Mauritius Deposit Insurance Corporation

Insuring Deposits, Ensuring Trust

Annual Report

2024-2025

Mauritius Deposit Insurance Corporation Ltd.

Contents

Chairperson's Statement

I am pleased to present the inaugural Chairperson's Statement for the Mauritius Deposit Insurance Corporation Ltd (MDIC) for the financial year 2024–2025. This year marks a historic milestone in the financial landscape of Mauritius, signalling the successful establishment and operationalisation of the MDIC—an institution that will play a pivotal role in safeguarding the interests of depositors and fundamentally enhancing the resilience of our entire financial system.

A Foundation of Resilience

The journey towards a robust deposit insurance framework began with the enactment of the Mauritius Deposit Insurance Scheme Act (MDIS Act) in April 2019, an initiative led by the Bank of Mauritius. Following a phased proclamation of this Act on 2 December 2023, the MDIC was formally incorporated on 26 March 2024 as a wholly-owned subsidiary of the Bank of Mauritius. The full implementation of the Mauritius Deposit Insurance Scheme (Scheme) was enabled when the remaining provisions of the Act came into force on 14 June 2024.

Since its incorporation, the MDIC has made significant and rapid strides in operationalising its critical mandate:

- A fully constituted Board of Directors, comprising eight members, has been established and is actively providing strategic oversight.
- The Corporation is currently staffed with competent officers seconded from the Bank of Mauritius, ensuring seamless integration and operational continuity during this foundational phase.
- A coverage limit of MUR300,000 per depositor per member institution has been determined, which ensures that an estimated 90% of insured depositors are fully protected in the event of an institutional failure.
- A target Deposit Insurance Fund of MUR5 billion has been set. This robust fund target is designed to provide adequate coverage.
- A crucial financial milestone was achieved on 31 December 2024, when members of the Scheme contributed an initial amount of MUR500 million, representing 10% of the Target Fund.
- The collection of the first annual premium of MUR1.1 billion was successfully completed on 31 July 2025, marking a key step in ensuring the scheme's long-term financial sustainability.

Strategic Direction and Long-Term Vision

Looking ahead, the MDIC is poised to evolve into a full-fledged institution with its own operational and strategic autonomy. In line with this transition, the Board will soon appoint a Chief Executive Officer, as mandated by Section 8 of the MDIS Act. Working in close collaboration with the CEO, the Board will develop and present a comprehensive Strategic Plan that will articulate the Corporation's long-term vision, define its operational priorities, and cement its role in strengthening financial stability in Mauritius.

Our vision is clear: to foster public confidence in the financial system by ensuring the timely and effective protection of depositors, while simultaneously promoting sound risk management practices among our member institutions.

Acknowledgement of Stakeholders and Employees

I wish to express my gratitude to the Board of the Bank of Mauritius for their support and strategic foresight in ensuring the successful setup of the MDIC, including approving an amount of MUR200 million by the Bank of Mauritius towards equity contribution of the MDIC.

I also thank the Board members of the MDIC for their invaluable guidance, dedication, and commitment to the Corporation's mission. Their collective expertise has been instrumental in navigating the complexities of this foundational year.

To the staff of the MDIC, I commend your professionalism and diligence in executing the Board's directives and ensuring the smooth functioning of the Corporation's operations. Your focused efforts have laid a strong and capable foundation for the MDIC's future success.

Challenges and Future Resilience

The establishment of any new institution is not without its challenges. We faced pressing timelines and the critical task of sensitizing member institutions on the importance of deposit insurance and their financial obligations under the Scheme. Through proactive engagement, transparent communication, and collaborative problem-solving, these initial challenges were effectively addressed, ensuring timely compliance and alignment with the MDIS Act.

As we look to the future, the MDIC remains committed to its core mandate of protecting depositors and contributing to the stability of the Mauritian financial system. We are confident that with continued support from our stakeholders and the dedication of our team, the Corporation will grow from strength to strength.

Together, we are building a safer financial future for Mauritius.

Dr Priscilla Muthoora Thakoor
Chairperson

Message of Officer in charge

It is with great honour that I present this Inaugural Annual Report of the MDIC. The financial year 2024–2025 has been a defining chapter, witnessing the successful establishment and operationalisation of a vital institution that will serve as a cornerstone of depositor protection and financial stability in Mauritius.

Building the Foundation of Trust

Following the phased proclamation of the MDIS Act, the MDIC was officially incorporated on 26 March 2024. Since that date, our dedicated team has worked diligently to transform policy into reality, establishing the Corporation on principles of strong governance, transparency, and operational excellence.

We successfully achieved several critical foundational milestones in this inaugural year:

- The Board of Directors was constituted, immediately adopting a clear mandate and robust governance framework to guide our initial operations.
- We finalised the MDIC’s visual identity with the design of a new corporate logo, reflecting our mission of protection, trust, and stability.
- In a pivotal engagement on 26 September 2024, we met with all member institutions to clearly outline the MDIC’s functions, objectives, and powers, as well as the rationale behind the calculation of the Target Fund, initial contributions, and annual premiums.
- A comprehensive survey was launched to accurately determine insurable deposits, ensuring our decision-making remains data-driven and precise.
- We successfully laid the financial bedrock of the Fund by collecting the initial contribution of MUR500 million on 31 December 2024, followed by the first annual premium of MUR1.1 billion on 31 July 2025.
- To ensure prudent financial oversight, two key governance bodies—the Investment Committee and the Audit and Risk Management Committee—were formally established.

Performance and Protection Highlights

Our financial performance is testimony to the discipline and commitment shown by our member institutions and our team. With an equity base of MUR200 million and a strong initial contribution of MUR500 million from members, our net surplus for the period stands at MUR492 million after covering operational expenses of MUR7.1 million. This swift accumulation of resources demonstrates the viability and sustainability of the Scheme.

Innovation and Growth

At the MDIC, innovation is not an option—it is a necessity for maintaining operational agility and readiness. We have deliberately embraced technology to enhance our efficiency and transparency:

We have adopted a digital office environment and a paperless Board system, which not only improves operational agility but also significantly reduces our environmental footprint.

Crucially, we are implementing an online data collection platform and a dedicated core system for payouts and resolution, ensuring that the MDIC is in a state of crisis readiness. In parallel, we are developing a robust public awareness campaign to educate every depositor about the fundamental benefits and protections offered by the MDIC.

Conclusion and Acknowledgments

I would like to express my deepest appreciation to the Board of Directors for their unwavering support, strategic guidance, and dedication throughout this demanding inaugural year.

To the dedicated staff of the MDIC, I extend my heartfelt thanks for your commitment, resilience, and hard work. Your successful execution has been the driving force behind our rapid and effective launch.

As we look ahead, our focus remains clear: to build a trusted, resilient, and effective institution that protects depositors, promotes financial stability, and continuously evolves with the needs of our dynamic economy. We are just at the beginning of this vital journey, and I am confident that with continued collaboration and innovation, the MDIC will become a model of excellence in deposit insurance.

Dhanesswurnath Thakoor
Officer in Charge

Corporate Information & Governance

The Board of the Mauritius Deposit Insurance Corporation Ltd

The MDIC was incorporated on 26 March 2024. The first Board was appointed by the Bank of Mauritius on 28 March 2024 with the concurrence of the Minister of Finance, Economic Planning and Development and constituted of:

Chairperson
Mr Harvesh Kumar Seegolam G.C.S.K

Board Members
Mr Mardayah Kona Yerukunondu
Mrs Hemlata Sadhna Sewraj-Gopal
Ms Marie Françoise Sarah Paturau
Mr Vasish Ramkhalawon
Mr Neil. Radhakrishna Chedumbarum Pillay
Mr Vinay Cooblall

The directorship of all Members of this Board lapsed on 27 March 2025.

Reconstitution of the Board of the MDIC

The Board of the MDIC was reconstituted by the Bank of Mauritius and the following Members were appointed on 27 March 2025:

Chairperson
Dr Rama Krishna Sithanen G.C.S.K

Board Members
Mr Rajeev Hasnah
Mr Louis Sydney Gérard In Sanspeur
Ms Marie Bettina Bela Gaëlle Saminaden
Mrs Mary-Jane Christina Edouard
Ms Zakiyah Bibi Peeroo
Mrs Priya Balgobin-Sutchoo
Mr Yashodaren Umanee

Members of the Board who left as at the date of approval of the financial statements of the MDIC for the Period 26 March 2024 (Date of Incorporation) to 30 June 2025:

Chairperson
Dr Rama Krishna Sithanen G.C.S.K, (resigned on 29 September 2025)

Board Member
Mr Louis Sydney Gérard In Sanspeur (resigned on 29 August 2025)

Board of the MDIC as at the date of the Annual Report

Chairperson

Dr Priscilla Sheshma Muthoora Thakoor

Board Members

Mr Rajeev Hasnah

Mr Ramsamy Chinniah

Ms Marie Bettina Bela Gaëlle Saminaden

Mrs Mary-Jane Christina Edouard

Ms Zakiyah Bibi Peeroo

Mrs Priya Balgobin-Sutchoo

Mr Yashodaren Umanee

Board Member Profiles

Dr Priscilla Sheshma Muthoora Thakoor
Director and Chairperson

Dr Priscilla Sheshma Muthoora Thakoor was appointed as Director and Chairperson of the Mauritius Deposit Insurance Corporation Ltd by the Bank of Mauritius on 06 October 2025. Dr Muthoora Thakoor is the Governor of the Bank of Mauritius with effect from the 29th of September 2025.

