Innovation based actions in order to develop and expedite the production (or adaptation) of technologies and services that will assist the health and relevant authorities in their work and in the deployment of general protection measures in response to the COVID-19 outbreak. Fourteen (14) projects were approved. Total project value is 14.14 M with the MRIC funding amounting to 8.58 M and the private sector contribution amounting to 5.56 M.



## Status of Implementation of Key Actions

Key Action	Key Performance Indicator	Target 2019/2020	Achievements as at 30th June 2020
Promoting innovation through schemes	Number of approved innovative projects	15	52

## Other Internally Monitored KPIs

The Council has an internal set of Key Performance Indicators (as per list below) by which it assesses its performance and impact.

Related Performance Indicators	1st September 2019 – 30th June 2020 (10 months)	July 2019 – June 2020 (12 months) – June 2019 (12 months)	July 2018 – June 2018 (12 months)	July 2017
1 No. of new projects funded in priority areas	17	52	85	87
2 No. of projects monitored	150	171	262	192
3 No. of seminars/workshops held during the year	16	20	40	28
4 No. of projects with potential commercial utilization	139	150	106	55
5 Number of Incubatees supported	30	30	71	32
6 Number of accredited Incubators	3	3	3	6
7 Cumulative contribution from Private Sector and External Sources in research and innovation ongoing projects funded under part/matching grant schemes	10.1 M	279.2 M	183.5 M	105 M

PART IV  
**FINANCIAL  
PERFORMANCE**

## Financial Highlights

### Revenue

During the 10-month period ending 30 June 2020, the Council raised revenues amounting to Rs 131.7 million as shown below:

Recurrent Budget  
Capital Budget  
Other Revenues  
**Total**

10 months ending 30 June 2020
Rs. (m)
31.2
100
0.5
<b>131.7</b>

Grants received under the Recurrent Budget are used towards personnel and administrative costs of the Council.

Grants received under the Capital Budget are invested in Research and Innovative projects and plant and equipment of the Council.



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**REPORT OF THE  
DIRECTOR OF AUDIT**

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**On the Financial Statements  
of the Mauritius Research and Innovation Council  
for the year ended 30 June 2020**

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**NATIONAL AUDIT OFFICE**

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## **Key Audit Matters**

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined that there are no key audit matters to communicate in my report.

## **Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report of the Mauritius Research and Innovation Council, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Mauritius Research and Innovation Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the Mauritius Research and Innovation Council's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Mauritius Research and Innovation Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Mauritius Research and Innovation Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Mauritius Research and Innovation Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

### ***Management's Responsibilities for Compliance***

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible to ensure that the Mauritius Research and Innovation Council's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in an entity's financial statements.

### ***Auditor's Responsibilities***

In addition to the responsibility to express an opinion on the financial statements described above, I am also responsible to report to the Council whether:

- (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- (b) the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;
- (c) in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence;
- (d) in my opinion, the Mauritius Research and Innovation Council has been applying its resources and carrying out its operations economically, efficiently and effectively;
- (e) the provisions of Part V of the Public Procurement Act regarding the bidding process have been complied with.

I performed procedures, including the assessment of the risks of material non-compliance, to obtain audit evidence to discharge the above responsibilities.

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***

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

As far as it could be ascertained from my examination of the relevant records:

- (a) the Mauritius Research and Innovation Council has complied with the Statutory Bodies (Accounts and Audit) Act; and
- (b) no direction relating to the accounts has been issued by the responsible Minister to Mauritius Research and Innovation Council.

Based on my examination of the records of Mauritius Research and Innovation Council, nothing has come to my attention that causes me to believe that:

- (a) expenditure incurred was of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (b) the Council has not applied its resources and carried out its operations fairly and economically.

***Other Matter***

The financial statements for the period ended 30 June 2020 were received at my Office on 15 March 2022. Following audit, management was informed on 23 June 2022 of amendments to be made to the financial statements. The amended financial statements were submitted on 23 September 2022.

***Public Procurement Act***

In my opinion, the provisions of Part V of the Act have been complied with as far as it could be ascertained from my examination of the relevant records.

A handwritten signature in green ink, appearing to read 'C. Romooah', is positioned above the printed name of the Director of Audit.

**C. ROMOOAH**  
Director of Audit

National Audit Office  
Level 14,  
Air Mauritius Centre  
PORT LOUIS

5 October 2022



## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Notes	2019/20 Rs
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	7	57,761,420
Receivables	6	3,238,083
		<u>60,999,503</u>
<b>Non-Current Assets</b>		
Receivables	6	12,364,976
Plant & Equipment	3	16,749,008
Intangible Asset	4	1,611,273
		<u>30,725,257</u>
<b>Total Assets</b>		<b><u>91,724,760</u></b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Payables	9	26,651,553
Employee Benefits within one year	8	6,600,077
Retirement Benefit Obligation	5	9,234,854
		<u>42,486,484</u>
<b>Non-Current Liabilities</b>		
Payables	9	24,963,543
Employee Benefits greater than one y	8	13,784,608
<b>Total Liabilities</b>		<b><u>81,234,635</u></b>
<b>Net Assets</b>		<b><u>10,490,125</u></b>
<b>NET ASSETS/EQUITY</b>		
General Fund		9,831,075
Revaluation reserve		659,050
<b>Total Net Assets/Equity</b>		<b><u>10,490,125</u></b>

Approved by the Board of Directors on 23 September 2022.



**Dr K. Sukon**  
Chairperson



**Prof T. Bahorun**  
Executive Director



**Mr R. Bheekhoo**  
Council Member

\* Note: Figures rounded to the nearest cents.

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

		<b>2019/20</b>
		<b>10-month period ended 30 June 2020</b>
	<b>Notes</b>	<b>Rs</b>
<b>REVENUE</b>		
Recurrent Grant		30,866,356
Capital Grant		100,000,000
Other		577,832
<b>Total Revenue</b>		<u>131,444,188</u>
<b>EXPENSES</b>		
Administrative Expenses	<b>11</b>	38,719,008
Depreciation and Amortisation	<b>3 &amp; 4</b>	3,779,158
Research and Innovation Expenses	<b>10</b>	44,001,208
Commitments (Research and Innovation Projects)	<b>9</b>	42,860,891
<b>Total Expenses</b>		<u>129,360,265</u>
<b>Surplus for the year</b>		<u><b>2,083,923</b></u>

## STATEMENT OF CHANGES IN NET ASSETS/EQUITY AS AT 30 JUNE 2020

	General Fund	Revaluation Reserve	Total
	Rs	Rs	Rs
<b>Balance at 01 July 2019</b>	<b>25,880,002</b>	<b>773,967</b>	<b>26,653,969</b>
Revaluation increase on furniture & fittings	-	53,325	53,325
Revaluation decrease on ICT equipment	-	(199,766)	(199,766)
Prior year adjustment of depreciation and gratuity/annual leave	606,941	(3,623)	603,318
Loss for the period	(9,241,922)	-	(9,241,922)
Remeasurement	(1,190,718)	-	(1,190,718)
<b>Balance at 31 August 2019</b>	<b>16,054,303</b>	<b>623,903</b>	<b>16,678,206</b>
<b>Changes in Net Assets/Equity for the period</b>			
Profit for the period before commitments	44,944,814	-	44,944,814
Commitments (Research and Innovation Projects)	(42,860,891)	-	(42,860,891)
Remeasurement	(8,307,176)	-	(8,307,176)
Revaluation of Assets	-	35,146	35,146
<b>Balance at 30 June 2020</b>	<b>9,831,050</b>	<b>659,049</b>	<b>10,490,099</b>

## CASH FLOW STATEMENT FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

	2019/20
	Rs
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Surplus for the year	2,083,923
Non-cash movements:	
Depreciation and amortisation	3,779,158
Increase in other payables	43,952,679
Increase in Vacation Leave	5,446,659
Increase in Passage Benefits	95,360
Decrease in Sick Leave	(478,006)
Decrease/(Increase in pension asset)	400,146
Increase in receivables	(3,736,182)
<b>Net cash flows from operating activities</b>	<b>51,543,737</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of intangible asset	(186,404)
Purchase of plant & equipment	(708,783)
Purchase of Furniture and fittings	(129,262)
Loan release to staff	(2,970,000)
Loan refunded by staff	539,286
<b>Net cash flows from investing activities</b>	<b>(3,455,163)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Capital Grant Received	
Funds returned to Accountant General	(539,286)
Loan received from MTCL	2,970,000
<b>Net Cashflow from financing activities</b>	<b>2,430,714</b>
<b>Net increase/Decrease in cash and cash equivalent</b>	<b>50,519,288</b>
<b>Cash and cash equivalents at beginning of 10-month period</b>	<b>7,242,129</b>
<b>Cash and cash equivalents at end of 10-month period</b>	<b>57,761,420</b>

### Notes to the Cash flow Statement

#### a) Differences

Cash and cash equivalents consist of cash on hand and balance with bank. Cash and cash equivalents included in the cash flow statement comprised the following statement of financial position amounts.

