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**SECURITIES (DISCLOSURE OBLIGATIONS OF REPORTING ISSUERS)
RULES 2007**

(Consolidated Version with amendments as at 10 October 2015)

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**SECURITIES (DISCLOSURE OBLIGATIONS OF REPORTING ISSUERS)
RULES 2007**

FSC Rules made by the Financial Services Commission under Section 155 of the Securities Act 2005.

**PART I
PRELIMINARY**

1. Citation

These rules may be cited as the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

2. Interpretation

In these rules –

“accounting period” has the meaning given in section 2 (1) of the Companies Act 2001;

“Act” means the Securities Act 2005;

“associate” has the meaning given in Part I of the Schedule to the Act;

“board” means board of directors of the reporting issuer;

“Commission” means the Financial Services Commission established by section 3 of the Financial Services Act 2007;

“Exchange Traded Funds” means fully funded and unleveraged securities listed on a securities exchange that track the performance of a specified security or other asset or group of assets which include indices, commodities, currencies or any other asset acceptable to the securities exchange.

“financial statements” has the meaning set out in section 217 of the Companies Act 2001;

“foreign investor” means a non-citizen or an entity which is not resident in Mauritius;

“FSC Rules” refers to rules made by the Commission under the Act and the Financial Services Act 2007;

“holding company” has the meaning given in section 3 of the Companies Act 2001;

“insider” means an insider of a reporting issuer and has the meaning given in section 2 of the Act;

“material change” shall be construed in accordance with section 78 of the Act;

“member”, in relation to a reporting issuer, means a member as defined in section 2 (1) of the Companies Act 2001;

“officer” has the same meaning as in the Act;

“reporting issuer” has the meaning given in section 86 (1) of the Act;

“senior officer” means a member of a board of directors, a chief executive, a managing director, a chief financial officer or chief financial controller, an executive or a secretary;

“subsidiary” shall be construed in accordance with section 3 of the Companies Act 2001; and

“substantial shareholder” has the meaning given in section 2 (1) of the Companies Act 2001.

Added by [GN No. 71 of 2013], Added by [GN No. 226 of 2014]

PART II
REGISTER OF REPORTING ISSUERS

3. Compulsory registration

- (1) For the purpose of rule 4(1), every reporting issuer shall, no later than 6 months from the date of coming into operation of these rules, file a registration statement with the Commission that shall be accompanied by –
- (a) a certified true copy of its certificate of incorporation;
 - (b) copies certified by a director of the reporting issuer to be true copies of its last financial statements;
 - (c) a copy of the auditors' report on the financial statements referred to in sub-paragraph (b); and
 - (d) the fees specified in the FSC Rules.
- (2) The registration statement shall be in the form set out in the Schedule.
- (3) Where there is any change in the information contained in the registration statement mentioned in paragraph (1), the reporting issuer shall within two weeks from the date of the change –
- (a) inform the Commission of the specific information that has changed; and
 - (b) submit an updated registration statement to the Commission.

Amended by [GN No. 235 of 2012]

4. Register of reporting issuers

- (1) The Commission shall maintain a register of reporting issuers in the form it considers most appropriate and the register shall contain, in respect of each reporting issuer, all the information contained in its registration statement.
- (2) The register maintained under paragraph (1) shall, during usual office hours, be open for consultation free of charge by members of the public.
- (3) A person may take a note of, and may on payment of a charge specified in the FSC Rules, request a copy of, or any part of, the register.

PART III DISCLOSURE OBLIGATIONS

5. General obligation

- (1) A reporting issuer shall, generally and apart from compliance with all the specific requirements of these rules, forthwith publish a press release in at least 2 local newspapers having a wide circulation and, where applicable on its website, and notify the Commission, any securities exchange where the securities of the reporting issuer are listed, its members and other holders of its securities, of a material change or any major new developments in its sphere of activity which are not public knowledge and which information –
 - (a) is necessary to enable them and the public to appraise the financial position of the reporting issuer and its subsidiaries;
 - (b) is necessary to avoid the establishment of a false market in its securities; or
 - (c) would be likely to bring about a material change in the value or market price of its securities.
- (2) Paragraph (1) shall not apply with regard to information about impending developments or matters in the course of negotiation where the Commission is satisfied by the reporting issuer that disclosure to the public of such information might prejudice the reporting issuer's legitimate interests and the Commission grants a dispensation from the requirement of paragraph (1).