Dr Muthoora Thakoor brings substantial expertise in policy diagnostics and the development of macroeconomic frameworks aimed at supporting economic and financial stability.

Dr Muthoora Thakoor's association with the Bank of Mauritius began in 2002, when she joined the Bank as a Research officer. She was accepted into the International Monetary Fund's (IMF) prestigious Economist Program in 2009—the first Mauritian to do so. With over 16 years of service at the IMF, she has contributed to shaping policy responses to some of the most pressing economic challenges facing the international community.

During her time at the IMF, Dr Muthoora Thakoor was part of the core team responsible for the organisation's flagship Fiscal Monitor. She contributed to a range of analytical and policy-oriented work on fiscal issues. Dr Muthoora Thakoor's research has been published in peer-reviewed economic journals. Her analytical expertise includes areas such as fiscal policy and sustainability and inclusive growth.

Beyond research and analysis, Dr Muthoora Thakoor has played an active role in capacity building and technical assistance missions, collaborating extensively with policymakers from developing and emerging economies. She served as Resident Advisor on Macroeconomic and Financial Policies at the Africa Training Institute of the IMF.

A recipient of the State of Mauritius Scholarship as a Laureate in Economics, Dr Muthoora Thakoor holds a Bachelor of Economics from Monash University, Australia. She also holds a Master degree and a DPhil in Economics from the University of Oxford.

Mr Rajeev HASNAH
Director

Mr Rajeev Hasnah was appointed, with effect from 27 March 2025, Director of the Mauritius Deposit Insurance Corporation Ltd by the Bank of Mauritius. Mr Hasnah is the First Deputy Governor of the Bank of Mauritius, Chairperson of the Board of Directors of the Mauritius Investment Corporation Ltd. He also sits on the Monetary Policy Committee of the Bank of Mauritius.

Mr Hasnah started his career as an Economist in the City, London, where he worked at IDEAglobal, an independent economic research firm, advising traders and investment managers.

Throughout his career, Mr Hasnah has demonstrated a commitment to excellence and innovation, whilst also showcasing his competence on the front of regional diplomacy and public administration. During his tenure as Deputy Executive Director and Chief Economist at the Competition Commission of Mauritius, and as Commissioner at the COMESA Competition Commission, he oversaw investigations in mergers and acquisitions, abuse of dominance and cartel cases. He also contributed to policy development and Competition Law enforcement in Mauritius and across the COMESA region.

Mr Hasnah's career history also includes strategic roles in the private sector in Mauritius. As a Chief Finance Officer in different corporate entities listed on the Stock Exchange of Mauritius, he, in particular, spearheaded critical restructuring and investment initiatives. Mr Hasnah also provided expert advice on competition economics and corporate finance as an independent consultant.

Mr Hasnah's early career roles as an economist and a Chartered Financial Analyst within the investment management and corporate finance fields equipped him with a solid foundation in financial and economic analysis, as well as investment management and strategic planning expertise. He stands as a distinguished economist and finance professional with a robust academic background and proven track record in both business and public administration.

Mr Hasnah is a thought leader in Mauritius in the field of economics and finance. His views as a trusted expert are widely sought after by leading economic journalists, and he has featured in numerous articles and interviews in both print and broadcast media.

A Charterholder from the CFA Institute, Mr Hasnah also holds an MSc in Economics and Finance from Warwick Business School, United Kingdom, and a BSc (Hons.) in Economics and Finance from the University of Mauritius, where he was a gold medallist and awarded multiple scholarships.

Mr Ramsamy Chinniah
Director

Mr Chinniah was appointed as Director of the Mauritius Deposit Insurance Corporation Ltd by the Bank of Mauritius on 06 October 2025. Mr Chinniah is the Second Deputy Governor of the Bank of Mauritius with effect from the 29th of September 2025

Mr Chinniah has devoted more than 40 years of his career to the Bank of Mauritius, of which 7 years spent in the Research Department and 32 years in the Supervision Department.

Prior to his appointment as Second Deputy Governor, Mr Chinniah was Director of Supervision at the Bank of Mauritius. Throughout his extensive tenure in the Supervision Department, he played a key role in shaping and advancing the legal, regulatory, and supervisory frameworks that underpin the Mauritian banking sector. He actively contributed to the elaboration of key banking policies which have helped strengthen the country's banking system in the face of major financial challenges, including the global financial crisis of 2007 and the Covid-19 pandemic.

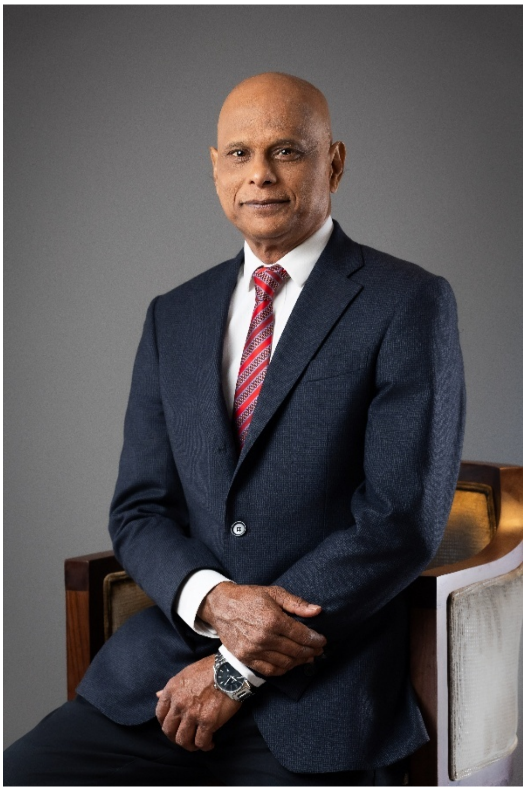
Mr Chinniah was instrumental in the formulation of guidelines aligned with best international practices and assessed their impact on the banking industry. He was instrumental in the implementation of a prudential supervision framework focused on independent, forward-looking, and risk-based oversight of the banking sector. He is also credited with the formulation of AML/CFT rules and directives and with the design of methods for on-site examination of licensees of the Bank of Mauritius.

He has been extensively involved in programmes and projects run by international organisations, amongst which the International Monetary Fund and the World Bank, rating agencies, regulatory entities and multilateral institutions. From September 2024, and until his appointment as Second Deputy Governor, Mr Chinniah was the Chairman of the Community of African Banking Supervisors, a working Group set up under the aegis of the Association of African Central Banks.

From 2006 to 2008, he was the Chairman of the Southern African Development Community Sub-committee of Banking Supervisors. He was equally a member of the Mauritius Steering Committee of Accounting and Auditing services.

Mr Chinniah holds a Master of Science in Financial Economics from the University of Mauritius (2009), is an Admitted Fellow of the Association of Chartered Certified Accountants (UK, 1999) and successfully completed the Association's final examinations in 1991.

Mr Yashodaren Umanee
Director



Mr Yashodaren Umanee was appointed on 27 March 2025 as an Independent Non-Executive Director of the Board of the Mauritius Deposit Insurance Corporation Ltd. He is also a Chairperson of the Audit and Risk Management Investment Committee of the Board.

Mr Umanee holds an MBA from Heriott Watt University, Edinburg and is an Associate of the Chartered Institute of Bankers.

Mr. Umanee brings over 45 years of experience in the banking sector, with a strong record of senior leadership roles. He served as General Manager at ABC Banking Corporation from 2012–2024 where he was responsible for overseeing corporate banking, retail banking, treasury, credit administration and overall operations.

Previously, he held the position of Commercial Director at Barclays Bank Seychelles and occupied various senior roles across domestic and international banking divisions in Mauritius.

Mr Umanee's expertise encompasses governance, risk management, and regulatory compliance. He has played key roles in audit and risk committees and has actively contributed to board level strategic discussions throughout his career.

Mrs Mary-Jane Christina Edouard
Director,

Mrs Edouard was appointed as a Board Member of the Mauritius Deposit Insurance Corporation Ltd on 27 March 2025. She is also a member of the Investment Committee of the Board.

Mrs Edouard holds a BSc in Mathematics (Mathematical Modelling) from the University of South Africa (UNISA). She has over two decades of experience as a mathematics educator and has dedicated her professional life to empowering students with the skills and confidence to excel in both academic and personal development. She has taught at various academic levels, always striving to create engaging and inclusive learning environments.

The journey of Mrs Edouard also extends beyond the classroom. As a current Village Councillor and former Vice Chairperson of the Village Council of Olivia, she is actively involved in community development, focusing on social services, youth engagement, and capacity-building. Her work as a social worker and coach has further deepened her commitment to fostering human values, emotional well-being and strong interpersonal relationships within the community. She believes in servant leadership, lifelong learning and the power of collaboration to create meaningful change.

Given her proximity with the Mauritian Community, Mrs Edouard contributes in taking forward one of the goals of the Mauritius Deposit Insurance Corporation Ltd which is to promote the understanding of the deposit insurance concept in the public space.