Cash at bank	57,755,795
Cash balance	5,625
	<b>57,761,420</b>

The entity has no undrawn borrowing facilities.

#### b) Plant & Equipment

Plant and Equipment are acquired by means of capital grants from the Government. During the period, the aggregate cost of acquisitions was Rs838,045.

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

	Original Budget	As per FS	Reasons
	Rs	Rs	
<b>PAYMENTS</b>			
<b>Compensation of Employees</b>	<b>24,705,327</b>	<b>29,485,437</b>	
Personal Emoluments	22,331,315	27,258,136	
IPSAS 25 adjustment	-	400,146	There was an increase in the provision for employee benefits as per IPSAS report submitted by SICOM
Other Staff Costs	2,374,012	1,827,155	Travelling allowance had to be deducted during confinement period
<b>Goods and Services</b>	<b>12,293,308</b>	<b>9,233,570</b>	
Cost of Utilities	<b>8,303,155</b>	<b>6,453,270</b>	
Fuel and Oil (Motorvehicle expenses)	476,953	293,963	The Council's vehicle were not used during confinement period, that is why a decrease was noted
Rent	4,837,300	5,012,336	The lease agreement expired on 30 September 2019. There was an increase in the price of rent in the new lease agreement
Maintenance of building	1,600,000	-	
Electricity	658,421	520,220	Electricity was not consumed during confinement period
Telephone	730,481	626,751	Telephone charges have decreased because of the confinement period
<b>Office Equipment and Furniture</b>	<b>2,799,831</b>	<b>2,397,963</b>	
Office and other miscellaneous Expenses	1,251,691	898,241	
Maintenance Agreement	401,500	489,499	
Cleaning Services	241,500	271,572	
Publications and Stationery	825,980	738,651	
Advertising	79,160	-	No such costs were incurred
<b>Other Goods and Services</b>	<b>956,558</b>	<b>382,337</b>	
Board & Committees	501,853	323,804	Committee did not take place normally due to confinement period
Legal & Professional Services	370,000	58,533	The Council did not pay for the audit fees since accounts were not yet audited
Bid Evaluation Fee/Departmental Tender Committee	84,705	-	
<b>Fellowship/International Networking</b>	<b>233,764</b>	-	
<b>R &amp; D</b>	100,000,000	44,001,208	Remaining funds were carried forward to next financial year
<b>Total Expenditure</b>	<b>136,998,635</b>	<b>82,720,215</b>	

## STATEMENT SHOWING RECONCILIATION OF ACTUAL CASHFLOWS WITH FINANCIAL STATEMENT FOR THE 10 MONTH PERIOD ENDED 30 JUNE 2020

	Original Budget	Actual	Accruals 01/09/19	Accruals 30/06/20	Prepayment 01/09/19	Prepayment 30/06/20	As per FS
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
<b>RECEIPTS</b>							
Recurrent Grant	30,866,356	30,866,356	-	-	-	-	30,866,356
Capital Grant/Research and Development	100,000,000	100,000,000	-	-	-	-	100,000,000
Other Revenue	-	577,832.00	-	-	-	-	577,832
<b>Total Receipts</b>	<b>130,866,356</b>	<b>131,444,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131,444,188</b>
<b>PAYMENTS</b>							
<b>Compensation of Employees</b>	<b>24,705,327</b>	<b>29,491,970</b>	<b>48,592</b>	<b>55,125</b>	-	-	<b>29,485,437</b>
Personal Emoluments	22,331,315	27,209,544	48,592	-	-	-	27,258,136
IPSAS 25 adjustment	-	400,146	-	-	-	-	400,146
Other Staff Costs	2,374,012	1,882,280	-	55,125	-	-	1,827,155
<b>Goods and Services</b>	<b>12,293,308</b>	<b>8,917,638</b>	<b>603,112</b>	<b>467,830</b>	<b>1,239,547</b>	<b>1,420,198</b>	<b>9,233,570</b>
Cost of Utilities	<b>8,303,155</b>	<b>6,500,386</b>	<b>232,929</b>	<b>262,651</b>	<b>1,197,111</b>	<b>1,179,716</b>	<b>6,453,270</b>
Fuel and Oil (Motorvehicle expenses)	476,953	268,507	79,459	54,003	-	-	293,963
Rent	4,837,300	5,012,336	-	-	1,179,716	1,179,716	5,012,336
Maintenance of building	1,600,000	-	-	-	-	-	-
Electricity	658,421	570,681	41,390	91,852	-	-	520,220
Telephone	730,481	648,862	112,080	116,796	17,395	-	626,751
<b>Office Equipment and Furniture</b>	<b>2,799,831</b>	<b>2,070,790</b>	<b>271,308</b>	<b>142,179</b>	<b>42,436</b>	<b>240,481</b>	<b>2,397,963</b>
Office Expenses and Incidentals	1,251,691	892,996	7,220	66,413	13,484	77,922	898,241
Maintenance Agreement	401,500	347,946	-	8,453	3,604	153,609	489,499
Cleaning Services	241,500	295,345	23,748	47,521	-	-	271,572
Publications and Stationery	825,980	534,503	240,340	19,793	25,349	8,950	738,651
Advertising	79,160	-	-	-	-	-	-
<b>Other Goods and Services</b>	<b>956,558</b>	<b>346,462</b>	<b>98,875</b>	<b>63,000</b>	-	-	<b>382,337</b>
Board & Committees	501,853	314,129	72,675	63,000	-	-	323,804
Legal & Professional Services	370,000	32,333	26,200	-	-	-	58,533
Bid Evaluation Fee/Departmental Tender Committee	84,705	-	-	-	-	-	-
<b>Fellowship/International Networking</b>	<b>233,764</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>R &amp; D</b>	<b>100,000,000</b>	<b>44,310,608</b>	<b>597,534</b>	<b>425,136</b>	<b>624,725</b>	<b>142,927</b>	<b>44,001,208</b>
<b>Total Expenditure</b>	<b>136,998,635</b>	<b>82,720,216</b>	<b>5,067,782</b>	<b>948,091</b>	<b>2,647,481</b>	<b>1,563,125</b>	<b>82,720,215</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

## I. (I) LEGAL FORM AND ACTIVITIES

The Mauritius Research and Innovation Council (MRIC) is a corporate body set up on the 1st of September 2019 through the proclamation of the Mauritius Research and Innovation Council Act 2019. The Council acts as the apex body which advises the Government on matters concerning applied research, innovation and research and development issues. The new Act empowers the Council in the promotion of high-quality research and in fostering innovation.

**Our Vision:** "Shaping up the Mauritius of tomorrow through research, technology and innovation"

**Our Mission:** "Promoting and pioneering research for sustainable development to enhance the quality of life of the people of Mauritius"

### Objectives of the Council:

The objectives of the MRIC as enunciated in the Act are to:

- a. Promote and coordinate applied research, innovation and research and development according to the needs of the country and to improve the quality of life;
- b. Foster a research, innovation and entrepreneurship culture;
- c. Encourage the development and application of advanced and innovative technology to meet the need of industries
- d. Enhance private sector participation in research and development and innovation; and
- e. Promote commercial utilisation of the results of research and development and innovation, in the national interest

**(II)** Following the promulgation of the Mauritius Research and Innovation Council Act 2019 as from 01 September 2019, the Financial Statements for the Financial Year 2019-2020 have been prepared on a 10-month basis. As such no comparative figures would be seen in the accounts.

