

African banks to buy 22% stake in CARE Ratings' Mauritius arm

By [Atmadip Ray](#), ET Bureau | 19 Nov, 2015, 05.47PM IST

[Post a Comment](#)

KOLKATA: Two leading banks in Mauritius and the [African Development Bank](#) are likely to buy about 20-22% stake in CARE Ratings' new subsidiary in Mauritius, as the home-grown rating company attempts to foray in the Dark Continent.

[Mauritius Commercial Bank](#) and [State Bank of Mauritius](#) are likely to pick 5-6% each in the [Credit Ratings \(Africa\) Pvt Ltd](#) while African Development Bank (AfDB) may buy 10% stake, sources close to the development said.

The new venture with an initial paid-up of \$400,000 (about Rs 2.64 crore), would be critical for [CARE Ratings](#) for its African foray as Mauritius serves as an investment link between Asia and Africa. Global Credit Rating Co. of South Africa may also pick up stake in Credit Ratings (Africa), the first rating company in Mauritius.

"CARE would be open to looking for other strategic partners as per our growth plans in Africa. However it will be done only after taking the existing partners in the venture on board," CARE Ratings Managing Director & Chief Executive Officer DR Dogra told ET. The three banks have signed MoUs with the rating company but the details of investment are now being worked on.

Dogra refused to comment on the specific details of possible shareholding but said that CARE Ratings would hold the majority stake. As per the initial talks, the Mauritius Commercial Bank would invest through its subsidiary MCB Capital Markets while State Bank of Mauritius would invest through its subsidiary SBM NFC Investments.



ET SPECIAL: Love visual aspect of news? Enjoy this exclusive slideshows treat!

"Ours is not a very capital intensive business as we are in the knowledge industry. Further capital requirement will be assessed based on our entry strategy in each geography and extant regulations for credit rating agencies," Dogra said.

The new subsidiary would initially focus on Mauritius market and then it would expand to other major geographies of Africa. This rating operation would give the company a strategic geographical and political advantage as a lot of funding to Africa happens via Mauritius.

"Right now we are evaluating the details of which geographies within Africa to expand to next. Countries with growth potential like Nigeria, Kenya, Rwanda and others are being considered," Dogra said.

Stay on top of business news with The Economic Times App. [Download it Now!](#)   

[Live Market](#)
[News](#)
[Portfolio](#)
[Mobile](#)
[Live TV](#)
[Newsletter](#)
[Commodities](#)
[Speed](#)
[QnA](#)
[Blogs](#)
[Alerts](#)

Other Times Group news sites

Times of India | इकनॉमिक टाइम्स
 ઈકોનોમિક ટાઈમ્સ | Mumbai Mirror
 Times Now | Indiatimes
 नवभारत टाइम्स | महाराष्ट्र टाइम्स
 ವಿಜಯ ಕರ್ನಾಟಕ | Lifehacker
 Gizmodo | Eisamay | IGN India
 NavGujarat Samay

Living and entertainment

Timescity | iDiva | Bollywood
 Zoom | Luxpresso
 Online Songs | Travel
 Guides | Hotel
 Reviews | Cricbuzz.com

Networking

itimes | MensXP.com

Hot on the Web

Daily Horoscope | Weather in Delhi
 Mumbai Map | Horoscope
 Hotels in Delhi | Xiaomi Mobile
 Phones

Services

Book print ads | Online shopping
 Matrimonial | Astrology | Jobs | Property | Buy car | Bikes in India
 Used Cars | Online Deals | Restaurants in Delhi | Movie Show Timings in
 Mumbai
 Remit to India | Buy Mobiles | Listen Songs | Voice Greetings | Technology
 News | Augmented Reality

[About us](#) / [Advertise with us](#) / [Terms of Use & Grievance Redressal](#) / [Privacy Policy](#) / [Feedback](#) / [Sitemap](#) / [Code of Ethics](#) / [Disclaimer](#) Copyright © 2015 Bennett, Coleman & Co. Ltd. All rights reserved.