Ms Marie Bettina Bela Gaëlle Saminaden
Director

Ms Saminaden was appointed as a Board Member of the Mauritius Deposit Insurance Corporation Ltd on 27 March 2025. She is also a member of the Audit and Risk Management Committee of the Board.

Ms Saminaden is a Barrister-at-Law admitted to the Bar of England and Wales in 2022 and to the Bar of Mauritius in September 2023. As a member of the Honourable Society of the Middle Temple, she embodies both academic excellence and professional dedication within the legal field.

Her practice spans across corporate and commercial law, compliance and AML/CFT regulations, as well as civil and family matters. Ms Saminaden currently practises independently, having previously gained valuable experience with Legacy Capital Co Ltd, Madan Dulloo Chambers, Juristconsult Chambers (DLA Piper Africa), the Attorney General's Office, Orison Legal and Ribot Chambers.

Throughout her career, Ms Saminaden has been involved in a wide range of legal work including corporate advisory, due diligence, compliance reviews, and litigation before the Supreme Court. Her meticulous approach, analytical mind, and ability to navigate complex legal issues define her professional ethos.

Ms Saminaden is a graduate of Université Paris II Panthéon-Assas, where she obtained her Bachelor of Laws (LL.B). She further pursued her legal studies by completing a Graduate Diploma in Law at the University of Central Lancashire and the Bar Vocational Course in the United Kingdom at City, University of London.
Her practice is marked by integrity, adaptability, and an unwavering commitment to excellence in the service of justice.

Ms Zakiyah Bibi Peeroo
Director

Ms Zakiyah Bibi Peeroo was appointed as a Board Member of the Mauritius Deposit Insurance Corporation Ltd on 27 March 2025. She serves as a member of the Audit and Risk Management Committee of the Board, providing oversight and guidance on governance, risk management, and compliance matters.

She holds a bachelor's degree in actuarial science from UCSI University, Malaysia, which has provided her with a strong foundation in risk analysis, probability, statistics, and insurance principles. This background has enhanced her analytical mindset and understanding of financial systems, shaping her structured approach to problem-solving and decision-making. Guided by integrity and a commitment to continuous learning, she strives to support sustainable development and professional excellence

Motivated by a deep interest in Islamic Finance and Banking, Zakiyah plans to pursue a Master's in Islamic Finance. Her ambition is to strengthen her expertise in Shariah-compliant financial systems and ethical investment frameworks, contributing to the evolution of responsible and inclusive financial practices in Mauritius. Zakiyah's forward-looking vision aligns closely with the Mauritius Deposit Insurance Corporation's mission to safeguard depositors and reinforce financial stability through trust, integrity, and sustainable growth.

She is also a business owner and contributes to her company's growth, financial operations, and operational efficiency through collaboration, organization, and continuous improvement. She oversees client relations, supports strategic initiatives, and ensures smooth coordination of projects and teams.

Mrs Priya Balgobin-Sutchoo
Director

Mrs Balgobin-Sutchoo was appointed as a Board Member of the Mauritius Deposit Insurance Corporation Ltd on 27 March 2025. She is also a member of the Investment Committee of the Board.

Mrs Balgobin-Sutchoo is a barrister-at-law and legal academic with over 15 years of experience in legal practice, higher education, and policy development. She was called to the Bar of England & Wales in 2009 and to the Bar of Mauritius in 2010. Her areas of expertise include criminal law, family law, and civil litigation, with a strong emphasis on pro bono representation and access to justice.

She has taught law extensively at the tertiary level, serving as Lecturer in Law at Middlesex University Mauritius (2011–2024), where she held leadership roles such as Academic Area Head and LLB Programme Coordinator. She also taught Constitutional and Administrative Law at the Open University of Mauritius in early 2025. She holds a Postgraduate Certificate in Higher Education, reinforcing her academic leadership and curriculum development credentials.

Since August 2025, Ms. Balgobin has served as a Member of the Procurement Policy Office, where she contributes to legal and institutional frameworks in public procurement. Her qualifications include an LLM in International Business Law, a Graduate Diploma in Law, a BSc (Hons) in Computing, and a BTEC HND in Information Technology. She remains actively involved in public legal education, policy research, and civic engagement.

Management Team

The Board of the MDIC is assisted by the Management Team which is guided by the core values of the Corporation, which are:

- Team work;
- Professionalism; and
- Compliance with rules.

As at 30 June 2025, the Management Team comprised of Mr Dhanesswuarnath Thakoor and Ms Marie Medgee Lauricourt, both seconded to the MDIC by the Bank of Mauritius. The profiles of the Management Team are provided hereunder:

Dhanesswurnath Thakoor
Officer in Charge

Dhanesswurnath Thakoor is a highly accomplished executive and banking technologist. He served as Coordinating Officer of the MDIC from March 2024 to October 2025 when his appellation was changed to Officer in Charge by the Board. In this capacity, he is responsible for the overall operations and organizational setup of the newly established Corporation.

Mr. Thakoor brings over 30 years of experience with a deep background in central banking, payment systems, fintech, and financial services regulation.

He previously served as Chief Executive of the Financial Services Commission (FSC) from May 2020 to March 2024. During his tenure, he devised and implemented action plans to address strategic deficiencies identified by the Financial Action Task Force (FATF) which contributed in the early exit of the country from the grey list,

His leadership at the FSC included several critical regulatory and digitalization achievements:

- He led digitalization-driven projects such as the FSC One Platform, Digital Signature Guidelines, and the National Insurance Claims Database project.
- He represented the FSC in international regulatory bodies and committees, including the International Organization of Securities Commissions (IOSCO) where he was also a Board member, the International Association of Insurance Supervisors (IAIS), the International Organisation of Pension Supervisors (IOPS).
- Established regulatory frameworks for innovative financial products and services, including Virtual Assets, Variable Capital Company, Structured Investment-Linked Insurance Business, Captive Insurance, Peer-to-Peer Lending, Crowdfunding, and Guidelines for the issue of Green Bonds,

among others.

Prior to the FSC, he spent over 25 years (March 1995 – May 2020) at the Bank of Mauritius, as Analyst, Senior Analyst and Head of Payment Systems and Credit Information Bureau. In this role, he was a key driver in the modernization of the country's payment landscape. He spearheaded the development and operational implementation of the National Payment Switch the Instant Payment Switch (MAUCAS), and a multi-currency Real Time Gross Settlement System (RTGS).

Mr. Thakoor is a proven visionary leader in the African context, recognized for designing and implementing high-stakes, multi-country technology infrastructure projects. His expertise includes:

- COMESA REPSS: Spearheading the development and operational implementation of the COMESA Regional Payment and Settlement System (REPSS) in 2012.
- SADC: Participation in the SADC cross-border payment system and represented Mauritius in the SADC as country leader

A seasoned public speaker, he has advocated for an integrated African payment system in international fora. He has also conceptualized and presented a proposal for a cross-border payment system with China using RMB at the People's Bank of China (PBOC) in 2019.

Mr. Thakoor holds an MBA with a specialization in Finance from the Open University of Mauritius (2004) and an MSc Eng in IT, Electronics and Systems Automation from PolyTech Lille, France (1993). He is also a Certified Artificial Intelligence Consultant from the US Artificial Intelligence Institute (2025) and is completing a Certificate in Agentic AI from John Hopkins University. He is fluent in English, French, and Hindi.

Ms Marie Medgee Lauricourt
Manager and Company Secretary

Medgee Lauricourt has a long-standing career in central banking with a strong accounting background. She is currently serving the MDIC in the capacity of Manager and Company Secretary with effect from April 2024. She is involved in the day-to-day operations of the MDIC and acts as Secretary to the Board as well as to two Board Sub-committees.

Ms Lauricourt counts nearly 40 years at the Bank since November 1985, with some 15 years in administration and 19 years as a Bank Supervisor serving as analyst, senior analyst and chief. As a Chief, she was extensively involved in banking regulations and licensing of financial institutions.