6. Submission of financial statements and reports

A reporting issuer shall send to –

- (a) the Commission;
- (b) any securities exchange, where the securities of the reporting issuer are listed;
- (c) every member of the reporting issuer; and
- (d) every holder of debt securities issued by the reporting issuer,

a copy of the reporting issuer's audited financial statements and directors' report for the previous accounting period of the reporting issuer as soon as possible but not later than 90 days after the balance sheet date.

7. Additional information

A reporting issuer shall include in or with its annual directors' report –

- (a) a description of its principal activities and of its subsidiaries and, where two or more such activities are so described, a statement giving in respect of each such activity the turnover and contribution to operating profit;
- (b) a geographical and/or activity based analysis of consolidated turnover and contribution to trading results of trading operations carried on by it and its subsidiaries outside Mauritius;
- (c) a statement showing –
 - (i) the name of every subsidiary, its principal country of operation, its country of incorporation and its main business;
 - (ii) particulars of the stated capital and debt securities of every subsidiary, provided that if, in the opinion of the directors of the reporting issuer, the number of subsidiaries is such that compliance with this paragraph would result in particulars of excessive length being given, compliance shall not be required except in the case of subsidiaries carrying on a business the results of which, in the opinion of the directors, materially affected the amount of the profit or loss of the reporting issuer or the amount of the assets of the reporting issuer; and
 - (iii) the accounting period of those subsidiaries where it is different to that of the reporting issuer;
- (d) a statement as at the end of the relevant accounting period showing – (i) the direct and indirect interests of each senior officer of the reporting issuer in the equity or debt securities of the reporting issuer or any subsidiary, and of the

associates of such senior officer in so far as is known or may be ascertained by reasonable enquiry; and

(ii) the details of any right to subscribe for equity or debt securities of the reporting issuer granted to any senior officer of the reporting issuer, and of the associates of such senior officer in so far as is known or may be ascertained by reasonable enquiry, and of the exercise of any such right;

(e) the statement required by paragraph (d) must –

(i) distinguish between beneficial and non-beneficial interests; and

(ii) specify the company in which securities are held, the class to which those securities belong and the number of such securities held;

(f) in the event of operating results shown by the accounts for the period under review differing materially from any published forecast made by the reporting issuer, an explanation for the difference;

(g) a statement as at the end of the accounting period showing as regards, first bank loans and overdrafts and, secondly, other borrowings of the reporting issuer and its subsidiaries, the aggregate amounts repayable

–

(i) on demand or within a period not exceeding 1 year;

(ii) within a period of more than 1 year but not exceeding 2 years;

(iii) within a period of more than 2 years but not exceeding 3 years;

(iv) within a period of more than 3 years;

(h) in respect of the accounting period, a statement of the amount of interest capitalised by the reporting issuer and its subsidiaries during the year;

(i) a statement as to the period unexpired of any service contract, which is not determinable by the reporting issuer within one year without payment of compensation (other than any statutory compensation), of any director proposed for election at the forthcoming annual meeting or, if there are no service contracts, a statement of that fact;

(j) summary particulars of any contract of significance subsisting during or at the end of the accounting period in which a director of the reporting issuer is or was materially interested, either directly or indirectly, or if there has been no such contract, a statement of that fact;

(k) summary particulars of any contract of significance between the reporting issuer, or one of its subsidiary companies, and a substantial shareholder or any of its subsidiaries;

- (l) summary particulars of any contract of significance for the provision of services to the reporting issuer and its subsidiaries by a substantial shareholder or any of its subsidiaries;
- (m) a summary, in the form of a comparative table, of the results and of the assets and liabilities of the reporting issuer and its subsidiaries, for the last 2 accounting periods, with any necessary explanations or adjustments for changes in capital to make the figures fully comparable one year with another.

