



Board of Investment  
Mauritius

# INDICATIVE COST OF DOING BUSINESS

January 2017

## Startup Costs

### Incorporating a company

All companies are registered in Mauritius under the Companies Act 2001. The costs of incorporating a company are as follows:

Incorporation of a domestic limited partnership	Rs 3,000
Incorporation of a foreign limited partnership	Rs 13,500
Incorporation of a limited partnership (Category 1 Global Business Company)	Rs 3,000

*(Source: Companies Division, January 2017)*

### Registration of Businesses

There is a registration fee to be paid only by those who register as 'individuals' and have not incorporated a company, commercial partnership or 'société'.

not more than 10 persons	Rs 125
between 11 and 50 persons	Rs 250
between 51 and 100 persons	Rs 600
above 100 persons	Rs 1,500

*(Source: Companies Division, January 2017)*

### Trade Fee

Every individual carrying a business is required to pay a fee to the local authority (municipal or district council) where it is located, within 15 days of operations. The [list of classified trade](#) gives the trade fee payable for each business. Online payment of trade fees is possible through the portal of the Local Authorities of Mauritius: <http://la.govmu.org>. Prior to effecting online payment, the applicant needs to register by filling in the registration form and uploading the required documents: <http://www.mccpl.mu/downloads/Epayment-TradeFees.pdf>.

The Finance (Miscellaneous Provisions) Bill 2016 makes provision for suspension of trade fees for 3 years to economic operators whose trade fee is less than Rs 5000 as from January 2017.

## Work and Live in Mauritius

### Occupation Permit costs

The Occupation Permit represents a combined Work and Residence permit which allows a non-citizen to work in Mauritius. Payment should be effected by bank cheque made to the order of the **Government of Mauritius**.

Investor/ Self Employed/ Retired Non-Citizen	Rs 20,000
Professional in respect of a contract of employment	
a) of not more than 2 years	Rs 15,000
b) of more than 2 years but not more than 3 years	Rs 20,000
Short-term Occupation Permit	Rs 10,000
Extension of Short-term Occupation Permit	Rs 5,000
Dependents of Occupation or Residence Permit holder	Rs 5,000 per dependent

(Source: Board of Investment, January 2017)

### Cost of property

The estimated cost for the construction are as follows:

Office Buildings	Rs 22000/m <sup>2</sup>
Industrial buildings	Rs 18000/m <sup>2</sup>
Local Residential buildings	Rs 35000/m <sup>2</sup>
Luxurious Residential buildings	Rs 60000/m <sup>2</sup>
Commercial properties	Rs 25000/m <sup>2</sup>
Hotel of different ratings (cost per key)	Rs 5M – Rs 6M /Room depending on the star

(Source: Industry estimates, 2017)

### Property Registration

When registering property, the buyer has to pay a registration duty, while the seller has to pay a land transfer tax which is a tax levied on a deed of transfer of immovable property.

Registration Duty	5%
Land Transfer Tax	5%

(Source: Registrar General Department, 2017)

## Recurrent costs

### Rental Costs

The rental cost for building or land space for business use are as follows:

Type of building/land	Cost
Office Buildings	US\$ 1 - 1.7 per ft <sup>2</sup> per month
Industrial land	Rs 280,000 – Rs 385,000 per Acre per annum
Factory space	Rs 10 – Rs 20 per ft <sup>2</sup> per month (depending on floor levels)

(Source: Industry estimates, 2016)

### Labor cost

An indicative salary grid for production, administrative and support staff is as follows:

Level	Average Monthly Salary* MUR
Unskilled worker	7,000- 8,000
Entry level Graduate	8,000 – 12,000
Technical level	7,000 – 10,000
Engineers	40,000 – 50,000
Manager	60,000 – 80,000
Higher management	100,000 +

\*excludes any social charges

(Source: Alentaris, 2017)

### Human Resource Charges

Over and above the monthly gross salary, employers are required to contribute to the National Pension Scheme, the National Savings Fund and a Training levy aggregating to 10%. The applicable rates are as follows:

Contributions and social charges	Rates
National Pension scheme	Employer: 6% Employee: 3%
National Savings Fund	2.5%.
Training levy	1.5%
Contribution to CSR	2% on Book profits

(Source: Ministry of Social Security, National Solidarity and Reform Institutions, Mauritius Revenue Authority, 2017)

Other charges include:

- i. Payment of end of year bonus
- ii. Payment of maternity leave
- iii. Refund of bus fare

## Utilities

### Water

Responsibility for water supplies in Mauritius falls under the purview of the Central Water Authority (CWA). The costs of water consumption are as follows:

Types of supply	Tariff NO.	Minimum charge (MUR)	Every Additional m3 (MUR)
Business Consumers	14	1122.00	34.00
Commercial Consumers	18	391.00	23.00
Industrial Consumers	16	450.00	18.00
Agricultural Consumers (Vegetable, Flower, Fruit trees or other crops Growers & Livestock or Poultry Producers)	17	220.00	11.00
Aquaculture Consumers	81	Nil	Rs. 1.00
Unchlorinated Water	91	Nil	Rs. 10.00

(Source: Central Water Authority, January 2017)

### Waste water rates

The rate applicable for disposing waste water at waste water disposal station is Rs 27 per cubic meter and a minimum fee for business premises of Rs 270.