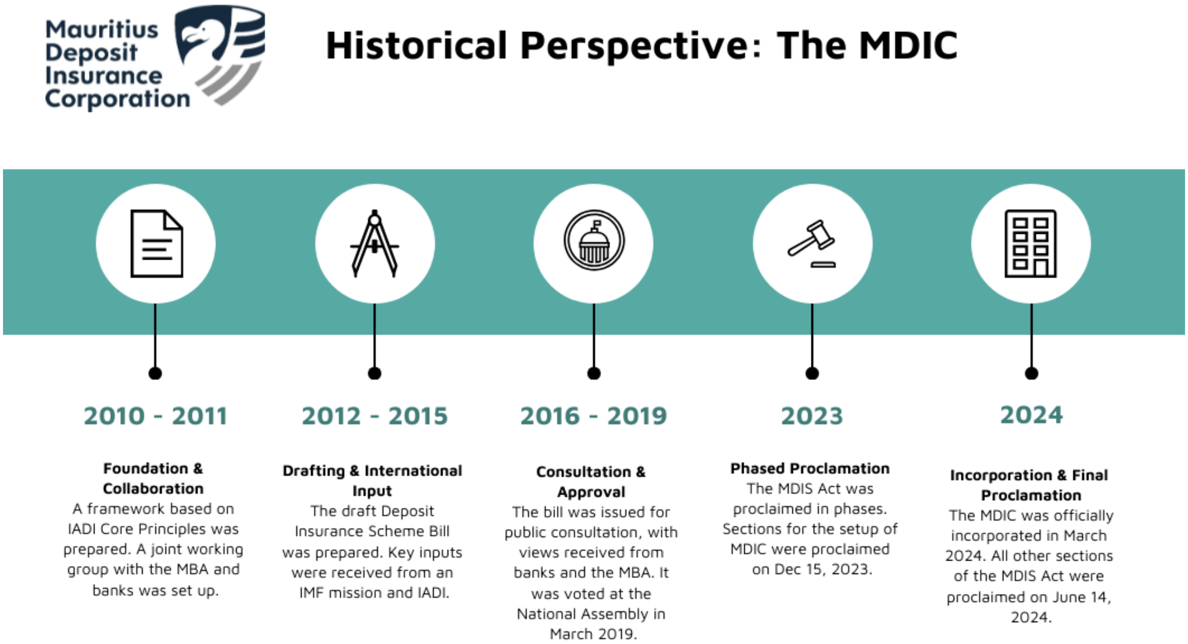
Ms Lauricourt has been involved in the Deposit Insurance Project, initiated by the Bank, since its inception in 2010 until the incorporation of the MDIC in March 2024. During this journey, she had participated in various brainstorming sessions and committee meetings at the Bank and at banking industry level. She equally participated in a number of IMF technical assistance missions on deposit insurance at the Bank and attended a number of seminars and conferences organised by the IADI for capacity building on the functionality of deposit insurance systems and for networking.

Ms Lauricourt has contributed in the development of a framework for deposit insurance benchmarked on IADI Core Principles for effective deposit insurance systems and on international best practices. She also contributed largely in the drafting of the Constitution of the MDIC and towards the enactment of the Mauritius Deposit Insurance Scheme legislation under which the Scheme has been set up and is fully operational since June 2024.

Ms Lauricourt is a Fellow of the Association of Chartered Certified Accountants, Glasgow, United Kingdom since October 2007. She is committed to work excellence.

Historical Perspective of the Mauritius Deposit Insurance Corporation Ltd

The period spanning 2010 to 2024 encapsulates a meticulous, decade-long effort dedicated to designing and building a resilient financial safety net for the Republic of Mauritius. The MDIC now stands as the robust culmination of rigorous regulatory development, international cooperation, and dedicated legislative action.



The establishment of the MDIC represents a foundational pillar in strengthening the financial stability architecture of Mauritius. Its journey from a conceptual framework to a fully operational entity was marked by a strategic commitment to international best practices, collaborative legislative efforts, and meticulous planning, ensuring a robust, credible safety net for all eligible depositors.

Conceptualisation and Legislative Foundation (2010 – 2012)

The conceptual groundwork for a modern deposit insurance scheme commenced in **2010**. At this time, the regulatory authority prepared a comprehensive framework explicitly based on the Core Principles for Effective Deposit Insurance Systems, as issued by the International Association of Deposit Insurers (IADI). This early action established the commitment to adherence to global standards on deposit insurance.

Building on this framework, **2011** saw the formation of a Joint Working Group, which strategically engaged key financial sector stakeholders, including the MBA and representatives from the banking industry. This collaborative approach was vital to ensure the Scheme's design was pragmatic and aligned with the operational realities of the local financial landscape. This groundwork successfully culminated in **2012** with the preparation of the initial Draft Deposit Insurance Scheme Bill, providing the core legislative text.

International Validation and Public Consultation (2015 – 2016)

The draft legislation subsequently underwent crucial international scrutiny and validation. In **2015**, the authorities received valuable technical inputs and recommendations following targeted missions from the IMF and continued consultative guidance from the IADI. This stage incorporated global expertise and institutional knowledge into the final legislative proposal.

Ensuring transparency and securing broad industry acceptance, the Draft Bill was formally issued for public consultation in **February 2016**. This critical phase facilitated the gathering of views and feedback from a wide array of financial institutions, encompassing banks, non-bank deposit-taking institutions, and the MBA.

Enactment, Proclamation, and Incorporation (2019 – 2024)

The legislative process reached its decisive milestone in **March 2019** when the Deposit Insurance Scheme Bill was successfully voted by the National Assembly, securing its passage into law as the MDIS Act.

The Scheme's transition from law to operational reality was achieved through a phased proclamation process. The initial phase occurred on **2 December 2023**, activating the specific sections of the MDIS Act pertaining to the establishment and incorporation of the Corporation. Following this institutional preparation, the Mauritius Deposit Insurance Corporation Ltd was officially incorporated in **March 2024**.

The final operational milestone was reached on **14 June 2024**, when all other remaining sections of the MDIS Act were fully proclaimed. This final proclamation rendered the Scheme completely functional and active, formalising the commencement of deposit protection and solidifying MDIC's role as an integral component of the national financial safety net.

Deposit Insurance - Explained

Deposit insurance worldwide is a crucial component of a financial safety net that protects depositors from the loss of their insured savings in the event that a member bank or other deposit-taking financial institution fails. The Mauritius Deposit Insurance Corporation administers the Mauritius Deposit Insurance Scheme to provide this protection. It is an essential service that operates automatically, ensuring that covered deposit accounts receive insurance at no direct cost to the depositor.

How it works:

- **Automatic protection:** Deposits held at any MDIC member institution are automatically insured up to a specified maximum coverage limit.
- **Prompt payout:** In the unlikely event of a member institution failing, the MDIC will promptly compensate insured depositors, giving them quick access to their funds.
- **A separate institution:** The MDIC is an independent body, funded by the Bank and premiums paid by its member institutions, not by taxpayers.

Why is Deposit Insurance Needed?

The existence of a deposit insurance system is vital for a country's financial and economic stability. It addresses key risks inherent to the banking sector and fostering public trust.

- **Prevents bank runs:** In the absence of deposit insurance, rumours of a bank's trouble can trigger a panic, causing many depositors to withdraw their money at once. This "bank run" can cause a healthy bank to fail and can have a domino effect, threatening the stability of the entire financial system. Deposit insurance prevents this by reassuring depositors that their money is safe, thereby mitigating panic-driven withdrawals.
- **Maintains financial stability:** By preventing bank runs and maintaining public confidence, deposit insurance contributes to the overall stability of the financial system. This stability is crucial for economic growth, as it ensures that banks can continue their role in providing credit and other financial services.
- **Protects the most vulnerable:** The scheme is particularly important for small, non-expert depositors who may not have the resources or ability to assess the financial health of their bank. It ensures that their life savings are protected from loss.

The Contributions to Depositors

For eligible every depositor with an account at an MDIC member institution, the Scheme offers tangible and intangible benefits that extend beyond simple reimbursement.

- **Peace of mind:** The most immediate and significant benefit is the assurance that their hard-earned savings are secure. This peace of mind allows depositors to focus on their financial goals without the constant worry of potential bank failure.
- **Financial access and inclusion:** By safeguarding deposits, the scheme promotes greater public engagement with the formal banking system. This encourages people to save money in banks, helping to foster financial inclusion across Mauritius.

- **Orderly resolution:** In the event of failure of a member institution, the MDIC's involvement ensures an orderly resolution process. This minimizes disruption for depositors and the financial system as a whole, allowing insured depositors to receive compensation promptly.
- **Encourages savings:** The certainty and safety provided by deposit insurance act as a strong incentive for individuals to save, promoting capital formation and supporting long-term economic development.

Deposit Insurance Around the World

The concept of explicit deposit insurance is a widely adopted international practice. The global prevalence of these schemes underscores their proven effectiveness as a tool for financial stability.

- **International Association of Deposit Insurers (IADI):** The IADI, which promotes international cooperation on deposit insurance, reported as early as 2014 that over 113 countries had instituted some form of explicit deposit insurance. This number has continued to grow, with new schemes launching recently, such as in South Africa in April 2024.
- **Broad adoption:** Following the global financial crisis of 2008, many countries increased their coverage limits or provided temporary blanket guarantees to calm market fears. Many have since maintained higher coverage levels to sustain public confidence.
- **Global standard:** The widespread adoption of deposit insurance demonstrates a global consensus on its importance for safeguarding depositors and protecting the broader financial system.

Deposit Insurance — Protecting Depositors & Financial Stability

A concise summary of the Mauritius Deposit Insurance Scheme (MDIS) administered by the Mauritius Deposit Insurance Corporation (MDIC)

At a Glance — What Deposit Insurance Does?

What it is

Deposit insurance automatically protects insured accounts at member institutions so depositors do not directly pay to be covered. It operates automatically and pays out when a member institution fails.

Administered by MDIC — funded by member institution premiums, independent from taxpayer funding.

How the Scheme Works?

Automatic protection

Eligible deposits at MDIC member institutions are automatically insured up to the Scheme's coverage limit.

Prompt payout

If a member institution fails, MDIC compensates insured depositors promptly so they regain quick access to funds.

Separate institution

MDIC is an independent body financed by member premiums, operating separately from the taxpayer-funded budget.

Why Deposit Insurance Is Needed?

