

FAQ - Company Formation In Mauritius

Country – Mauritius

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1) Advantage of Business Set in Mauritius,

- Well planned, developed & growing economy
- Part of fast growing economy in African country
- Global Presence and connectivity for international business and overseas investments
- Suitable destination for setting offshore investments company and funds
- Well developed banking and financial hub
- Basic business rule and policy in line with international business standard
- Well developed infrastructure, port, transport facility
- Liberal Immigration policy
- Well cultured and educated work force
- Well connected with GCC, Europe, Africa and Asian Market
- Major hub for MNCs, Trading house and Investment banker
- Freedom to make investment and repatriate capital, dividend and income in overseas destinations
- Double taxation treaties with many countries.
- Able to make overseas investment in securities and property anywhere in the world
- 100 % ownership, nominee and corporate share holder and director allowed

2 Preferred Business Destination

As per the business study and Government data, major businesses in Mauritius are:

- Trading hub – Electronic, Electrical, Computer, Garments & FMCG products
- Investment banker, Assets Management Companies & Private Equity Funds
- International banking and financial Hub
- Gold, Gems and Jewelry, Diamond studded ornaments
- Tourism, oil, power, automobiles and EPC contracts
- Garments, Food grain, Pharma, Perfumes and healthcare products
- Major Trade with GGC, Asian, African and EU Market

3 Type of Business entity

- GBC 1 - Global Business Company - Investment, Banking, Insurance & Assets Management Company
- GBC 2 – Global Business Company - General Trading, consultancy and Business Company

GBC 1

Mauritius GBC1s are companies incorporated under the Companies Act 2001 and licensed by the Mauritius Financial Services Commission. They are resident in Mauritius for taxation purposes and have access to Mauritius' extensive double taxation avoidance treaty network, provided they hold a Tax residence Certificate issued by the Mauritius Revenue Authority.

GBC1 may carry on the business of

- Banking & fund administration, etc.
- Financial Service Activities- Assets Manager, Distribution of financial products, etc
- Specialised Financial Services- Leasing, factoring, etc
- Securities or capital market intermediaries- Investment brokers , Investment managers
- Collective Investment Schemes and their functionaries such as Custodians, Fund Managers, Fund administrators
- Insurers/ reinsurers and insurance service providers
- Credit Rating Agencies

GBC 2

Mauritius GBC2s are companies incorporated under the Companies Act 2001 with a category 2 Global Business License. GBC2 companies are designed for business outside of Mauritius and may not carry on business in Mauritius (subject to a number of statutory exceptions).

GBC2 may carry on the business of

- Investment holding & Property holding (real estate or other property)
- Wealth protection, Holding Equity and Remain Parent Company
- E-commerce
- International trade
- Trade & commercial invoicing
- Intellectual property ownership
- Consultancy Services (non financial)

4 Advantage of company having Company in Mauritius

GBC 1

- They are resident in Mauritius for taxation purposes
- Company have access to Mauritius' extensive double taxation avoidance treaty network
- No Capital Gain and Withholding Tax
- Royalties ,interests and service fees payable to foreign affiliates are allowed as expenses provided they are reasonable and correspond to actual expenses incurred
- Interests paid on deposits in Banks are tax exempt
- Dividends paid by a GBC1 are tax exempt
- Royalties paid to non-residents are exempt

GBC 1

- 100 % ownership allowed in Company by Foreigners.
- Zero tax on profit, income, gain and full repatriation allowed
- Company have no access to Mauritius' extensive double taxation avoidance treaty network
- No Capital Gain and Withholding Tax
- With the Companies Act 2001, the concept of authorized share capital has been abolished. A GBC2 company can now issue shares without any restriction.
- Standard Minimum Paid up Capital is US\$1 (bearer shares not permitted)
- No stamp duty on transfer of Share of company
- No need to take resident visas to stay in.
- Your presence is not required to form company
- No audit required at the time of renewal of company
- Any individual \ corporate may incorporate a company and have Nominee shareholder & director
- Easy to form and run the business in any part of the world
- Minimum One director required to form company and can have more if required
- No Local Shareholder & Director required to form and manage the company
- No major restrictions on the type of business activities that a company can engage in.
- No Restriction or obligation for local employment of work force.
- Local Registered virtual office required.

To Form the company, you need to appoint professional firm for assistance and complete the formalities of formation of company. We shall provide the same.

5 Minimum requirements for registration of a company

GBC 2

- **Shareholder either individuals \ Limited entity – Minimum One**
 - **Know your client - KYC Norms** For individual: Copy of passport, overseas residential address proof, and other KYC information such as personal and business profile, etc.
 - If the shareholder is a corporate entity: Copy of registration documents such as Certificate of Incorporation and Memorandum & Articles of Association and Board Resolution.
- **Director either individuals \ Limited entity – Minimum One**
 - The minimum number of directors is one, who may be a natural person or a body corporate. Directors may be of any nationality. Corporate director is permitted.
 - Copy of passport and overseas residential address proof
- **Local Director \ Shareholder – Not required**
 - Company does not require local resident person.
- **Nominee Director \ Shareholder – Optional & allowed**
 - Shares may be held by a nominee on behalf of beneficial owner client
 - No publicly accessible records of beneficial owners
- **Registered office in Mauritius**

Company need to have registered office in Mauritius. We shall provide the registered office address. Post Box No. is not allowed to utilize as registered office.