**(III)** Following the proclamation of the Mauritius Research and Innovation Council Act 2019, all the assets and liabilities of the Mauritius Research Council have been transferred at book value to the Mauritius Research Innovation Council. Same applies to the employees of the MRC that have been transferred to the MRIC after the MRC Act was repealed and MRIC Act proclaimed.

## 2. Adoption of New and Revised International Accounting

### 2.1 Standards Adopted in the current period

The Council has adopted the International Public Sector Accounting Standards (IPSAS I) issued by the International Public Sector Accounting Standards Board (IPSASB) as from the year 2011 in line with amendments made in the Statutory Bodies (Accounts and Audit) Act.

### 2.2. Standards issued to IPSAS but not yet effective.

The amendments are not expected to have any impact on the MRIC'S operation and financial statements.

At the date of authorization of these financial statements, the following International Public Sector Accounting Standards (IPSASs) had already been issued but not yet effective as at 30 June 2020:

Amendments to IPSAS 1 - Presentation of Financial statements - Effective for annual periods beginning on or after 01 January 2015

Amendments to IPSAS 17 - Property, Plant and Equipment - Effective for annual periods beginning on or after 01 January 2015

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

Amendments to IPSAS 28 - Financial Instruments Presentation - Effective for annual periods beginning on or after 01 January 2015

Amendments to IPSAS 31 - Intangible Assets - Effective for annual periods beginning on or after 1 January 2015

IPSAS 33 First -Time Adoption of Accrual Basis IPSAS - Effective for annual periods beginning on or after January 2017

IPSAS 34 - Separate Financial Statements - Effective for annual periods beginning on or after January

IPSAS 35 - Consolidated Financial Statements - Effective for annual periods beginning on or after January 2017

IPSAS 36 - Investments in Associates and Joint Ventures- Effective for annual periods beginning on or after January 2017

IPSAS 37 - Joint Arrangements - Effective for annual periods beginning on or after January 2017

IPSAS 38 - Disclosure of Interests in Other Entities - Effective for annual periods beginning on or after January 2017

IPSAS 39 - Employee Benefit replaces IPSAS 25 as of 1 January 2018 - The main changes from IPSAS 25 are: Removal of an option that allows an entity to defer the recognition of changes in the net defined benefit liability (the "corridor approach");introduction of the net interest approach for defined benefit plans;Amendments regarding certain disclosure requirements for defined benefit plans and multi-employer plans;simplification of the requirements for contributions from employees or third parties to a defined benefit plan when those contributions are applied to a simple contributory plan that is linked to service;and removal of the requirements for composite social security programmes.

The Council anticipates that the adoption of these Standards in the future periods will have no material impact on the Financial Statement

### 2.3 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Mauritius Research Council and which have been applied consistently are set out below:

#### (a) Basis of Preparation

The accounting policies have been applied consistently throughout the period. The statements comply with the requirements of International Public Sector Accounting Standards (IPSAS). The measurement base applied is historical cost adjusted for revaluation of assets.

Government in its budget speech 2017/2018 has provided credence to this need for change by announcing the budgetary measure whereby the MRC is being transformed into the Mauritius Research and Innovation Council (MRIC).

#### (b) Revenue Recognition

Income is based as per IPSAS 23 where revenue has been classified as revenue from non-exchange transactions

IPSAS 23 Revenue from Non Exchange Transactions

The objective of IPSAS 23 is to prescribe requirements for the financial reporting of revenue arising from non-exchange transactions, other than non-exchange transactions that give rise to an entity combination. This standard deals with issues that need to be considered in recognising and measuring revenue from non-exchange transactions, including the identification of contributions from owners.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

Grants are recognised as revenue to the extent that the entity has satisfied the conditions attaching to the grant. Upon expiry of the transitional period of three years following the date of the first adoption of this standard, any unamortised portion of the grant should be recognised retrospectively against accumulated surplus either by restating the comparative information, or by means of an adjustment against opening accumulated surplus in the reporting period in which IPSAS 23 is fully complied with for the first time.

In accordance with IPSAS 23, Capital Grants are recognised as Revenue.

### **(c) Comparative Figures**

Comparative figures have been regrouped or restated, where necessary, to conform to IPSAS presentation.

However, since the accounts have been prepared in a 10-month period basis, same cannot be entirely compared to previous accounts.

### **(d) Operating Lease**

Rentals payable under operating lease agreements are charged to the Statement of Financial Performance on a straight line basis over the term of the relevant lease.

Operating Leases are leases and assets, the ownership of which are retained by the lessor

### **e(i) Plant & Equipment**

Plant and Equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of fixed assets on a straight-line basis over the expected useful lives of the assets concerned as follows:

Motor Vehicles	-	5/7 years
Furniture & Fittings	-	20 years
Office Equipment	-	14 years
ICT Equipment	-	8 years
Laboratory Equipment	-	14 Years

Purchase of non-current assets below the threshold of Rs 15,000 is written off during the year.

The gain or loss arising on the disposal of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Financial Performance.

### **e(ii) Depreciation Policy**

It is the policy of the Council to charge full year depreciation on asset in the year of acquisition and no depreciation is charged in the year of disposal.

### **(f) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the income statement in the year in which the expenditure is incurred.

Computer software that is not considered to form part of any hardware equipment is recorded as intangible assets. They are capitalised at cost and amortised over its estimated useful life of four years.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### **(g) Research and development costs**

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an individual project is recognised only when the Council can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during the development.

During the period of development the asset is tested for impairment annually. Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future sales. During the period of which the asset is not yet in use, it is tested for impairment annually.

### **(h) Accounts Receivable**

Accounts Receivable are stated at their nominal value as reduced by appropriate allowances on estimated irrecoverable amounts.

### **(i) Cash and Cash Equivalents**

Cash and Cash Equivalents comprise cash at bank and cash in hand.

### **(j) Accounts Payable**

Accounts Payable are stated at their fair value.

### **(k) Retirement and other Benefits**

#### *Defined Benefit Pension Plan*

The Council subscribes to a defined benefit plan, the assets of which are held in a separately administered fund. The pension costs are assessed using the projected unit credit method. The cost of providing pensions is charged to the Income Statements so as to spread the regular cost over the service lives of employees in accordance with the advice of the actuaries. The pension obligation is measured as the present value of the estimated future cash outflows using a discounted rate by reference to the current interest rates and the yields on bonds and treasury bills.

#### *Employee Passage Benefit Entitlement*

Employee entitlements to passage benefit allowance are recognised when they accrue to employees. A provision is made for the estimated liability up to the balance sheet date.

#### *Employee leave entitlement*

Employee entitlements to bank sick leave as defined in the PRB 2008 Report (the regulatory body for remuneration of MRIC employees) are recognized as and when they accrue to employees. An accrual is made for the estimated liability for bank sick leave.

#### *Vacation leave*

Vacation leave has been computed for all permanent and pensionable staff. Provision in respect of vacation leave has been accrued for only those staff reaching the age of 55 years.

### **(l) Provisions**

Provisions are recognized when the Council has a present obligation as a result of a past event and it is probable that the Council will be required to settle the obligation. Provisions are measured at the Council's best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### **(m) Impairment**

At each balance sheet date, the Council reviews the carrying amount of its tangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

### **(n) Risk Management Policies**

A description of the various risks to which the Council is exposed is shown below as well as the approach taken by management to control and mitigate those risks.

#### *Liquidity risk*

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

#### *Credit risk*

Credit risk relates to the possibility of default by employees in settling their loan obligations towards the Council. The Council has established a "lien" policy on cars purchased by those employees who benefit from such car loans.