Prevents bank runs

Assurance that deposits are protected reduces panic withdrawals and lowers the risk of healthy banks being destabilized by runs.

Maintains financial stability

By preventing runs and preserving trust, the Scheme supports a stable environment for banks to provide credit and services.

Protects the most vulnerable

Small and non-expert depositors get protection for their savings, even if they cannot assess a bank's health themselves.

Benefits for Depositors

Peace of mind

Deposit holders can be confident their insured savings are safe, reducing personal financial anxiety.

Financial access & inclusion

Safeguarding deposits encourages people to use formal banking, supporting broader financial inclusion in Mauritius.

Orderly resolution

MDIC involvement helps manage failures in an orderly way, minimizing disruption and enabling quick compensation.

Encourages savings

Knowing deposits are protected motivates individuals to save, supporting capital formation and long-term growth.

Deposit Insurance Around the World

Widespread adoption

Over a hundred countries have explicit deposit insurance schemes, highlighting global acceptance of the tool for stability.

IADI and statistics

The International Association of Deposit Insurers (IADI) tracks and promotes best practice; many jurisdictions updated coverage after 2008 and new schemes continue to launch.

Global standard

Since the global financial crisis, many countries have raised coverage limits or adopted guarantees to preserve public trust.

Quick summary

MDIC's deposit insurance provides automatic, low-friction protection that preserves depositor confidence, supports financial inclusion, and contributes to a stable economy.

Deposit Insurance in Mauritius

The framework for depositor protection is defined by the Scheme, with the MDIC established as its dedicated, operational body to manage and execute the mandate.

Salient Features of the Mauritius Deposit Insurance Scheme Act

The MDIS Act serves as the legal foundation for the national deposit insurance framework, establishing a robust mechanism vital to the nation's financial stability. The following sections highlight the key statutory features and operational mandates enshrined within this Act.

Establishment of the Scheme and its Core Objectives

The Act formally establishes the Mauritius Deposit Insurance Scheme as a dedicated mechanism to protect the interests of depositors. The Scheme's primary, dual-pronged objectives are:

- **Protecting Insured Depositors:** Providing a clear, legally mandated safeguard for a defined portion of depositors' funds in the event of a member institution's failure.
- **Financial System Stability:** Contributing to the overall stability and public confidence in the financial system by mitigating the risk of bank runs and ensuring continuity.

Administration and Management

The administration and management of the MDIS are exclusively vested in the MDIC, the agency created for this purpose. The Act grants the MDIC the sole authority to insure deposits within the territory of Mauritius, centralising oversight and ensuring a consistent and focused application of the Scheme's rules and regulations.

Powers and Functions of the MDIC

To effectively execute its mandate, the MDIS Act confers a comprehensive set of powers and functions upon the Corporation:

Mauritius Deposit Insurance Corporation

Powers and functions of MDIC

Financial Management

1

Collect Prescribed Premiums

Collecting prescribed premiums from member institutions.

2

Pursue Claims Against Failed Institutions

Pursuing claims against the assets of a failed member institution subsequent to paying compensation.

3

Invest Deposit Insurance Fund (DIF)

Strategically investing the assets of the Deposit Insurance Fund (DIF) to ensure its growth and liquidity.

Operational & Contingency

4

Timely Payment of Compensation

Effecting the timely payment of compensation to insured depositors upon the failure of a member.

5

Maintain Scheme Integrity

Maintaining the integrity of the Scheme by applying principles of transparency in all operations.

6

Obtain Necessary Funding

Obtaining necessary funding, including the power to borrow or make pre-funding arrangements with the Bank of Mauritius (BoM).

Public Mandate

7

Public Education & Awareness

Undertaking public education initiatives to enhance depositor awareness regarding the protection limits and claims processes.

Creation and Management of the Deposit Insurance Fund (DIF)

The MDIS Act mandates the creation of the Deposit Insurance Fund, which is administered and managed by the MDIC. The DIF operates as the segregated financial reservoir from which all obligations of the Scheme are met.

Inflows to the Fund

- Premiums collected from all member institutions.
- Advances extended to the Agency by the Bank of Mauritius.
- Interest and other returns accrued from the investment of the Fund's assets.
- Any grants or donations received by the Corporation.

Outflows from the Fund

- Expenses incurred in the day-to-day running and administration of the MDIC.
- Monies payable as compensation to insured depositors following a member failure.
- Repayment of any money borrowed by the MDIC, including principal and interest.

Membership and Premium Obligations

Mandatory Membership

Membership in the Scheme is mandatory for all institutions licensed by the Bank to take deposits, specifically banks and NBDTIs in Mauritius. Membership commences immediately upon the member accepting deposits.

Public Disclosure

For the purpose of reinforcing public trust and transparency, all member institutions are required to display their official MDIS membership certificates prominently at all business locations.

Cessation of Membership

An institution ceases to be a member of the Scheme under specific legal conditions, which include:

- The surrender, cancellation, or revocation of the institution's licence.
- The transfer of all deposit liabilities to another member institution.
- The appointment of a liquidator for the purpose of a voluntary winding-up.
- The completion of a merger or amalgamation process where the institution ceases to exist as a separate entity.

Compensation Provisions

The Act clearly defines the Agency's obligation to provide compensation to the depositors of a failed member institution, subject to certain conditions precedent being met.

Key Compensation Principles

Legal Structure and Corporate Governance of the Corporation

The effectiveness and integrity of the Scheme are underpinned by the solid corporate and legal structure of the MDIC, the entity exclusively responsible for the Scheme's administration. This chapter outlines the formal legal status, governance structure, and financial constitution of the Corporation.

Corporate Establishment and Foundational Documents

The Mauritius Deposit Insurance Corporation Ltd. was formally established and incorporated under the provisions of the Companies Act on 26 March 2024. This incorporation was undertaken by the Bank, resulting in the MDIC operating as a wholly-owned subsidiary of the central bank.

The legal operation and internal regulation of the Corporation are further defined by a comprehensive written constitution. This constitution serves a critical function: it modifies, adapts, and extends the general provisions of the MDIS Act in their application to the day-to-day operations and corporate management of the MDIC. This framework ensures that while the Corporation operates as a private company, its objectives and powers remain fully aligned with the statutory mandate of the Scheme.

Governance and Board Composition

In alignment with best practices in corporate governance, the MDIC is overseen by a fully constituted Board of Directors. The Board is tasked with providing strategic direction, ensuring fiduciary responsibility, and guaranteeing compliance with the MDIS Act and the Corporation's constitution.

The Board is currently composed of eight members (8), whose expertise spans the critical domains of finance, law, risk management, and central banking, ensuring robust and diverse oversight of the Deposit Insurance Fund (DIF) and the Corporation's operational functions.

Stated Capital and Financial Structure

The Corporation is established as a Private Company Limited by Shares. Its financial constitution is structured to provide significant capitalization from the outset, reflecting the importance of its public mandate.

The stated capital of the MDIC is MUR 200,000,000 (Two Hundred Million Mauritian Rupees). This capital is represented by 20,000 shares issued at a par value of MUR 10,000 per share, all of which are held by the Bank.

Objectives and Functions of the MDIC

The MDIC operates with a clearly defined statutory mandate derived from the Mauritius Deposit Insurance Scheme Act. This mandate establishes the Corporation with explicit objectives and functions designed to uphold public confidence and stability.

Core Objectives of the MDIS

The Scheme's mission is centred around two fundamental objectives, both critical to systemic resilience:

Protection of Insured Depositors
The primary objective of the Scheme is to provide insurance against the loss of insured deposits held by eligible depositors of any member institution. This protection mechanism serves as an immediate safety buffer, guaranteeing that in the unlikely event of a member's failure, a defined portion of the depositor's funds is safeguarded.

Contribution to Financial System Stability
The second, broader objective is to contribute directly to the stability of the financial system in Mauritius. This is achieved by guaranteeing that impacted depositors have prompt and timely access to their insured funds following a member institution's failure. This swift compensation capability mitigates systemic risk by preventing panic withdrawals and preserving public trust in the banking sector.

Functions and Powers of the MDIC

To successfully meet the core objectives of the Scheme, the Act empowers the MDIC with the following essential functions:

<u>Scheme Administration and Management</u>
The Corporation is responsible for the comprehensive administration and strategic management of the MDIS in its entirety. This involves continuous oversight of the scheme's regulations, member compliance, and operational readiness.

<u>Deposit Fund Management</u>
The MDIC administers and manages the Deposit Insurance Fund (DIF), the financial resource pool of the Scheme. This function encompasses the entire financial lifecycle of the Fund, specifically:

- **Premium Collection:** Determining, assessing, and collecting required premiums from all member institutions.
- **Asset Investment:** Strategically investing the assets of the Fund to ensure adequate growth, liquidity, and security.
- **Required Payments:** Managing all outflows, including operational expenses and, critically, making compensation payments to insured depositors when required.

Pursuit of Claims and Asset Recovery

Following the payment of compensation to depositors of a failed member institution, the MDIC is legally mandated to pursue claims against the remaining assets of that failed institution. This critical function ensures the recovery of funds disbursed by the MDIC, thereby preserving the DIF and minimizing the ultimate cost of failure to the Scheme.