- **Qualified Company Secretary**

Company need to appoint company secretary to keep and update the secretarial records and minutes of the meeting. It also requires to submit the necessary documents with Registrar of Companies on yearly basis. It is optional. We shall provide the company secretary.

GBC 1

In order to obtain the GBC1 License from the Mauritius Financial Services Commission it will have to satisfy the following factors:

- shall have at least 2 directors, resident in Mauritius;
- shall maintain or maintains at all times its principal bank account in Mauritius;
- shall keep and maintain or keeps and maintains, at all times, its accounting records at its registered office in Mauritius;
- prepare or proposes to prepare its statutory financial statements and causes or proposes to have such financial statements to be audited in Mauritius;
- provides for all meetings of directors to include at least 2 directors from Mauritius

Download from www.companyformation7.com email – companyformation7@yahoo.com
For GBC 1 company formation, we suggest to contact our compliance team to guide and provide more details.

Upon receipt of the signed incorporation and supporting documents from you, we will proceed to incorporate the company.

6 Foreign Company Registration Options

Foreign company plans to have presence in Mauritius, have the choice of setting up business unit as branch office, subsidiary, or representative office in .

- **GBC 2 Company** - A separate company formed by shareholder and director of the company. It shall have independent identity. Foreign company shall become shareholder and control it.
- **Subsidiary Company**. A subsidiary company is a GBC 2 company incorporated by the parent company as its majority shareholder. For small to mid-size foreign businesses, a subsidiary company is the most preferred choice of registration.
- **Branch Office**. A branch office is registered in as an extension of its parent company and not as a separately incorporated entity. The liabilities of a branch office extend to its parent company.
- **Representative Office**. A representative office is registered as a temporary arrangement for conducting marketing research activities. A representative office does not have any legal status and cannot be engaged in any profit yielding activities.

7 Business trade License & Banking

GBC 2

Company has all the powers of a natural person. Company does not require any License from Government Authority to do business as company shall not allow to carry out local trade and business in Mauritius.

GBC2 companies are designed for business outside of Mauritius and may not carry on business in Mauritius (subject to a number of statutory exceptions). Mainly Company is formed for international trade and Investment.

Bank account opening

After successful registration of your Company, you can open a corporate bank account in any of the major banks such as State Bank of Mauritius, HSBC, Standard Chartered, Citibank etc. Many of the banks in Mauritius these days require physical presence of the company principals as part of the account opening procedure.

While visit to Mauritius, you have a wider choice of banks to choose from. In this case, you can explore the features and facilities provided by different banks and decide on the bank that best suits your needs.

However Visit to Mauritius is not compulsory to open the bank account. However Bank will take 2 -3 weeks to open the bank account.

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While opening the bank account, clients should bring the following documents

- Original Passport & residence address proof of director & share holder
- Original company formation documents
- Business profile of director & shareholder
- Proposed Business plan of the company
- Bank Reference letter \ statement from existing banker of director – optional

8 Income Tax, Dividend and other Benefits

GBC 2

There is Zero Tax on profit, income, capital gain and dividend. It is allowed to repatriate full profit.

GBC 2 company no need to maintain books and do audited account.

Need to file annual Accounts P & L and Balance Sheet signed and approved by a Director only

Other Information

Business Renewal and Annual Filing

Company need to file the financial statement – Profit and Loss A/c & Balance Sheet duly approved by directors. No Audit is required.

For More detail please visit website of Mauritius Revenue Authority

www.mra.mu and www.companies.govmu.org

9 Documents Required For Company Incorporation

Director and shareholder – When Individual

- Copy of passport; and
- Copy of residential address proof such as a recent utility bill \ phone bill

Director and shareholder – When Corporate Bodies

- Copy of registration documents such as Certificate of Incorporation and Memorandum & Articles of Association of parent company and
- Board Resolution for investment with proposed business plan

Please note the following:

- Presence of shareholder and directors is not compulsory for company formation
- All documents must be in English or officially translated in English

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- All copies of documents must be certified true copies by a notary public or self certifying or you must bring the originals for sighting;
- You can email us the scanned copies of documents so we can proceed with preparing the necessary incorporation documents. However we must receive the certified true copies before we can incorporate the company.
- Our compliance department may ask for additional information if necessary.
- Duly filled Company Formation Request Form

10 Company registration procedure and timeline

Company registration procedure in is fully computerized. As a result, the incorporation process is quick and efficient. Under normal circumstance, the company can be incorporated in 7 working days.

There are two distinct steps involved in the company setup procedure: a) Company Name Approval and; b) Company Registration. Both steps can be accomplished on the same time.

Details of directors and shareholders public information in

Directors and shareholders information is not public information in Mauritius. No publicly accessible records of shareholders, directors and Accounts.

11 Fees & Services

Formation of company in Mauritius **USD. 2,000\-**

Renewal cost on yearly basis including audit fees **USD 1,500\-**

Our fees includes

- Professional assistance in formation of Company
- Certify copy of documents required for Bank account opening
- One year professional fees of company secretary
- Bank account opening assistance
- Provide professional services for guidance and business expansion

We shall provide on Incorporation of company

- Share certificates
- Share register indicating shares allotted to each of the shareholders
- Company seal & Rubber Stamp for the company
- incorporation documents

- Electronic Certificate of Incorporation of company MOA and AOA
- Minutes of first board meeting