8. Quarterly reports

- (1) Subject to other provisions of this Rule, a reporting issuer, shall prepare, in accordance with section 88 of the Act, a quarterly report containing the information required by paragraph (2) and the reporting issuer shall as soon as possible, but not later than 45 days after the end of each quarter –
 - (a) publish, on the day after approval by or on behalf of the board,
 - (i) in at least one local newspaper having a wide circulation, an announcement containing the information required by paragraph (2) to be contained in the quarterly report; and
 - (ii) in two local newspapers, not being the same newspaper as in paragraph (1) (a) (i), a notice to indicate that the company's Quarterly Accounts have been published and can be viewed on its website or, where a company does not have a website, that the Quarterly Accounts can be viewed at the registered office of the company, whose address shall be given in the notice, or at any other place of business as may be designated by the company in the notice.
 - (b) send to the Commission a copy of the quarterly report immediately on publication; and
 - (c) as soon as reasonably practicable after such publication, send to any securities exchange where the securities of the reporting issuer are listed, and to every member and holder of its debt securities a copy of the quarterly report.
- (2) Each quarterly report referred to in paragraph (1) shall contain at least the following information stated in respect of the reporting issuer and its subsidiaries –
 - (a) turnover;
 - (b) interest paid and received;
 - (c) profit (or loss) before taxation;

- (d) taxation on profits (Mauritius and foreign), in each case indicating the basis of computation;
 - (e) profit attributable to minority interests;
 - (f) profit attributable to shareholders before extraordinary items;
 - (g) extraordinary items (net of tax);
 - (h) profit attributable to shareholders;
 - (i) amount of dividend paid or proposed on each class of shares (with particulars of each such class) and the amounts absorbed thereby (or an appropriate negative statement);
 - (j) transfers to and from reserves;
 - (k) earnings per share calculated on the basis of profits;
 - (l) comparative figures of the matters specified in (a) to (k) inclusive for the corresponding previous period; and
 - (m) a statement as at the end of the quarterly period showing the direct and indirect interests of each officer of the reporting issuer, and of their associates in so far as is known or may be ascertained after reasonable enquiry, in the stated unimpaired capital of the reporting issuer and its subsidiaries; the statement shall distinguish between beneficial and non-beneficial interests, and specify the company in which shares are held and the number of such shares.
- (3) Where the accounting information given in a quarterly report has not been audited, that fact must be stated and if the accounting information contained in the quarterly report has been audited by the reporting issuer's auditor, his report including any qualifications shall be set out in the quarterly report.
- (4) Any preliminary announcement of results for the full year shall also contain the information required by paragraph (2).
- (5) Paragraph (1)(a)(i) shall not apply to Exchange Traded Funds.

Amended by [GN No. 56 of 2013], Amended by [GN No. 226 of 2014], Added by [GN No. 226 of 2014]

9. Acquisition or disposal of assets

- (1) In the case of –

- (a) any acquisition or disposal of assets by a reporting issuer or any of its subsidiaries where –
 - (i) the assets being acquired or disposed of represent an amount in excess of 10% of the value of the reporting issuer's assets or consolidated assets, as the case may be, as disclosed in the last audited financial statements;
 - (ii) the assets are acquired from or disposed of to an insider of the reporting issuer or any of his associates; or
 - (iii) the assets being acquired or disposed of are an interest in any company of which a substantial shareholder is a senior officer of the reporting issuer or any subsidiary, or any associate thereof;
 - (b) any disposal of assets by the reporting issuer or any of its subsidiaries where the net profit before taxation earned by the assets which are the subject of the disposal is in excess of 10% of the reporting issuer's consolidated pre-tax profit disclosed in the last audited financial statements, the reporting issuer shall comply with the disclosure requirements of paragraph (2).
- (2) Where paragraph (1) applies, the reporting issuer shall notify the Commission, any securities exchange where the securities of the reporting issuer are listed, and every member and holder of its debt securities without delay of the transaction including the following details –
- (a) the date of the transaction and the parties;
 - (b) a general description of the nature of the assets and, if these are shares, the name and general description of the activities of the company in which the shares are or were held;
 - (c) the total consideration and other material terms;
 - (d) in the case of a transaction referred to in paragraph (1)(a)(i) or 1(b) –
 - (i) the basis of the valuation placed on the assets at the time of acquisition or disposal; and
 - (ii) in the case of a disposal, the excess or deficit of the proceeds over or under the book value;
 - (e) in the case of a transaction referred to in paragraph (1)(a)(ii) or (iii), the name of the senior officer or insider of the reporting issuer or the associates concerned and –
 - (i) in the case of a senior officer, the office held;

- (ii) in the case of an associate of an insider of the reporting issuer, the nature of the relationship, the name of the insider of the reporting issuer and the office held.

