



## **PUBLIC NOTICE**

### **FAILURE AND/OR NEGLECT BY PAMODZI HOTEL PLC TO DISCLOSE PRICE-SENSITIVE INFORMATION**

Pursuant to section 218(2)(a) of the Securities Act, Act. No. 46 of 2016 (“the Act”), the Securities and Exchange Commission (Commission) had on 9<sup>th</sup> October 2024 imposed a civil financial penalty of K10,000 on Pamodzi Hotel Plc (Pamodzi) for its failure to comply with its statutory obligations on public disclosures.

The Commission determined it necessary and proportionate to impose a civil financial penalty having concluded that Pamodzi failed or neglected to make a timely disclosure to its stakeholders of a proposed acquisition by India Hotel Company Limited (IHCL) of the 90% shareholding held by TATA International Singapore PTE Limited in Pamodzi. The Commission found that the proposed transaction was first announced in India on 27<sup>th</sup> July 2023 on the Bombay Stock Exchange (BSE) and the National Stock Exchange of India Limited (NSEIL), the securities exchanges on which IHCL was listed. However, it was determined that directors of Pamodzi had been aware of the proposed transaction even before it was announced in India. The directors only announced the transaction in Zambia on 31<sup>st</sup> July 2023 on the Lusaka Securities Exchange Securities News (SENS) following a directive by the Commission.

Further, the Commission determined that the proposed acquisition by IHCL of the 90% shareholding of Pamodzi was material and would have caused a 386% upward movement of Pamodzi’s share price if the transaction had been completed. In this regard, Pamodzi was found to have acted contrary to the provisions of Section 81(1) of the Act, as read together with Rule 11(c) of the Securities (Registration of Securities) Rules, Statutory Instrument No. 164 of 1993 which require an issuer of securities to disclose material information to its stakeholders immediately the directors become aware of the information.

Issued this 6<sup>th</sup> day of December 2024

**CHIEF EXECUTIVE OFFICER**

Securities and Exchange Commission  
Stand No. 5475, Corner of Great East and Libala Road,  
Kalundu, Lusaka  
P.O. Box 35165 Lusaka, Zambia  
Email: [info@seczambia.org.zm](mailto:info@seczambia.org.zm)