

31 May 2018



Financial Services Commission
Mauritius

CIRCULAR LETTER

CL310518

To All Licensees

Re: Settlement of Outstanding Administrative Penalties

1.0 Amendment to The Financial Services (Administrative Penalties) Rules 2013

The [Financial Services \(Administrative Penalties\) Rules 2013](#) (the 'Rules') has been amended **with effect from 01 January 2018** such that where a licensee fails to comply with a legal obligation specified in the first column of the Schedule to the Rules, the licensee shall be liable to pay the Financial Services Commission (the 'Commission') the corresponding administrative penalty as specified in the second column of the Schedule, up to a maximum of Rs 150,000 (US\$ 5,000).

2.0 Administrative penalty payable as at 31 December 2017

The Commission has decided to revise the amount of administrative penalty payable by licensees as at 31 December 2017.

With respect to any administrative penalty accrued as at 31 December 2017 but paid on or after 01 January 2018, the amount due shall be payable to the Commission as follows:

- (a) for administrative penalty accrued with respect to **each** Financial Statements and Returns filed which is in excess of Rs 150,000 (US\$ 5,000), the licensee shall pay an amount of US\$ 5,000 plus one third of the remaining balance; and
- (b) for administrative penalty accrued with respect to **each** Financial Statements and Returns filed which is below or equal to Rs 150,000 (US\$ 5,000), the full amount shall be payable.

Note: Please refer to *Annex 1* for indicative illustrative scenarios

Scenarios provided below are for illustrative purposes only:

Scenario 1

Audited Financial Statements (“AFS”) for year ended 30 June 2013 (which ought to have been filed by 31 December 2013) filed on 31 December 2017:

Financial Y/E (A)	Amount due as at 31 Dec 2017 (US\$) (B)	Minimum Amount (US\$) (C)	Remainder (US\$) (D)	Amount payable (after reduction) as at 31 Dec 2017 (US\$) (E)
AFS 30 June 2013	9,420	5,000	$1/3*(9,420-5,000)$ 1,473	$E= C+D$ 6,473
			<i>If $B > 5,000$,</i> <i>$D = (B - C) / 3$</i>	
			<i>If $B < 5,000$, $D = 0$</i>	E=B

Scenario 2

AFS for year ended 30 June 2013 filed on 31 January 2018.

Financial Y/E (A)	Amount due as at 01 Jan 2018 (US\$) (B)	Date File (C)	Due as from 01 Jan 2018 to date of filing (US\$) (D)	Total US\$ (E)
AFS 30 June 2013	6,473	31 Jan 2018	Approx. $18*10=$ 180	$B+D$ 6,653

Scenario 3

AFS for the year ended 30 June 2018 filed on 31 January 2019 or 31 January 2021.

Financial Y/E (A)	Date Due (B)	Date Filed (C)	No of days (D)	Amount due (*US\$) (E)	Amount payable (US\$) (F)
AFS 30 June 2018	31 Dec 2018	31 Jan 2019	23	23*10= 230	230
					<i>If E < 5,000, F=E</i>
AFS 30 June 2018	31 Dec 2018	31 Jan 2021	544	5,440	5,000
					<i>If E > 5,000, F= 5,000</i>

Scenario 4

AFS for the year ended 30 June 2013 filed on 31 January 2020.

Part 1 – Before ‘cut-off’ date (31 December 2017)

Financial Y/E (A)	Amount due as at 31 Dec 2017 (US\$) (B)	Minimum Amount (US\$) (C)	Remainder (US\$) (D)	Amount payable (after reduction) as at 31 Dec 2017(US\$) (E)
AFS 30 June 2013	942 days * 10 = 9,420	5,000	1/3*(9,420-5,000) 1,473	E= C+D 6,473

Part 2 – After ‘cut-off’ date

Financial Y/E (A)	Amount due for period 01- Jan-2018 to 31 Jan 2020 (US\$) (F)	Minimum Amount US\$ (G)	Amount (US\$) (H)	Amount due after 31-Dec- 2017 (US\$) (I)
AFS 30 June 2013	530 days * 10 = 5,300	5,000	F>G Amt = 5,000	5,000

Total amount due = E + I = 6,473 + 5,000 = 11,473 (US\$)

3.0 Revised Submission of Returns, Information and Reports Form

The revised [Template for Submission of Returns, Information and Reports](#) effective as from 01 January 2018 and can also be downloaded from the “Downloadable Forms” section of the Commission’s website – (<https://www.fscmauritius.org/en>).

4.0 Non-compliance with Legal Obligations under the relevant Acts

Lastly, as you are aware, any non-compliance by a licensee with a legal obligation under the relevant Acts shall affect the good standing of the licensee and may entail regulatory/enforcement action.

Signed by Harvesh Seegolam, Chief Executive, on 31 May 2018