Financial Literacy and Public Education

In its public outreach role, the Corporation is required to educate the public regarding the features of the Scheme. This includes clearly communicating the protection limits, the claims process, and the rights and responsibilities of depositors, thereby reinforcing the overall efficacy and transparency of the Scheme.

Enforcement Powers of the MDIC.

The effectiveness of the Scheme rests significantly on the robust powers vested in the Corporation to ensure compliance, enforce directives, and impose penalties for contraventions of the MDIS Act and its subsidiary regulations. This enforcement framework is designed to safeguard the integrity of the Scheme and the Deposit Insurance Fund (DIF).

Power to Issue Directives and Guidelines

The MDIC holds the necessary supervisory power to issue directives, instructions, or guidelines, which may be of a general or specific nature, as it deems essential for the efficient operation and strict compliance with the Act. This authority allows the Agency to maintain continuous oversight of member institutions and to proactively address emerging risks.

Enforcement and Statutory Penalties

The Act prescribes a clear framework of graduated penalties to deter non-compliance, applying both to the institutions themselves and to their senior management:

Category of Contravention	Responsible Party	Statutory Penalty on Conviction
Failure to Comply with Directives	Member Institution	Fine not exceeding MUR 100,000
Contravention of the Act	Member Institution	Fine not exceeding MUR 1,000,000 (where no specific penalty is provided)
Non-Compliance by Key Personnel	Director or Chief Executive Officer	Fine not exceeding MUR 1,000,000 **and** imprisonment for a term not exceeding 10 years
Contravention of Regulations	Any Person	Fine not exceeding MUR 200,000 **and** imprisonment for a term not exceeding 3 years

These penalties underscore the seriousness with which the MDIC and the legal framework regard lapses in regulatory adherence, particularly concerning the oversight responsibilities of the senior leadership of member institutions.

Judicial Process and Compounding of Offences

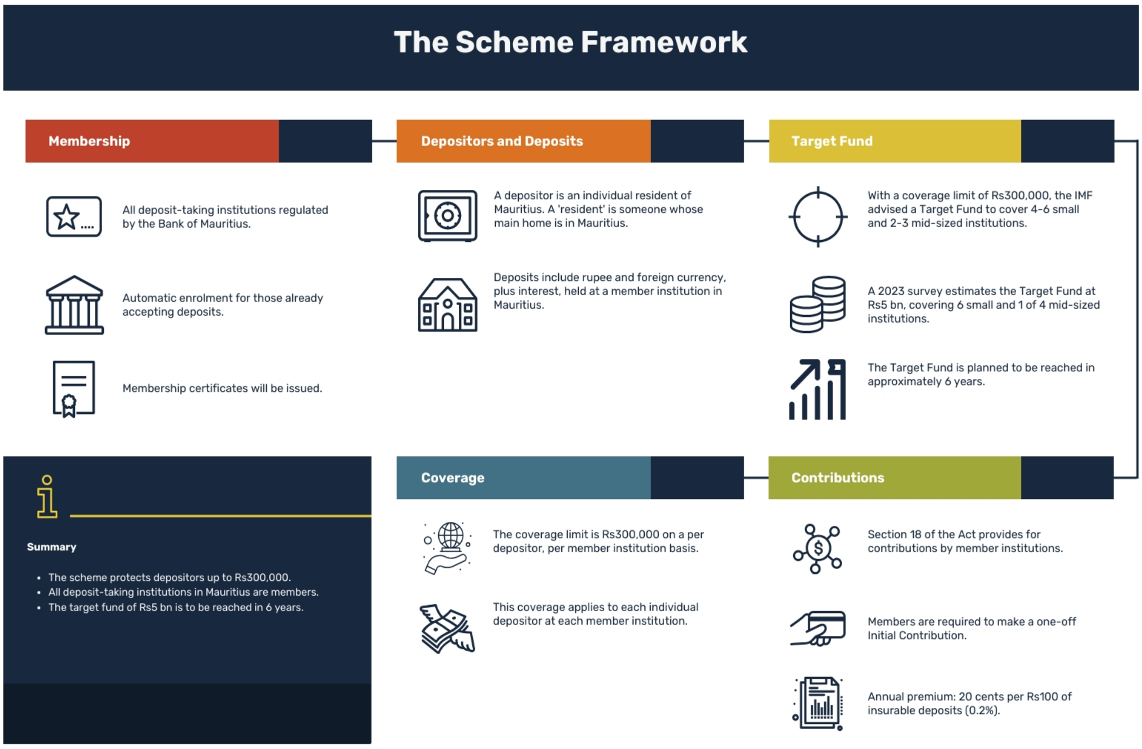
The prosecution process under the MDIS Act is rigorously controlled to ensure due process and consistency with national judicial policy:

- **Consent for Prosecution:** No prosecution for an offence under the Act or its regulations may be instituted except by, or with the express consent of, the Director of Public Prosecutions . This provision ensures that penal actions are pursued judiciously and in the public interest.
- **Power to Compound:** The Agency is legally empowered to compound any offence under the Act, provided that it secures the prior consent of the Director of Public Prosecutions. The power to compound allows the MDIC to settle a breach administratively, often involving a monetary

penalty, thereby ensuring swift resolution and efficient use of judicial resources where appropriate.

The Scheme Framework

The Scheme Framework establishes the fundamental operational parameters and scope of protection, ensuring clarity and transparency for both member institutions and the depositing public. The effective implementation of this framework is paramount to fostering public confidence and maintaining financial stability within the Mauritian financial sector during the 2024-2025 financial year.



Membership Profile

The membership of the Deposit Insurance Scheme is defined in the MDIS Act to ensure comprehensive protection across the financial system. The framework stipulates that all deposit-taking institutions operating under the regulatory and supervisory purview of the Bank are mandatory participants in the Scheme.

Membership for institutions already accepting deposits as of the Scheme's inception is secured through automatic enrolment, facilitating a seamless transition into the framework. In the forthcoming period, the MDIC will be formalising this process through the issuance of a membership certificate to each participating institution, confirming their compliance and participation status.

Depositors and Deposits Covered

Definition of Depositor

The Scheme is designed to safeguard the assets of the resident depositors. Accordingly, a depositor is defined as an individual whose principal place of residence is in Mauritius, thus qualifying as a resident for the purposes of the Scheme.

Definition of Deposits

The term deposits is broadly defined to encompass all funds placed with a member institution in Mauritius. This coverage includes both rupee and foreign currency deposits, along with any interest accrued thereon, ensuring protection irrespective of the currency denomination.

Coverage Limit

The quantum of protection provided to depositors is set at MUR300,000 on a per depositor per member institution basis. This figure represents the maximum compensation payable from the MDIC Fund to a single resident depositor, covering all qualifying accounts held at that particular member institution should an event necessitating payment occur.

Target Fund Size and Strategy

The MDIC's strategy is built upon establishing a prudently sized Deposit Insurance Fund (DIF) to ensure readiness for potential payouts. Based on the current coverage limit of MUR300,000, the International Monetary Fund (IMF) has advised a strategic Target Fund size designed to cover simultaneous failure scenarios.

As per the 2023 survey and analysis, the Target Fund is currently estimated at MUR5 billion. This target is specifically calibrated to provide adequate coverage. The current projection indicates that this MUR5 billion target is expected to be reached within approximately six years through ongoing contributions.

Member Institution Contributions

In accordance with Section 18 of the MDIS Act, member institutions are statutorily required to contribute to the Fund. The contribution structure is two-fold:

- **One-off Initial Contribution:** A mandatory upfront payment made upon entering the Scheme.
- **Annual Premium:** Calculated at a rate of 20 cents per MUR100 of insurable deposits, which translates to an annual premium rate of 0.2% of the institution's insurable deposit base.

Governance Framework and Structure

The MDIC is committed to upholding the highest standards of corporate governance, transparency, and operational efficiency. The Corporation's framework is strictly governed by statutory provisions and its own Constitution, ensuring effective oversight and accountability in fulfilling its mandate.

Mauritius Deposit Insurance Corporation

Governance Framework and Structure

The Corporation's structure is governed by its Constitution and the Mauritius Deposit Insurance Scheme Act. Its Constitution requires a Board of Directors, with a minimum of six (6) and a maximum of nine (9) Directors. The Board exercises authority over the conduct and oversight of the Corporation and establishes committees as permitted by the Constitution.

Legal Basis 1

The Corporation is established and regulated by the Mauritius Deposit Insurance Scheme Act together with the Corporation's Constitution, which together define its mandate and governance framework.

Board Composition 2

The Constitution set the Board size limits at a minimum of six (6) and a maximum of nine (9) Directors to ensure appropriate oversight and governance.

Appointment History 3

The initial Board comprised seven members appointed by the Bank of Mauritius with the concurrence of the Minister of Finance, Economic Planning and Development. As at 30 June 2025, the Board had been reconstituted and comprised eight members.

Board Responsibilities 4

The Board is charged with the conduct and oversight of the Corporation's business and affairs and with exercising all powers and performing all acts the Corporation may lawfully do.

Board Committees and Governance Powers

Conduct and oversee the business and affairs of the Corporation, exercising all powers permitted by law to ensure robust governance and strategic oversight.

Appoint a Chief Executive Officer and other personnel necessary for the proper discharge of the Corporation's functions, on terms and conditions determined by the Board.

