BANK OF MAURITIUS

Website: https://www.bom.mu

PROSPECTUS
FIFTEEN-YEAR INFLATION–INDEXED GOVERNMENT OF MAURITIUS BONDS

Pursuant to the issuance plan dated 11 May 2015, and in accordance with section 5 of the Public Debt Management Act 2008 and section 57 of the Bank of Mauritius Act 2004, the Bank of Mauritius is pleased to announce the auction of Fifteen-Year Inflation-Indexed Government of Mauritius Bonds (Bonds) due on 22 May 2030 through an auction to be held **on Wednesday 20 May 2015,** for a nominal amount of Rs1,200 million for settlement on **22 May 2015.** The Bonds will be issued at the **weighted accepted** bid margin and all successful bidders will receive the same **weighted accepted** bid margin.

2. The Fifteen-Year Inflation-Indexed Government of Mauritius Bonds will bear interest payable annually at the **weighted accepted** bid margin plus the 12-month average inflation rate published by Statistics Mauritius as at end-April, every year. Interest on these Bonds will be paid annually on 22 May of each year, during the currency of the Bonds, to the bank account of the registered bondholder(s) or any other person authorised by the bondholder(s). An example of the calculation of interest payable on the Bonds is given in paragraph 10.

3. The Bank will receive bids for this auction on the same day, i.e **Wednesday 20 May 2015** on a bid margin basis quoted to two decimal places and in multiples of Rs100,000, on tender forms which are obtainable at its seat or on its website. Bidders may submit, for their own account, up to a maximum of five bids, which however should not exceed the tender amount in the aggregate. Bidders may also submit bids for the account of each of their customers on the same conditions. Banks may submit their bids through the Reuters Dealing System. **All Tender Forms must bear the official stamp of the institution submitting the bid.**

4. Applications from individuals and non-financial institutions should be made through banks or licensed stockbrokers offering these services. Individuals may submit applications in their own names or jointly with another individual. Minors must, however, be represented by a legal guardian. Individuals must produce their National Identity Cards and a Utility Bill, e.g CWA, CEB, telephone bills etc, as proof of address. In case of minors, the original of their birth certificates should be produced.

5. The completed Tender Form(s) should be placed in a sealed envelope marked "Tender for Fifteen-Year Inflation-Indexed Government of Mauritius Bonds" and should be deposited **in the tender box, marked 'A', for Government Securities, at the Banking Hall of the Bank of Mauritius Tower, Sir William Newton Street, Port Louis, before 10.00 a.m. on Wednesday 20 May 2015**. The results of the auction will be announced on the same day and successful tenderers will be required to collect their letter of acceptance from the Bank and effect payment of the cost price of the Bonds through the Mauritius Automated Clearing and Settlement System (MACSS) at latest **by 11.00 a.m. on Friday 22 May 2015.** Payment of maturity proceeds and interests accruing on the Bonds by the Bank will also be made through the MACSS.

6. The Bonds will be issued at **par** to successful applicants dated **22 May 2015**. The Bonds will mature and be redeemed also at **par** by the Bank of Mauritius on **22 May 2030.**

7. The Bonds will be recorded by the Bank in book-entry form and registers of holdings and transfers will be kept at the Bank of Mauritius. These Bonds will be transferable in multiples of Rs100,000 to persons who would qualify as eligible purchasers in terms of Sections 3 and 4 above.

8. Interest receivable on investment in the Inflation-Indexed Bonds will be subject to the prevailing Income Tax Regulations.

9. The Bank of Mauritius reserves the right to accept or reject any bid either in full or in part, without assigning any reason in respect thereof.

10. The following formula will be used for the calculation of the annual interest payment to holders of the Bonds:

Interest rate = {y (1+e) +e} x 100 where y is the **weighted accepted** bid margin and e is the 12-month average inflation rate as at end April. For example, if the **weighted accepted** bid margin is 2% and the 12-month average inflation rate is 4% for a given year, interest rate to the beneficiary for that year will be equal to 6.08 % per annum, i.e. {2% (1+ 4%) + 4%} x 100.

13 May 2015