### Electricity

The Central Electricity Board (CEB) is the sole authorized distributor of electricity in Mauritius. The commercial and industrial tariffs for electricity consumption vary depending on capacity and time of connection.

#### **Commercial tariffs**

Tariff	Running Charge per kWh	Demand Charge per kVA	Minimum Charge
215	Rs. 10.01	-	Rs. 196.00 per month or part thereof per kW or fraction thereof of total connected load, subject to a minimum of Rs 196.00 per
217	Rs. 6.14	Rs. 186.00 per kVA of Maximum Demand, subject to a min. of	A sum equal to the highest Demand Charge paid in any one of the preceding 6 months of account
225	Rs. 5.83	Rs. 186.00 per kVA of Maximum Demand, subject to a min. of	A sum equal to the highest Demand Charge paid in any one of the preceding 6 months of account
245	Rs. 6.04	-	Rs. 125.00 per month or part thereof per kW or fraction thereof of total connected load, subject to a minimum of Rs 125.00 per

Tariff	Running Charge per kWh	Demand Charge per kVA	Minimum Charge
250	Rs. 3.50	Rs. 160.00 per kVA of Maximum Demand, subject to a min. of	A sum equal to the highest Demand Charge paid in any one of the preceding 6 months of account

(Source: Central Electricity Board, January 2017)

### Industrial tariffs

Tariff	Running Charge per	Demand Charge per kVA	Minimum Charge
313	Rs. 3.12	Rs. 144.00 per kVA of Maximum Demand, subject to a min. of 20 kVA	A sum equal to the highest Demand Charge paid in any one of the preceding 6 months of account.
315	Rs. 5.40	-	Rs. 113.00 per month or part thereof per kW or fraction thereof of total connected load, subject to a minimum of Rs 113.00 per month
323	Rs. 2.97	Rs. 136.00 per kVA of Maximum Demand, subject to a min. of 20 kVA	A sum equal to the highest Demand Charge paid in any one of the preceding 6 months of account
340	Rs. 4.04 (Day Rate) Rs. 3.19 (Night Rate)	Rs. 150.00 per kVA of Maximum Demand, subject to a min. of 20 kVA	A sum equal to the highest Demand Charge paid in any one of the preceding 6 months of account
350	3.83 (Day Rate) Rs. 3.08 (Night Rate)	Rs. 150.00 per kVA of Maximum Demand, subject to a min. of 20 kVA	A sum equal to the highest Demand Charge paid in any one of the preceding 6 months of account

(Source: Central Electricity Board, January 2017)

### Telecommunication costs

There are several Internet Service Providers in Mauritius. The following is an indication of the monthly rental charge per type of connection offered by the main telecom company in Mauritius. Telecommunication costs may differ depending on the operator.

Type of connection	Monthly Rental
ADSL 1 M	Rs 2,400
ADSL 2 M	Rs 4,900
ADSL 4 M	Rs 8,000
Superfast Broadband 30M/10M	USD 450
Superfast Broadband 100M/35M	USD 1,750
Direct Internet Access 10M (1:1)	USD 2,100
MPLS VPN (to Europe) 2M (protected service)	USD 1,700
MPLS VPN (to Europe) 10M (protected service)	USD 6,000

(Source: Mauritius Telecom, January 2017)

## Financial charges

There are various sources of finance for companies setting up operations in Mauritius, namely commercial banks, leasing companies and other financial institutions. The rates of interest charged by commercial banks depend on the Prime Lending Rate (PLR), which in turn depends on the Repo Rate, currently set at 4.00% per annum. There is also a slight variation between the PLR of the different commercial banks. The PLR currently varies from 6.25% to 7% per annum.

The rate of interest charged for loans and advances from commercial banks may vary depending on the commercial bank's lending policy and the nature of the collateral security offered by the company. Funds may also be borrowed in foreign currencies and the rates charges would be close to the LIBOR rate.

*Disclaimer: Whilst care has been taken to ensure that the information provided herein is accurate and correct at the time of publication, users of this publication are advised to seek guidance from the Board of investment and relevant authorities in case of uncertainty or ambiguity encountered in reading this document. The Board of Investment shall, in no circumstances whatsoever, be held liable to any person arising from use of information contained here*