Establish committees: the Board may set up committees with functions and powers exercisable by Directors under law, subject to overall Board supervision and reporting obligations.

Committees' membership, terms of reference and proceedings are determined by the Board and remain subject to the Board's overall supervision and reporting requirements.

Statutory and Constitutional Foundation

Structure of the Corporation

The establishment and structure of the MDIC are fundamentally governed by the MDIS Act and the Corporation's Constitution. This legal architecture defines the powers, composition, and functions necessary for the effective operation of a robust deposit insurance scheme.

In compliance with Section 7 of the Act, the Corporation is managed by a Board of Directors. The Constitution of the Corporation stipulates the Board's composition, requiring a minimum of six (6) Directors and a maximum of nine (9) Directors to ensure adequate breadth of expertise and oversight capacity.

Board Composition

The first Board was comprised of seven members, appointed by the Bank with the concurrence of the Minister of Finance, Economic Planning and Development, as required under the MDIS Act. During the reporting period, the Board was reconstituted on 27 March 2025. As at 30 June 2025, the Corporation operated with a reconstituted Board consisting of eight members.

Role and Responsibilities of the Board

The Board of Directors is the highest decision-making body of the Corporation, responsible for setting strategic direction and overseeing its operations. In terms of the Act, the Board's responsibilities include, *inter alia*, the following critical functions:

- **Conduct and Oversight:** The Board is responsible for the overall conduct and oversight of the business and affairs of the Corporation, exercising all powers and performing all acts which may be exercised or done by the Corporation.
- **Executive Appointments:** The Board holds the authority to appoint a Chief Executive Officer (CEO) and such other persons as are necessary for the proper discharge of the Corporation's functions, determining their terms and conditions of engagement.

General Governance Principles

The Board is firmly committed to ensuring sound governance practices and advocates for the sustained implementation of sound rules of operations across the MDIC. The key operational principles guiding the Board's work include:

- **Meeting Frequency:** The Board typically meets once every three months, or more frequently if required to address urgent matters or take prompt action.
- **Delegation of Operations:** The Board maintains a strategic, non-executive role and is not involved in the day-to-day operations of the MDIC. This essential task is delegated to the Chief Executive Officer, who is appointed by the Board in accordance with Section 8 of the MDIS Act.

Board Committees

To enhance the depth and effectiveness of its decision-making, and to ensure that critical tasks are executed in a transparent and efficient manner, the Board is entitled by the Constitution to establish committees. These committees are vested with such functions and powers as the Board may determine, always subject to the Board's overall supervision and reporting obligations.

During the reporting period, the Board established two standing sub-committees: the **Investment Committee** and **Audit and Risk Management Committee**

These committees play a vital role in providing focused oversight on key areas of financial management and risk mitigation.

Board Meeting Attendance (26 March 2024 to 30 June 2025)

The commitment and dedication of the Directors are reflected in their attendance at Board meetings held throughout the reporting period.

Board Attendance (29/03/24-27/03/2025)
This table details the attendance of the initial Board members for the five meetings held during their tenure within the reporting period:

Name of Board Member	29 March 2024	30 April 2024	03 May 2024	23 July 2024	22 October 2024	Attendance
Mr Harvesh Kumar Seegolam, GCSK, **Chairperson**	P	P	P	P	P	5/5
Mr Mardayah Kona Yerukunondu	O	P	P	P	P	4/5
Mrs Hemlata Sadhna Sewraj-Gopal	P	P	P	P	O	4/5
Ms Marie Françoise Sarah Paturau	P	P	P	P	P	5/5
Mr Vasish Ramkhalawon	P	P	P	P	P	5/5
Mr Neil. Radhakrishna. Chedumbarum Pillay	P	P	P	P	O	4/5
Mr Vinay Cooblall	P	P	P	P	P	5/5

Board Attendance (Since 27 March 2025)

The reconstituted Board held its first meeting on 28 May 2025. The attendance record is as follows:

Name of Board Member	28 May 2024	Attendance
Dr Rama Krishna Sithanen GCSK, **Chairperson**	P	1/1
Mr Rajeev Hasnah	P	1/1
Mr Louis Sydney Gérard In Sanspeur	P	1/1
Ms Marie Bettina Bela Gaëlle Saminaden	P	1/1
Mrs Mary-Jane Christina Edouard	P	1/1
Ms Zakiyah Bibi Peeroo	P	1/1
Mr Yashodaren Umanee	P	1/1
Mrs Priya Balgobin-Sutchoo	P	1/1

Memorandum of Understanding with the Bank of Mauritius

Framework for Cooperation

Section 10(1) of the MDIS Act provides that "the Agency may, with the approval of the Board, enter into agreements, memoranda of understanding or arrangements for cooperation, coordination and the exchange of information between the Agency and the Bank, or any other relevant public sector or law enforcement agency.

In adherence to this provision, the Board of the MDIC gave its approval for a Memorandum of Understanding (MoU) with the Bank of Mauritius at its meeting held on 30 April 2024.

Purpose of the MoU

The primary purpose of this MoU is to establish a formal framework for cooperation and the sharing of information between the Bank and the MDIC. This ensures a coordinated approach to financial stability. Specifically, the MoU:

- Defines the types of supervisory and financial information required by the MDIC from the Supervision Department of the Bank, and vice-versa, for the effective discharge of their respective mandates.
- Provides for the sharing of essential resources by the Bank to the MDIC, covering critical operational areas such as accounting services, legal support, and Information Technology.
- This MoU is pivotal, as it ensures the MDIC benefits from the necessary operational support from the Bank during its initial stages of operationalisation, thereby strengthening its capacity for prompt and efficient functioning.

Governance Framework and Investment Oversight

Establishment of the Investment Committee

Recognising the critical need for a structured and prudent approach to managing the Deposit Insurance Fund (DIF), the Board of Directors, at its meeting held on 29 May 2025, formally approved the establishment of a dedicated Investment Committee . The formation of this Committee is a pivotal governance enhancement aimed at ensuring the long-term sustainability and stability of the Fund.

The primary immediate responsibility of the Investment Committee is the formulation and recommendation of a comprehensive Investment Policy for the MDIC. Upon Board approval of this policy, the Committee will assume continuous oversight of all investment activities, ensuring rigorous adherence to the mandated guidelines and risk parameters.

Terms of Reference (ToR)

The Investment Committee is constituted with clearly defined terms of reference to guide its function:

Area	Detail
Mandate	To oversee and guide the investment activities of the MDIC in strict accordance with its board-approved investment policy, regulatory requirements, and the founding objectives of the Corporation.
Objective	To prudently manage the investment portfolio with an overarching focus on ensuring the safety and liquidity of the Deposit Insurance Fund, while striving to achieve the optimal return necessary to meet the MDIC's potential financial obligations.
Responsibilities	Review and recommend strategic asset allocation, monitor portfolio performance against established benchmarks, evaluate and recommend external fund managers (where applicable), and ensure comprehensive compliance with all established investment guidelines and risk parameters.
Authority	To deliberate on investment decisions, review portfolio adjustments, and make formal, detailed recommendations to the Board of Directors on all material investment decisions and policy amendments.
Reporting	To report regularly to the Board of Directors on the status of investment activities, performance metrics, risk exposures, and any material developments or matters requiring Board intervention or decision.

Investment Committee Membership

The Board appointed the inaugural members of the Investment Committee to ensure balanced and informed decision-making:

- **Chairperson:** Mr. Rajeev Hasnah
- **Member:** Mr. Gerard Sanspeur*
- **Member:** Mr. Yashodaren Umanee
- **Member:** Mrs. Priya Balgobin-Sutchoo

* Mr Sanspeur resigned on 29 August 2025 and was replaced by Mr Ramsamy Chinniah on 29 October 2025

Audit and Risk Management Committee

Establishment and Mandate

Effective governance requires a robust, independent oversight mechanism to ensure the integrity of financial information and the resilience of operations. To this end, the Board of Directors, at its meeting held on 28 May 2025, formally agreed to the establishment of the Audit and Risk Management Committee (ARMC).

The ARMC is constituted as a vital subcommittee of the Board of the Mauritius Deposit Insurance Corporation Ltd (MDIC). Its primary mandate is to assist the Board in fulfilling its responsibilities relating to financial reporting, internal controls, risk management, and overall compliance with all applicable laws, regulations, and the Corporation's Constitution.

Crucially, the Committee acts strictly as an independent oversight body, providing assurance and strategic challenge to management. It does not, under any circumstance, assume the functions or responsibilities of MDIC management.

Composition and Authority

The Committee is composed of members appointed by the Board, ensuring a blend of skills and independence necessary to execute its functions effectively. The inaugural members of the ARMC, as decided by the Board on 28 May 2025, are:

- **Chairperson:** Mr. Yashodaren Umanee
- **Member:** Ms. Gaelle Saminaden
- **Member:** Ms. Zakiyah Peeroo

Authority

The Board grants the ARMC comprehensive authority to investigate any matters falling within its Terms of Reference. This includes the unconditional right to access any information, documents, or employees of the Corporation deemed necessary to fulfil its oversight responsibilities. Furthermore, the Committee is empowered to seek independent professional advice, at the Corporation's expense, when required to support its deliberations and recommendations.