### **(o) Financial Instruments**

Financial assets and liabilities are recognized on the balance sheet when the Council becomes a party to the contractual provisions of the financial instrument.

The Council's accounting policies in respect of the applicable financial instruments are as follows:

#### *Receivables*

Receivables are stated at their nominal value as reduced by appropriate allowances for irrecoverable amounts.

#### *Cash and Cash Equivalents*

Cash and cash equivalents comprise of cash at bank and in hand, and are subject to an insignificant risk of changes in value.

#### *Other Payables*

Other payables are stated at their nominal value.

### **(p) Accounting Judgments and key sources of estimation uncertainty**

The preparation of Financial Statements in accordance with IPSAS requires the directors and management to exercise judgment 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. Judgments 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.

Where applicable, the notes to the Financial Statements set out areas where management has applied a higher degree of judgment that have a significant effect on the amounts recognized in the Financial Statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date include Retirement Benefit Obligations.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### *Retirement Benefit Obligations*

The cost of defined benefit pension plans is determined using actuarial valuations. The actuarial valuation involved making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

### **(q) Revaluation**

#### **(i) Non Current Asset**

Class of Non Current Asset	Original Cost	Revalued amount
	Rs	Rs
Furniture & Fittings	180,148	54,044
Office Equipment	35,650	7,130
ICT Equipment	529,565	52,957
Lab Equipment	596,491	119,298

It is the policy of the Council to revalue items of plant and equipment which have been fully depreciated but are still in use.

Each class of asset is revalued following the number of years when they are fully depreciated:-

Furniture and fittings	- 20 years
Office equipment	- 14 years
ICT equipment	- 8 years
Laboratory Equipment	- 14 Years

The effective date of revaluation is 30 June 2020.

A revaluation committee was set up since external valuers were not deemed to be cost effective. The Council's revaluation is based on a percentage rate applied to the original cost of the asset, depending on the useful remaining life of the asset.

Furniture & Fittings	- 30%
Office Equipment	- 20%
ICT Equipment	- 10%

Under IPSAS 17 'Property, Plant and Equipment' revaluation increases shall be credited directly to revaluation surplus. However the increase shall be recognised as revenue in surplus or deficit to the extent that it reverses a revaluation decrease of the same class of assets previously recognised as an expense in surplus or deficit.. Revaluation decreases are debited first against the revaluation surplus related to the same class of assets and any excess against surplus or deficit. When the revalued asset is disposed of, the revaluation surplus is transferred directly to accumulated surplus of deficits and is not recycled through surplus or deficit.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### 3. PLANT & EQUIPMENT

	MOTOR VEHICLES	FURNITURE & FITTINGS	OFFICE EQUIPMENT	ICT EQUIPMENT	LABORATORY EQUIPMENT	TOTAL
	Rs	Rs	Rs	Rs	Rs	Rs
<b>COST</b>						
<b>As at 1 Sept 2019</b>	<b>5,865,148</b>	<b>1,003,530</b>	<b>2,101,826</b>	<b>5,030,553</b>	<b>27,851,579</b>	<b>41,852,636</b>
Revaluation Adjustment	-	(126,104)	(61,640)	(476,608)	(477,193)	(1,141,545)
Additions	-	129,262	560,873	147,910	-	838,045
<b>As at 30 June 2020</b>	<b>5,865,148</b>	<b>1,006,688</b>	<b>2,601,059</b>	<b>4,701,855</b>	<b>27,374,386</b>	<b>41,549,136</b>
<b>DEPRECIATION</b>						
<b>As at 1 Sept 2019</b>	<b>3,971,925</b>	<b>428,010</b>	<b>875,869</b>	<b>2,105,051</b>	<b>15,550,504</b>	<b>22,931,359</b>
Depreciation on revalued asset	-	(174,151)	(73,453)	(485,436)	(568,654)	(1,301,694)
Charge for the year	868,547	39,694	154,013	484,260	1,623,949	3,170,463
<b>As at 30 June 2020</b>	<b>4,840,472</b>	<b>293,553</b>	<b>956,429</b>	<b>2,103,875</b>	<b>16,605,799</b>	<b>24,800,128</b>
<b>CARRYING AMOUNT</b>						
As at 30 June 2020	1,024,676	713,135	1,644,630	2,597,980	10,768,587	16,749,008
As at 01 Sept 2019	1,893,223	575,520	1,225,957	2,925,502	12,301,075	18,921,277

### 4. INTANGIBLE ASSET

	COMPUTER SOFTWARE
	Rs
<b>COST</b>	
<b>As at 1 Sept 2019</b>	<b>4,110,894</b>
Additions	186,404
Revaluation	(521,405)
Write off	(796,222)
<b>As at 30 Jun 2020</b>	<b>2,979,671</b>
<b>AMORTISATION</b>	
<b>As at 1 Sept 2019</b>	<b>1,952,327</b>
Write Offs	(661,563)
Revaluation	(531,061)
Amortisation for the year	608,695
<b>As at 30 June 2020</b>	<b>1,368,398</b>
<b>CARRYING AMOUNT</b>	
As at 30 June 2020	1,611,273
As at 31 Aug 2019	2,158,567

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### 5A. PENSION ASSET

	2019/20
	Rs
<b>Amounts recognised in balance sheet at end of period:</b>	
Defined Benefit Obligation	56,042,789
Fair value of plan assets	(46,807,935)
<b>Liability recognised in balance sheet at end of period</b>	<b>9,234,854</b>
<b>Amounts recognised in income statement:</b>	
Service Cost:	
Current service cost	2,155,183
(Employee Contributions)	(595,202)
Fund expenses	36,698
Net Interest Revenue	(6,249)
<b>Statement of Financial Performance Charge</b>	<b>1,590,430</b>
<b>Remeasurement</b>	
Liability Loss	12,298,433
Asset Gain	(3,991,257)
Net Asset/Equity (NAE)	8,307,176
<b>Total</b>	<b>9,897,606</b>
<b>Movements in liability recognised in balance sheet :</b>	
At start of the period	527,532
Amount recognised in the statement of Financial Performance (Contributions paid by employer)	1,590,430 (1,190,284)
Amount recognised in NAE	8,307,176
<b>At end of the period</b>	<b>9,234,854</b>
<b>Actual return on plan assets :</b>	
<b>Main actuarial assumptions at end of period:</b>	
Discount rate	3.70%
Future salary increases	2.40%
Future pension increases	1.40%
<b>No. of members</b>	<b>41</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### 5B. PENSION ASSET

#### Reconciliation of the present value of defined benefit obligation

	2019/20
	Rs
Present value of obligation at start of period	40,624,916
Current service cost	2,155,183
Interest Cost	1,252,602
(Benefits paid)	(288,345)
Liability loss	12,298,433
<b>Present value of obligation at end of period</b>	<b>56,042,789</b>

#### Reconciliation of fair value of plan assets

Fair value of plan assets at start of period	40,097,384
Expected return on plan assets	1,258,851
Employer contributions	1,190,284
Employee contributions	595,202
Actuarial reserves transferred in	-
(Benefits paid + other outgo)	(325,043)
Asset gain	3,991,257
<b>Fair value of plan assets at end of period</b>	<b>46,807,935</b>

#### Distribution of plan assets at end of period

	June 2020
Percentage of assets at end of the period	
Fixed Interest Securities and Cash	61.70%
Loans	3.00%
Local equities	10.10%
Overseas bonds and equities	24.60%
Property	0.60%
<b>Total</b>	<b>100%</b>

#### Additional disclosure on assets issued or used by the reporting entity

	June 2020
	(%)
Percentage of assets at end of period	
Assets held in the entity's own financial instruments	0
Property occupied by the entity	0
Other assets used by the entity	0

#### Components of the amount recognised in OCI

	June 2020
	Rs
Year	
Currency	
Asset experience gain during the period	3,991,257
Liability experience loss during the period	(12,298,433)
	(8,307,176)
	<b>2020/2021</b>
Expected Employer Contributions	1,456,765

Retirement benefit obligations have been based on a report from SICOM Ltd received on 05 November 2020 and the expected average remaining working lives of the employees participating in the plan is 17 years.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### 6. OTHER RECEIVABLES

Other receivables are stated at their nominal value as reduced

	<b>2019/20</b>
	<b>Rs</b>
<b>Receivables within one year</b>	
Prepayments	2,126,420
Short Term Car Loan	765,857
Accounts receivable	345,806
	<u>3,238,083</u>
<b>Receivables after one year</b>	
Payment to Clyde Space Ltd for Satellite	7,316,279
Prepayment more than one year	276,431
Payment to Harel Mallac for DMS	672,101
Deposit	1,275,724
Car Loan	2,824,441
	<u>12,364,976</u>
Total	<u>15,603,059</u>

The car loans bear interest at the rate of 4.5% p.a. and is repayable over a period of 5 or 7 years.

