



BANK OF MAURITIUS

Website: <https://www.bom.mu>

Communiqué

Revocation of the Banking Licence of Bramer Banking Corporation Ltd

1. The Bank of Mauritius (Bank) has today revoked the banking licence of Bramer Banking Corporation Ltd (BBCL) in the public interest under section 17 of the Banking Act 2004. BBCL was issued a banking licence on 27 August 2008.
2. In line with the requirements of the Banking Act 2004, the Bank conducted an on-site examination at BBCL from 22 January to 20 February 2015. On 27 February 2015, the Bank conveyed to BBCL a number of significant deficiencies (going back to 2012) that had been noted during the examination.
3. BBCL has been experiencing large withdrawals of deposits placing it in a precarious liquidity situation. That was further worsened by its difficulty to raise funds on the interbank market. It has relied heavily and continuously on a daily basis since 6 March 2015 for overnight facility from the Bank. It has also failed to maintain the minimum cash reserve requirement as from the maintenance period that started 5 March 2015.
4. The capital of BBCL is seriously impaired. BBCL has failed to demonstrate its ability to address capital and liquidity issues to the satisfaction of the Bank.
5. The Bank, as regulator of the banking system, considers that BBCL has been carrying on business in a manner which is contrary or detrimental to the interest of its depositors and the public. The Bank also considers that the conditions prevailing at BBCL pose serious systemic risks to the domestic financial system.
6. In the light of the above, the Bank has decided to revoke the banking licence of BBCL with immediate effect.
7. The Board of Directors of the Bank has, today, appointed Messrs Andre Bonieux and Mushtaq Oosman as receivers pursuant to section 75 of the Banking Act 2004.

Bank of Mauritius

2 April 2015