10. Transactions with related companies where the reporting issuer is a subsidiary

- (1) Where a transaction specified in paragraph (2) takes place between –
 - (a) a reporting issuer and its holding company;
 - (b) a reporting issuer and any subsidiary of its holding company other than a subsidiary of the reporting issuer;
 - (c) a subsidiary of the reporting issuer and the holding company of the reporting issuer; or
 - (d) a subsidiary of the reporting issuer and any subsidiary of its holding reporting issuer other than the reporting issuer or any of its subsidiaries,

the reporting issuer shall comply with the disclosure requirements of paragraph (3).

- (2) For the purposes of this regulation, “transaction” –
 - (a) includes 2 or more transactions; and
 - (b) means –
 - (i) an arrangement or agreement whereby the reporting issuer directly or indirectly grants a loan or gives other financial assistance;
 - (ii) an arrangement or agreement whereby the reporting issuer provides security, whether by guarantee or otherwise, for the discharge of any obligation; or
 - (iii) any transaction other than in the ordinary course of business.

- (3) Where paragraph (1) applies, the reporting issuer shall notify the Commission, any securities exchange where the securities of the reporting issuer are listed, and every member and holder of its debt securities within 5 business days of the transaction including the following details –

- (a) the date of the transaction and the parties;
- (b) the general nature of the transaction and, where the transaction involves granting of a loan, providing financial assistance or providing any security, its amount or value.

11. Notification of interest in securities by insider to reporting issuer

- (1) On the commencement of the Act, where an insider is required to notify an interest in securities under section 90 (1) of the Act, the insider shall give written notice of the interest to the reporting issuer within 3 months of such commencement.
- (2) Where an insider is required to notify an interest in securities under section 90 (2) or (3) of the Act, the insider shall give written notice of the interest to the reporting issuer within 1 month of the date that such obligation arose.
- (3) Where an insider is required to notify a change in interest in securities under section 91 (1) of the Act, the insider shall give written notice of the change in interest to the reporting issuer within 14 days of the date that such obligation arose.
- (4) The written notice referred to in paragraphs (1), (2) and (3) shall include the information specified in rule 12 and shall be signed and dated by the insider.

12. Information to be contained in notice by insider

The information to be contained in the written notice to be given by the insider to the reporting issuer under rule 11 shall include –

- (1) the name and address of the reporting issuer;
- (2) the name and address of the insider;
- (3) the name and address of each of the insider's associates having an interest in the securities of the reporting issuer;
- (4) the name and address of each of the insider's associates having an interest in the securities of an associate of the reporting issuer;
- (5) in the case of subparagraphs (b), (c) or (d), the nature of the interest of the insider or associate, as the case may be;
- (6) in the case of a change of interest, the notice shall state –
 - a the total number of securities acquired or disposed of;
 - b the consideration paid or received; and
 - c the resultant total amount of securities held in the reporting issuer (or associate of the reporting issuer) and, in the case of shares, the percentage that it represents.

13. Register of insiders

- (1) Every reporting issuer shall keep a register with all required details, for the purposes of rules 11 and 12.

- (2) Whenever a reporting issuer receives notification from an insider given under the obligation imposed on him by rule 11 or 12, the reporting issuer shall enter in the register the information received and the date of the entry.
- (3) The register shall, during usual office hours, be open for consultation free of charge.
- (4) When a securities exchange, where the securities of a reporting issuer are listed, receives a notice from the reporting issuer under section 92 of the Act, the exchange may publish, in such manner as it may determine, the information received.

14. Periodic information for members

A reporting issuer shall ensure that all the necessary facilities and information are available to enable members and other holders of its securities to exercise their rights and, in particular shall –

- (a) publish, in at least 2 local newspapers having a wide circulation, notice of every annual or special meeting;
- (b) inform members and holders of its debt securities of the holding of meetings which they are entitled to attend;
- (c) enable them to exercise their right to vote, where applicable;
- (d) publish notices or distribute circulars giving information on –
 - (i) the declaration and payment of dividends and interest;
 - (ii) the issue of new securities, including arrangements for the issue, subscription, renunciation, conversion or exchange of the securities; and
 - (iii) redemption or repayment of the securities.