### 7. CASH AND CASH EQUIVALENTS

Bank Balances	57,755,795
Cash Balance	5,625
	<u>57,761,418</u>

Bank and Cash Balances comprise cash held by the Council. The carrying amount of these assets approximates their fair values.

### 8. EMPLOYEE BENEFITS

Employee benefits represent provision for sick leave, vacation leave, annual leave, passage benefits and gratuity.

Employee entitlements to bank sick leave as defined in the PRB 2016 Report (the regulatory body for determining remuneration of MRIC employees) are recognised when they accrue to employees. An accrual amount of Rs 5,988,346 (as at 31 August 2019: Rs 6,466,352) is made for the estimated liability for bank sick leave.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

The accumulated balance under these items are detailed as below:

	<b>2019/20</b>
	<b>Rs</b>
<b>Opening Balance</b>	
Passage Benefits	2,221,379
Vacation Leave	6,632,941
Sick Leave	6,466,352
Gratuity and Annual Leave	-
	<u>15,320,672</u>
<b>Provision for the year</b>	
Passage Benefits	560,305
Vacation Leave	5,446,659
Sick Leave	178,564
Gratuity and Annual Leave	414,549
	<u>6,600,077</u>
<b>Paid to staff</b>	
Passage Benefits	464,945
Vacation Leave	-
Sick Leave	656,570
Gratuity	363,571
Annual Leave	50,978
	<u>1,536,064</u>
<b>Balance as at 30 June 2020</b>	
Passage Benefits	2,316,739
Vacation Leave	12,079,600
Sick Leave	5,988,346
Gratuity and Annual Leave	-
	<u>20,384,685</u>
These obligations are payable as follows:	
<b>Current Liabilities</b>	
Payable within one year	6,600,077
<b>Non Current Liabilities</b>	
Payable after one year	13,784,608
	<u><u>20,384,685</u></u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### 9. OTHER PAYABLES

	2019/20
	Rs
Other payables are stated at their nominal value	
<b>Payable within one year</b>	
Commitments with respect to Research and Innovation Projects	20,721,789
Accruals and provisions	5,163,938
Provision for Employee Benefits	6,600,077
Loan from Accountant General	765,857
<b>Total</b>	<b>33,251,660</b>
<b>Payable after one year</b>	
Commitments with respect to Research and Innovation Projects	22,139,102
Provision Employee Benefits	13,784,608
Loan from Accountant General	2,824,441
	<b>38,748,151</b>

### 10. RESEARCH & DEVELOPMENT EXPENSES

	2019/20
	10-Month period ended 30 June 2020
	Rs
Policy and Strategic Planning	2,924,036
Technology Transfer and Intellectual Property	2,596,062
Local, Regional and International Cooperation	21,782,227
Entrepreneurship and Emerging Sectors	11,540,502
Social Innovation and Applied Research	2,825,496
Information and Communication Services	528,055
Others	1,804,831
	<b>44,001,208</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### II. ADMINISTRATIVE EXPENSES

	2019/20
	10-month period ended 30 June 2020
	Rs
<b>Personnel</b>	
Salaries & Other related costs	27,258,136
Provision for IPSAS 39	400,146
Travelling & Transport	1,478,345
Training	280,700
Uniforms	68,110
	<u>29,485,437</u>
<b>Office Expenses</b>	
Motor Expenses	293,963
Printing, Postage & Stationery	227,391
Advertising & Publicity Fees	353,049
Telephone & Fax	626,751
Maintenance Contract	489,499
Documentation & Subscriptions	158,211
Office Expenses & Incidentals	314,666
	<u>2,463,530</u>
<b>Building Facilities</b>	
Rent and parking	5,012,336
Cleaning	271,572
Electricity & Water Charges	520,220
Insurance	577,575
Building Repairs	6,000
	<u>6,387,703</u>
<b>Advisory &amp; Professional</b>	
Legal & Professional Fees	58,533
Board Membership & Committee Fees	323,804
	<u>382,337</u>
<b>Total Administrative Expenses</b>	<u><u>38,719,008</u></u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 30 JUNE 2020

### 12. SURPLUS FOR THE YEAR

	<b>2019/20</b>
	<b>10-month</b>
	<b>period ended</b>
	<b>30 June 2020</b>
	<b>Rs</b>
The surplus for the year has been arrived at after charging/(crediting):	2,083,923
Research and Development Expenses	44,001,208
Staff Costs	29,085,291
Depreciation and amortisation	3,779,158

### 13. STAFF COSTS

Average number of employees	52
Aggregate remuneration comprised:	
Salaries	27,258,136
Other Costs	1,827,155
	<u>29,085,29</u>

### 14. OTHER CHARGES

Interest paid to Accountant General under Car Loans	<u>58,599</u>
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The above interest has not been recognised in the accounts of the Council as it represents interest on car loans contracted by the employees, payable to the Accountant General.

### 15. RELATED PARTY TRANSACTIONS

The immediate and ultimate controlling party of the Council is the Government of Mauritius. The Council has no related party transactions.

### 16. REMUNERATION OF KEY MANAGEMENT PERSONEL

The Senior Management staff remuneration for 30 June 2020 are as follows:

	<b>2019/20</b>
	<b>10-month</b>
	<b>period ended</b>
	<b>30 June 2020</b>
	<b>Rs</b>
Executive Director	104,630
Officer-in-charge - Emoluments and Other Benefits	2,056,635
Emoluments and Other Benefits of Head of Divisions	7,467,110
Chairman Fees	288,278
Board Fees	45,000
	<u>9,961,653</u>

The Executive Director joined the Council on 15 June 2020.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 10-MONTH PERIOD ENDED 3

### 17. COMMITMENTS

As at 30 June 2020, the Council has a commitment of Rs 42.8M towards 109 ongoing research projects.

### 18. OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

Up to 1 year

After 1 year and before 5 years

**2019/20**

**Rs**

1,451,190

-

1,451,190

General Operating Lease Description - Office Rental:

Lessor

National Pension Fund

Area of Premises

900 square metres

Lease Period

Fixed duration of 3 years

Lease Commencement date

1st October 2015

Lease Termination date

30th September 2020

Rental

Rs 537.60 per square metre per month inclusive of common area charges, 9 parking bays and VAT

Deposit

Rs 1,162,512

### 19. LAND AT REDUIT TRIANGLE

During the year 2010 a plot of land of 1 Arpent at Reduit Triangle has been vested in the Prime Minister's Office for the use by the Ex Mauritius Research Council for the construction of an office block.

