

Mauritius National Assembly

Sitting of Tuesday 18 June 2019

Parliamentary Question B/458

B/458 The Honourable First Member for Port Louis South and Port Louis Central (Mr. Uteem)

To ask the Honourable Minister of Financial Services and Good Governance –

Whether, in regard to the National Property Fund Ltd., he will, for the benefit of the House, obtain therefrom, information as to (a) the value of the assets and liabilities thereof and (b) how it proposes to repay the debts thereof, when same will fall due?

Reply

Madam Speaker,

In the aftermath of the BAI Group debacle, Government took a series of actions to protect the investors, policy holders, employees and other stakeholders of the Group. In the same wake, various structures were created including the National Property Fund Ltd (NPFL) which was incorporated on 05 May 2015 with a view to repaying the Super Cash Back Gold (SCBG) policy holders and the Bramer Asset Management Ltd (BAML) investors.

Madam Speaker,

Pursuant to Section 110A(2) of the Insurance Act 2005, the Financial Services Commission appointed Messrs. Oosman and Basgeet as Special Administrators of the BAI Co. (Mtius) Ltd and any of its related entities. The Special Administrators had, amongst other things, to recover the assets of the ex-BAI Group and transfer, in whole or in part, the undertakings thereof to such insurer and any of its related companies for the purpose of repaying the Super Cash Back Gold policyholders and the Bramer Asset Management Ltd investors.

In this respect, following a carve-out exercise carried out by the Special Administrators, some of the immovable properties of the ex-BAI Group valued at around Rs 1.6 billion were transferred to the National Property Fund Ltd as from June 2016. Moreover, funds to the tune of Rs 6.8 billion were transferred to the National Property Fund Ltd by the Special Administrators.

I am further informed by the National Property Fund Ltd that the Special Administrator is pursuing its exercise of transferring other assets of the ex-BAI Group to the company, as part of its mandate. I am advised that at this stage the NPFL is unable to ascertain the exact value of the assets which will be transferred to the company.

Madam Speaker,

With regard to part (a) of the question, I am informed by the National Property Fund Ltd that as at date, the value of its total assets stands at Rs 12,091,177,607 and the total liabilities amount to Rs 12,260,201,207.

Madam Speaker,

I wish to inform the House that the National Property Fund Ltd holds directly or indirectly 100% of the shareholding of the following 3 entities: (i) the NIC General Insurance Co. Ltd
(ii) the National Insurance Co. Ltd; and
(iii) the NIC Healthcare Ltd, also known as Apollo Hospital.

I am informed by the National Property Fund Ltd that the NIC General Insurance Co. Ltd and the National Insurance Co. Ltd have already started generating value and going forward, the National Property Fund Ltd is confident that these entities will constitute profitable investment in the medium to long term.

Madam Speaker,

As regards part (b) of the question, I am informed that the National Property Fund Ltd proposes to repay its debts when same fall due through the realization of its assets, namely the sale of its immovable

properties and investments. I am further advised that the National Property Fund Ltd has completed a valuation of all the immovable properties transferred to the company and it has initiated action for their disposal. Moreover, the National Property Fund Ltd intends to engage with some of its creditors to find suitable alternative reimbursement plans.

Madam Speaker,

I wish to highlight that Government has shown its commitment in addressing the systemic risk to the national financial system. It has further protected the interests of 135,000 recurring policy holders as well as has repaid more than Rs 17 billion to some 20,000 Super Cash Back Gold policy holders and Bramer Asset Management Ltd investors. In addition, the employment of around 1,000 employee has been safeguarded.

There is no doubt Madam Speaker that this Government has through these bold measures protected our society from a potential disaster.