15. Decisions of the board of directors

A reporting issuer shall inform the securities exchange, where the securities of the reporting issuer are listed, and the Commission immediately after approval by or on behalf of the board of –

- (a) a decision to declare, recommend or pay any dividend or to make any other distribution on its securities, and the rate and amount thereof;
- (b) a proposed change in the capital structure, including any redemption of its convertible securities; and
- (c) a decision to change the principal activity of the reporting issuer or its subsidiaries.

16. Commission and exchange to be notified of certain decisions

A reporting issuer shall inform the Commission and any securities exchange, where the securities of the reporting issuer are listed, forthwith of any decisions made in regard to –

- (a) an alteration to the reporting issuer's constitution;
- (b) a proposed change in its capital structure including the structure of its debt securities;
- (c) a change in the rights attached to any class of securities and any change in the rights attached to any shares into which any debt securities are convertible or exchangeable; and
- (d) a change in any of its senior officers.

16A. Filing with securities exchange

(1) Companies listed on a securities exchange in Mauritius shall, on a monthly basis, file with the securities exchange on which they are listed a list of foreign investment transactions returns, including –

- (a) the name of the foreign investor;
- (b) the name of the investment dealer;
- (c) the date of the transaction;
- (d) the quantity of securities traded;
- (e) the price at which each security was traded; and
- (f) the percentage of shares carrying voting rights held by all foreign investors
in the company.

(2) Paragraph (1) shall not apply to foreign investment transactions which are executed on a securities exchange established in a foreign jurisdiction.

Amended by [GN No. 71 of 2013], Added by [GN No. 226 of 2014], Amended by [GN No. 203 of 2015]

17. Basis of issue

A reporting issuer shall inform the Commission and any securities exchange, where the securities of the reporting issuer are listed, of the basis of issue of securities offered to the public for subscription or sale and of the results of any rights issue and, if applicable, of the basis of acceptance of excess applications, not later than the morning of the next business day after the relevant documents of title are finalised.

18. Winding-up and liquidation

(1) A reporting issuer shall inform the Commission and any securities exchange, where the securities of the reporting issuer are listed, on any of the following events as soon as the same shall come to the attention of the reporting issuer

–

- (b) default on debt interest or repayment of principal;
- (c) the appointment of a receiver, manager or administrator;
- (d) the presentation of any winding-up petition, or the making of any winding-up order or the appointment of a provisional liquidator in respect of the reporting issuer, its holding company or any subsidiary;
- (e) the passing of any resolution by the reporting issuer, its holding company or any subsidiary that it be wound-up by way of members' or creditors' voluntary winding-up;
- (f) the entry into possession of or the sale by any mortgagee of any of the reporting issuer's assets; or
- (g) the making of any judgment, declaration or order by any court or tribunal of competent jurisdiction whether on appeal or at first instance, which may adversely affect the reporting issuer's enjoyment of any material part of its assets which in aggregate value represents an amount in excess of 10% of the consolidated net assets of the group.

19. Commission may require information

(1) The Commission may, at any time, require a reporting issuer –

- (a) to provide to the Commission such information in the form and within the time limits as the Commission may require; and
- (b) to publish that information in the form and within the time limits as the Commission considers appropriate for the purpose of protecting investors and maintaining the smooth operation of the market.

(2) A reporting issuer who fails to comply with a requirement to publish information shall commit an offence.

**PART IV
MISCELLANEOUS**

20. Offences

Without prejudice to any sanction that may be imposed under the relevant Acts and such Regulations or Rules made, any person who contravenes or fails to comply with any provision of these rules shall commit an offence and shall be liable on conviction to a fine not exceeding 500,000 rupees.

21. Commencement

These rules shall be deemed to have come into operation on 28 September 2007.

Made by the Financial Services Commission on 28 September 2007

SCHEDULE
(rule 3)

REGISTRATION STATEMENT OF REPORTING ISSUER

1. Name;
2. Registered Office Address;
3. Registered Company No;
4. Names and addresses of members of the board of directors;
5. Address, telephone number and contact details of the principal place of business;
6. Type of securities issued (and whether listed or not);
7. Amount or value of each type of security as at the date of this Registration Statement;
8. Name, address and shareholding of every insider;
9. Name and address of every associate of senior officer;
10. Name, address and contact details of Secretary;
11. Name, address and contact details of Legal Advisers;
12. Name, address and contact details of Auditors;
13. Name, address and contact details of Main Bankers;
14. Any other information as deemed necessary;
15. Dated
16. Signed
(to be signed by the Secretary of the reporting issuer)