PART V  
**WAY FORWARD**

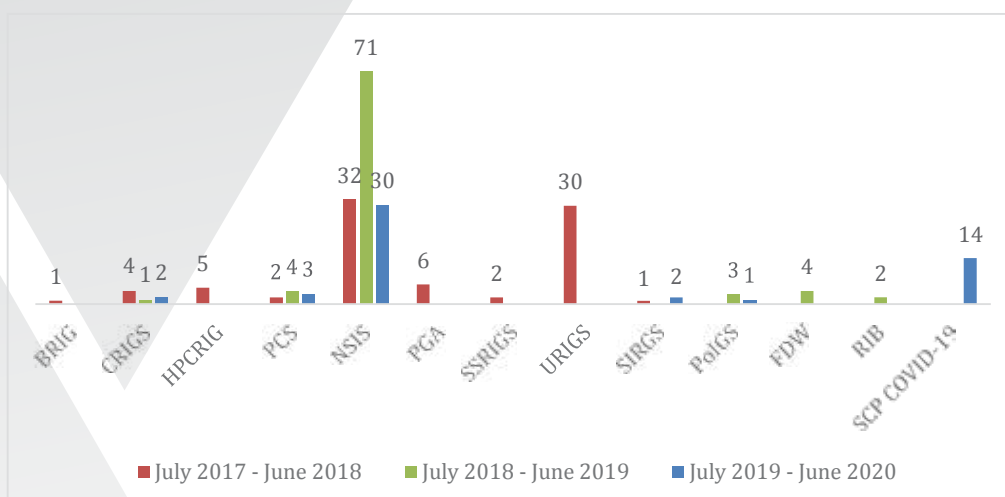
## Trends

The financial year 2019-2020 saw the continued implementation of the first two (2) funded projects under the Research and Innovation Bridges (RIB), three (3) poles of innovation under the Pole of Innovation Grant Scheme (PoIGS) and four (4) programmes under the Fighting Diabetes at the Workplace which were approved and started during the year 2018- 2019, along with other projects and initiatives being implemented under the other MRIC schemes such as Collaborative Research and Innovation Grant Scheme (CRIGS), Proof of Concept Scheme (PCS), National SME Incubator Scheme (NSIS) and Social Innovation Research Grant Scheme (SIRGS). A Special Call for Proposal for SCP COVID-19 projects was also successfully launched.

With regards to new projects which started during the period 2019-2020, the following trends were observed.

- For the year 2019-2020, there were 52 new funded initiatives this included projects, programmes and incubatees.
- From 1st July to 31st August 2019, there were 30 new incubatees, 4 new projects<sup>1</sup> and 1 new programme.<sup>2</sup>
- From 1st September 2019 to 30th June 2020, there were 17 new projects.<sup>3</sup>

Chart 4: Number of new projects by scheme and year



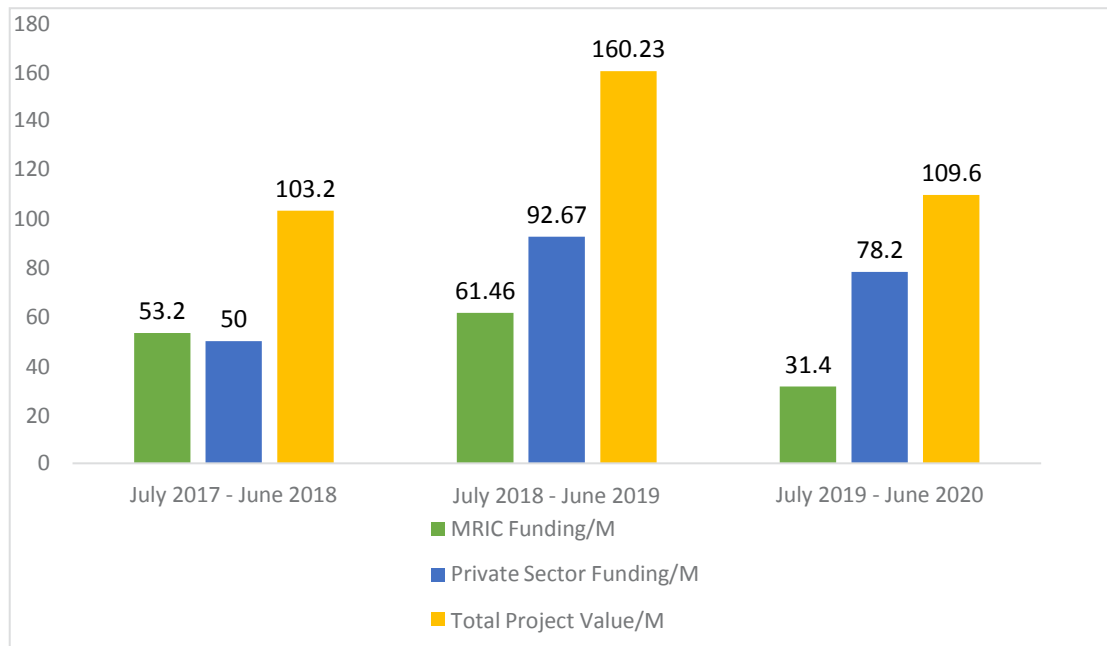
For 2017-2018, the total Project Value of the 87 new funded initiatives started were Rs 103.2 million, with the MRC funding consisting of Rs 53.2 million and the Private Sector commitment amounting to Rs 50 million for projects under the Research and Commercialisation Schemes. For 2018-2019, the total Project Value of the 85 new funded initiatives started were Rs 160.3 million, with the MRC funding consisting of Rs 61.46 million and the Private Sector commitment amounting to Rs 92.67 million for projects under the Research and Commercialisation Schemes. For 2019-2020, the total Project Value of the 52 new projects/incubatees/programmes started were Rs 109.6 million, with the MRIC funding consisting of Rs 31.4 million and the Private Sector commitment amounting to Rs 78.2 million (from 1st September 2019 to 30th June 2020, the total Project Value of the 17 new projects were Rs 24.0 million with the MRIC funding being Rs 13.9 million and the private sector contribution amounting to Rs 10.1 million).

<sup>1</sup> 1 CRIGS, 1 PCS and 2 SIRGS

<sup>2</sup> 1 PoIGS

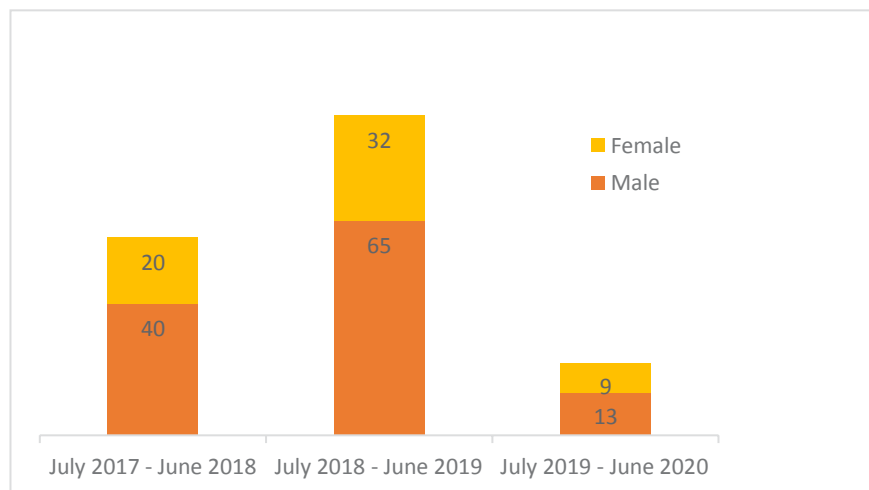
<sup>3</sup> 2 PCS, 1 CRIGS and 14 SCP COVID-19

Chart 5: Funding of new projects (2017-2020)



New projects and programmes for the financial years 2017-2018, 2018-2019 and 2019-2020 were analysed based on the gender of project leaders. There has been an increase in the percentage of female-led projects. This was 33.3%, 33.0% and 40.9% for 2017-2018, 2018-2019 and 2019-2020, respectively while those spearheaded by male Project Leaders/Principal Investigators was 66.6%, 66.0% and 59.1% for 2017-2018, 2018-2019 and 2019-2020, respectively.

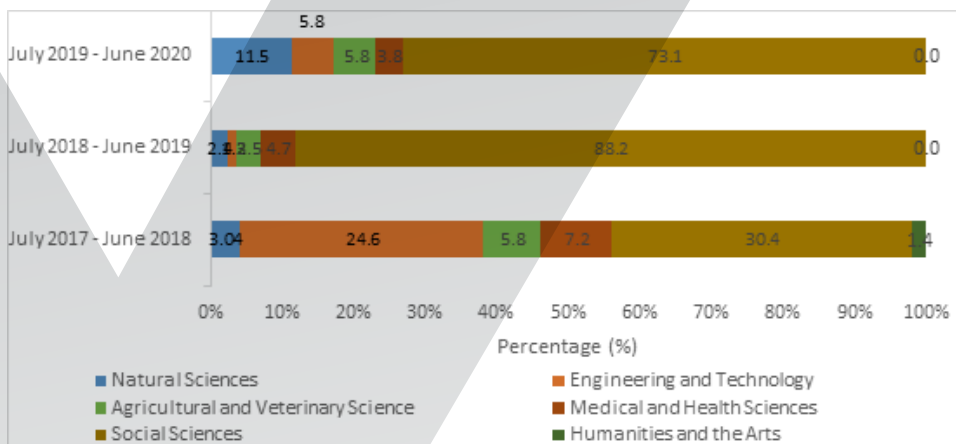
Chart 6: Gender distribution of new projects (2017-2020)



Since the financial year 2016-2017, new initiatives funded by the Council are categorized as per the Frascati Manual 2015. The Social Sciences classification accounted for 30.4% of new funded initiatives for 2017-2018. For 2018-2019 and 2019-2020, Social Sciences still accounted for the largest percentage of funded initiatives, namely 88.2% and 73.1%, due to the 30 initiatives under the National SME Incubator Scheme (NSIS).



Chart 7: New funded Initiatives (2017-2018 vs 2018-2019 vs 2019-2020) classified as per Frascati Manual 2015



## Strategic Direction 2019-2021

The Council is in the process of developing its Strategic Plan in line with the roles and functions of the Mauritius Research and Innovation Council Act 2019 as well as the strategies laid out in the National Innovation Framework 2018-2030. The draft Strategic Plan approved by the Board of the Council focused on the following strategies:

- To develop relevant innovation policies and strategies to facilitate the transformation of Mauritius into an innovation-driven economy
- To encourage knowledge creation, transformation, management and dissemination for commercialisation
- To contribute towards the development of an entrepreneurial culture
- To promote emerging sectors
- To promote Intellectual Property and Technology Transfer for innovation
- To facilitate citizen engagement and promote social innovation to address societal issues
- To engage in a process of internationalisation through developing Regional and International Cooperation
- To strengthen the organisational support to achieve MRC's goals

# ANNEXES

### Annex I – List of new funded projects which started during the period 1st September 2019 to 30th June 2020

Ref No.	Title	Scheme	Broad Classification	Main Applicant (Local company / Institution)	Collaborating Company / Institution	MRIC Funding	Private Sector Contribution	Project Value
1	MRIC/PCS -1901 Get Famous	PCS	Natural Sciences	Ennov IT Ltd	N/A	1,000,000	425,200	1,425,200
2	MRIC/PCS -2001 Proving the viability of a triple-bottom-line revenue model for print newspapers in Mauritius	PCS	Social Sciences	Le Mauricien Limited	Agilex Ltd	430,659	254,000	684,659
3	CRIGS-A32 Establishment of a New Diagnostic Method For Detection of Non-Solid Tumors in Mauritius	CRIGS	Medical and Health Sciences	CIDP		3,900,000	3,900,000	7,800,000
4	SCP-P01 A Practical-home schooling toolkit for carers and parents	SCP COVID-19	Social Sciences	Regional Training Centre (Societe Omniscane, Alteo et Terra)	N/A	370,000	180,000	550,000
5	SCP-P02 Smart Sanitizer	SCP COVID-19	Engineering and Technology	Bonnier Group Ltd	N/A	525,000	531,000	1,056,000
6	SCP-P03 Ensuring food security in the era of Covid	SCP COVID-19	Agricultural and veterinary sciences	Foodwise Ltd	N/A	920,000	1,880,000	2,800,000
7	SCP-P04 Reusable nanofiber cellulose protection	SCP COVID-19	Natural Sciences	University of Mauritius	N/A	2,000,000	800,000	2,800,000
8	SCP-P05 In silico identification of new antiviral pharmacophores from the floral biodiversity and approved phytochemicals in the fight against COVID-19 (PHYTO-COVID-19)	SCP COVID-19	Natural Sciences	University of Mauritius	N/A	549,880	180,860	730,740

**Annex I – List of new funded projects which started during the period 1st September 2019 to 30th June 2020 (Cont'd)**

Ref No.	Title	Scheme	Broad Classification	Main Applicant (Local company / Institution)	Collaborating Company / Institution	MRIC Funding	Private Sector Contribution	Project Value
9 SCP-P06	Ensuring quality in online teaching and delivery in higher education institutions in Mauritius in line with SDG4	SCP COVID-19	Social Sciences	University of Mauritius	N/A	412,625	150,000	562,625
10 SCP-P07	Impact of COVID-19 on Trade, FDI and Employment in Mauritius	SCP COVID-19	Social Sciences	University of Mauritius	N/A	404,100	0	404,100
11 SCP-P08	Design and Development of Isolating Pods to Prevent the Spread of the Coronavirus to be used in Hospitals as well as for Domestic Use	SCP COVID-19	Natural Sciences	University of Mauritius	N/A	223,500	750	224,250
12 SCP-P09	Discover Mauritius™ Mobile App for Health and Safety Alerts	SCP COVID-19	Social Sciences	Panda and Wolf Holding	N/A	360,000	470,000	830,000
13 SCP-P10	Organic horticulture kit for households	SCP COVID-19	Agricultural and veterinary sciences	Organic Tropical Agriculture (OTA) Ltd	N/A	839,706	883,314	1,723,020
14 SCP-P11	DISINFECT (Decontamination & Intelligent Nodes for Fever Electronically Computed via Temperature)	SCP COVID-19	Natural Sciences	Middlesex University, Mauritius	N/A	285,999	15,000	300,999
15 SCP-P12	Healthlog	SCP COVID-19	Medical and Health Sciences	Ogment Co Ltd	N/A	692,000	175,000	867,000
16 SCP-P13	AideMoris: Assisting senior citizens in Mauritius during home confinement	SCP COVID-19	Social Sciences	ATech Ltd	N/A	350,000	250,000	600,000
17 SCP-P14	Cart Disinfectant for proper hygiene	SCP COVID-19	Engineering and Technology	Secret Grand Mere Co Ltd	N/A	643,010	45,000	688,010

## Annex II – List of Completed Projects from 1st September 2019 to 30th June 2020

Ref No.	Title of project	Scheme	Broad Classification	Main Applicant (Local company / Institution)	Collaborating Company / Institution	Funding from MRIC	Private Sector Contribution	Project Value
1	HPC-RIG-A01 Smart Traffic Lights	HPC-RIG	Engineering and Technology			1,000,000	260,000	1,260,000
2	HPC-RIG-A06 An Adaptive Short-term Localised Weather System for Mauritius	HPC-RIG	Engineering and Technology	UoM	N/A	788,000	315,200	1,103,200
3	CRIGS-A06 Adding Value To Mauritian Sugars And By-Products	CRIGS	Natural Sciences	Omniscane Ltd	MSIRI/MCIA	4,990,000	4,990,000	9,980,000
4	CRIGS-A07 Adding Value To Mauritian Refined Cane Sugar	CRIGS	Natural Sciences	Omniscane Ltd	MSIRI/MCIA	4,315,000	4,365,000	8,680,000
5	CRIGS-A16 Design and Evaluation of a Small Mechanical Cane Harvester	CRIGS	Engineering and Technology	MECOM	UoM	5,000,000	8,452,000	13,452,000
6	PCS-1701 Implementation of a Pilot Health Information Management System (HIMS) using Contactless Cards	PCS	Medical and Health Services	Swan Digital Ltd	Medisave Clinic, UTM	920,000	502,663	1,422,663
7	PCS-1801 Intelligent Bat Deterrent Controller (IBDC)	PCS	Engineering and Technology	Generation Plus Ltd		1,000,000	335,250	1,335,250
8	PCS-1802 Optimisation of the design and operation of a pilot patented biodegester including the testing of incoming volatile waste with high soil content	PCS	Engineering and Technology	Jua Group Ltd		996,200	875,201	1,871,400
9	PCS-1805 Forty2	PCS	Natural Science	iFox Code Ltd		990,000	408,800	1,398,800
10	SIRGS-1801 Digital Inclusion as one of the enabler of active ageing: empowering the elderly to use whatsapp as an innovative communication tool in Mauritius	SIRGS	Social Sciences	UoM		588,170	0	588,170

### Annex II – List of Completed Projects from 1st September 2019 to 30th June 2020 (Cont'd)

Ref No.	Title of project	Scheme	Broad Classification	Main Applicant (Local company / Institution)	Collaborating Company / Institution	Funding from MRIC	Private Sector Contribution	Project Value
11	SIRGS-1902 Research on long-term holistic accompaniment of families living in poverty in the Republic of Mauritius	SIRGS	Social Sciences	UoM		280,000	280,000	560,000
12	RUN-1706 Mauhazard: An interactive Tool to assess Hazard Perception Skills of drivers in Mauritius	URIGS	Social Sciences	Middlesex University, Mauritius	N/A	343,834	N/A	343,834
13	RUN-1611 ICT Framework for Small and Medium Enterprises in Mauritius and Rodrigues: The Enabler to Growth, Competitiveness and Development	URIGS	Natural Sciences	Keep Moving Co Ltd	N/A	288,220	N/A	288,220
14	RUN-1610 Investigating the extent to which employees working in the BPO sector in Mauritius perceive their jobs to be decent as per the parameters laid by the International Labour Organisation	URIGS	Social Sciences	UTM	N/A	305,000	N/A	305,000
15	RUN-1716 Road Traffic Accident Analysis in Mauritius using Statistical Techniques	URIGS	Natural Sciences	UoM	N/A	421,125	N/A	421,125
16	RUN-1615 Optimal wireless sensor Network Topologies for Urban Drainage Monitoring System	URIGS	Engineering and Technology	UoM	N/A	608,775	N/A	608,775
17	RUN-1730 Health and Socio-economic impact of road traffic injuries in the island of Mauritius	URIGS	Social Sciences	Mauritius Institute of Health	N/A	736,700	N/A	736,700
18	RUN-1708 Towards Low Cost Nowcasting of Flashfloods in Mauritius: Assessing the Effectiveness of a Combined Approach involving Wireless Sensor Networks and Machine Learning	URIGS	Engineering and Technology	UTM	N/A	500,050	N/A	500,050

## Annex II – List of Completed Projects from 1st September 2019 to 30th June 2020 (Cont'd)

Ref No.	Title of project	Scheme	Broad Classification	Main Applicant (Local company / Institution)	Collaborating Company / Institution	Funding from MRIC	Private Sector Contribution	Project Value
19	Globalization, National Development, and Poverty in Mauritius: What is the Role of Education in Building National/Local Capacity and Enhancing the Lives of the Socio-Economically Poor	SSRIGS	Social Sciences	MIE	N/A	150,000	N/A	150,000
20	Measuring the benefits of national festivals in the construction of sustainable societies: Case study of Mauritius	SSRIGS	Social Sciences	UoM	N/A	148,400	N/A	148,400
21	Development of a framework for the setting up of secure biometric data storage in Mauritius	URIGS	Natural Sciences	UoM	N/A	490,000	N/A	490,000
22	An ICT architecture for smart towns in Mauritius	URIGS	Natural Sciences	UoM	N/A	499,150	N/A	499,150
23	Promoting Mauritian Literature locally and internationally as our National cultural Heritage and as research material	SSRIGS	Social Sciences	UoM	N/A	150,000	N/A	150,000

### Annex III – List of events from 1st September 2019 to 30th June 2020

	Event	Date
1	Seminar: Mauhazard: An interactive Tool to assess Hazard Perception Skills of drivers in Mauritius	Thursday, 5 September 2019
2	Seminar: ICT Framework for Small and Medium Enterprises in Mauritius and Rodrigues: The Enabler to Growth, Competitiveness and Development	Friday, 6 September 2019
3	InnovTech 2019	Wednesday, 18 to Sunday, 22 September 2019
4	Half-day Workshop: World Green Building Week 2019	Wednesday, 25 September 2019
5	Launching Ceremony of Mini-Ground Station	Thursday, 26 September 2019
6	Seminar: Digital Inclusion as one of the Enablers of Active Ageing: Empowering the Elderly to Use WhatsApp as an Innovative Communication Tool in Mauritius	Thursday, 26 September 2019
7	Seminar: Investigating the extent to which employees working in the BPO sector in Mauritius perceive their jobs to be decent as per the parameters laid by the International Labour Organisation	Friday, 27 September 2019
8	Half-day seminar: An Adaptive Short-term Localised Weather Forecasting System for Mauritius	Friday, 11 October 2019
9	Seminar: Road Traffic Accident Analysis in Mauritius using Statistical Techniques	Thursday, 24 October 2019
10	Seminar: Optimal wireless sensor Network Topologies for Urban Drainage Monitoring System	Tuesday, 12 November 2019
11	Full-day Workshop: Leading Innovation in Business and Government Services through Artificial Intelligence	Wednesday, 13 November 2019
12	Full-day Workshop: Leading Innovation in Business and Government Services through Artificial Intelligence in the Agriculture and Transport Sectors	Thursday, 14 November 2019
13	Signing Ceremony of the Memorandum of Understanding (MoU) between Mauritius Research and Innovation Council (MRIC) & SME Mauritius Ltd	Tuesday, 26 November 2019
14	Seminar: Health and Socio-economic impact of road traffic injuries in the island of Mauritius	Monday, 16 December 2019
15	Pitch exercise: Meltingpot 2020	Friday, 14 February 2020
16	Seminar: Towards Low Cost Nowcasting of Flash-floods in Mauritius: Assessing the Effectiveness of a Combined Approach involving Wireless Sensor Networks and Machine Learning	Friday, 28 February 2020



#### **Annex IV: Mission Overseas September 2019 – June 2020**

1. Training Programme under UNNATI (UniSpace Nanosatellite Assembly and Training) by ISRO (Indian Space Research Organisation) held from 14th October 2019 to 15th December 2019 in Bengaluru, India was attended by Mr Pawan Hurnath, Research Assistant.
2. Training Workshop associated with technical and safety requirements of the IU CubeSat MIR-SAT I in Glasgow, Scotland on 14th to 19th September 2019 was attended by Dr Vickram Bissonauth, Research Coordinator.
3. International Training Programme on 'Entrepreneurship Skills for Innovators from the Developing Countries' held in Cairo, Egypt from 23rd to 25th October was attended by Dr Nitin Gopaul, Officer-in-Charge.
4. WIPO/ARIPO/OAPI (WAO) Conference on Intellectual Property (IP), Innovation and Value Addition for Business Competitiveness and Sustainable Development in Africa held in Harare, Zimbabwe from 05th to 09th November 2019 was attended by Mrs Havina Mungun-Jhurry, System Administrator.
5. Jury Member L'Oreal-UNESCO Women in Science Regional Programme held in Dakar, Senegal from 20th to 24th November 2019 was attended by Dr Madhvee Madhou, Research Coordinator.
6. 6eme Conference sur L'Outremer: La Recherche et l'innovation au service du développement des Outremer held in Paris, France from 10th to 12th December 2019 was attended by Dr Vickram Bissonauth, Research Coordinator.
7. Bid Evaluation Committee of equipment for Rodrigues Office held in Mauritius from 15th to 21st December 2019 was attended by Mr Joseph Jean Maurice Ravina, Research Assistant, MRIC Rodrigues Office.
8. Visit to the MRIC Rodrigues Office by Dr Madhvee Madhou, Research Coordinator in context of various projects being implemented. The visit was held from 16th to 22nd March 2020.

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