Meetings and Reporting Structure

Element	Description
Frequency	The Committee shall meet at least **four times a year**, strategically timed to align with key phases in the financial reporting and audit cycle. Additional meetings may be convened by the Chairperson or the Board as deemed necessary.
Quorum	A quorum for meetings is defined as a majority of the appointed Committee members.
Attendance	The Chief Executive Officer (CEO) and relevant senior officers will typically attend meetings. The CEO may designate an alternate officer with the prior consent of the Chairperson. Crucially, the Committee holds private sessions with both the internal and external auditors without management presence to ensure candid and unconstrained dialogue.
Secretary	The Secretary to the Committee shall be the Secretary to the Board of the MDIC, responsible for recording proceedings and ensuring adherence to governance standards.
Reporting	The Committee will report formally to the Board of Directors following each meeting, providing a summary of proceedings, key findings, and specific recommendations for Board consideration and approval.
Meeting Format	Meetings may be held physically or virtually, as determined by the Chairperson. Members may opt to join virtually with the Chairperson's prior authorization.

Duties and Responsibilities

The ARMC's duties span three critical domains, ensuring comprehensive oversight across the integrity of financial data, the robustness of control systems, and the quality of assurance functions.

Financial Reporting Oversight

The Committee is responsible for reviewing and assessing the integrity of the Corporation's financial disclosures:

- **Review and Recommend:** Reviewing the Corporation's interim and annual financial statements, as well as the annual report, before their submission to the Board for final approval and publication.
- **Accounting Policies:** Scrutinising significant accounting judgments, estimates, and any proposed changes in accounting policies to confirm they comply with applicable accounting standards and legal requirements.
- **External Audit Findings:** Discussing with the external auditors any significant issues, audit findings, and formal recommendations arising from the statutory audit.

Internal Controls and Risk Management

The Committee plays a central role in supervising the MDIC's control and risk environment:

- **Internal Control Framework:** Reviewing and assessing the overall adequacy and effectiveness of the Corporation's internal control framework, including financial and non-financial systems, designed to safeguard corporate assets.

- **Risk Management:** Reviewing the effectiveness of the entire risk management framework, policies, and processes. This includes challenging management on the identification, evaluation, and mitigation of key risks, and reviewing the **Risk Register** and the Corporation's articulated **Risk Appetite**.
- **Compliance:** Monitoring MDIC's adherence to all relevant laws, regulations, and its Constitution.
- **Fraud and Whistleblowing:** Reviewing and overseeing the procedures for fraud detection, investigation, and response. It also oversees the confidential arrangements by which employees can raise concerns about financial reporting or other misconduct.

Internal and External Audit

The ARMC maintains direct responsibility for overseeing both assurance functions:

- **Internal Audit:** The Committee is responsible for approving the Internal Audit Charter and the annual audit plan. It reviews the effectiveness of the Internal Audit function, monitors progress against the plan, and reviews all major internal audit reports and recommendations. The Head of Internal Audit maintains a direct reporting line to the Committee Chairperson to ensure independence and accountability.
- **External Audit:** The Committee recommends the appointment and remuneration of the external auditor to the Board and the shareholder. It annually assesses the external auditor's independence and objectivity, agrees upon the scope and terms of the annual audit, and reviews the subsequent audit report and management letter.

Report on Operations

Report on Operations

The 2024-2025 financial period marked the official launch of the operational framework of MDIC, focusing on institutional engagement, member enrolment, and the critical mobilisation of the Initial Contribution to the Deposit Insurance Fund. Significant strides were made to ensure full compliance with the MDIS and the Companies Acts and establish a robust foundation for the MDIC's future activities.

Inaugural Member Engagement and Scheme Launch

The initial phase of operations was centred on informing and engaging prospective member institutions. A high-level meeting was convened on 26 September 2024, bringing together the Chief Executive Officers (CEOs) of all eligible banks and Non-Bank Deposit Taking Institutions (NBDTIs).

The primary objective of this gathering was to formally present the MDIC, articulate the purpose, objectives, and regulatory framework of the Deposit Insurance Scheme in Mauritius. The meeting, attended by the Board of the MDIC, featured both an Executive Presentation and a subsequent Technical Presentation, providing granular detail on the structure and calculation of the Initial Contributions and forthcoming premiums.

This interaction served as the fundamental basis for establishing a collaborative relationship with member institutions. During the meeting, institutions were informed of two key operational decisions designed to ensure seamless financial integration:

- **Fund Collection Strategy:** To mitigate the financial burden on member institutions, the collection of the Initial Contribution and the first Premium payment would be staggered and would not occur within the same financial year.
- **Contribution Basis:** All contributions, including the Initial Contribution and the first Premium, would be calculated on the basis of the total insurable deposits held by the respective institutions as at 30 June 2024. Subsequent premiums would be based on the latest survey carried out.

Membership Enrolment and Initial Fund Mobilisation

Following the inaugural high-level engagement, a comprehensive data collection exercise was initiated. A survey was launched on 27 September 2024 to determine the exact distribution of resident deposits held by individuals across all eligible financial institutions as at 30 June 2024.

Membership Details

The survey identified 14 banks and 6 NBDTIs holding resident deposits for individuals as at the reference date, resulting in a total of 20 institutions qualifying as members of the MDIC under the terms of the MDIS Act.

Fund Collection

The total insurable deposits held by these 20 member institutions amounted to approximately MUR 525.6 billion.

In compliance with the MDIS Act, the Initial Contribution was set at 10% of the MUR 5 billion Target Fund, equating to MUR 500 million. We are pleased to report that all 20 member institutions successfully remitted their proportionate share of the Initial Contribution within the stipulated deadline of 31

December 2024. This critical achievement ensures the immediate liquidity and operational readiness of the Fund.

Deposit Coverage Analysis and Key Statistics

The operational survey provided valuable statistics on the distribution of deposits (both Rupee and Foreign Currency) across the sector as at the end of June 2024, offering critical insights into the scope and effectiveness of the Scheme's coverage.

Table 1: Distribution of Depositors on Selected Range of Deposits (End-June 2024)

Deposit Range	Banks	NBDTIs	Total Depositors	Depositors per range (%)	Depositors in non-banks (%)
Up to MUR100,000	2,055,211	126,723	2,181,934	80%	5.8%
Over MUR100,000 up to MUR200,000	154,235	7,358	161,593	6%	4.6%
Over MUR200,000 up to MUR300,000	81,100	3,416	84,516	3%	4.0%
Over MUR300,000	278,610	14,834	293,444	11%	5.1%

Table 2: Distribution of Value of Deposits on Selected Range of Deposits (Rupee and FX, End-June 2024)

Deposit Range	Banks (MUR)	NBDTIs (MUR)	Total Value (MUR)	Deposit Value per range (%)
Up to MUR100,000	25,131,943,654	2,129,487,076	27,261,430,730	5.2%
Over MUR100,000 up to MUR200,000	22,289,812,407	991,592,617	23,281,405,024	4.4%
Over MUR200,000 up to MUR300,000	20,271,618,571	830,217,269	21,101,835,841	4.0%
Over MUR300,000	425,097,831,899	28,826,862,236	453,924,694,135	86.4%
Grand Total	492,791,206,531	32,778,159,198	525,569,365,729	100.0%

Distribution of Depositors by Deposit Range

Mauritius Deposit Insurance Corporation

Overview

This report provides a detailed breakdown of depositor distribution across various deposit ranges, highlighting the concentration of depositors in both traditional banks and Non-Bank Deposit Taking Institutions (NBDTIs).

Total Depositors

2.72 MILLION

people have deposits in banks and NBDTIs combined across all ranges.

Largest Depositor Group

2.18 MILLION

depositors fall within the 'Up to Rs100,000' deposit range.

Non-Bank Depositors

152,331

total depositors hold their accounts with Non-Bank Deposit Taking Institutions (NBDTIs).

Key Depositor Statistics

Total

2,721,487

depositors are accounted for in this distribution analysis.

2,569,156

were depositors in **Banks**

152,331

were depositors in **NBDTIs**

Deposits by Range

Over Rs300,000

293,444

depositors are in the **highest deposit range** specified in the data.

Over Rs100k to Rs200k

161,593

depositors fall within the range of **over Rs100,000 up to Rs200,000**.

Over Rs200k to Rs300k

84,516

depositors are in the range of **over Rs200,000 up to Rs300,000**.

Distribution of Deposit Values

Overview of Deposit Distribution

This data shows the distribution of Rupee and FX deposits across various value ranges, detailing contributions from Banks and Non-Bank Deposit-Taking Institutions (NBDTIs).

Total Deposits

Rs 525.6 Bn

Total value of Rupee and FX deposits from both Banks and NBDTIs.

Deposits > Rs 300,000

86.4%

of the total deposit value comes from the highest deposit range.

Bank Deposits

Rs 492.8 Bn

Total deposits held in banks, representing the majority of the value.

Deposit Value by Range

Deposits up to Rs 100,000

5.2% of total value, from the smallest deposit range.

Rs 23.3 Bn

Deposits from **Rs 100k to Rs 200k.**

Rs 21.1 Bn

Deposits from **Rs 200k to Rs 300k.**

Institutional Contribution

Banks

Rs 492.8 Bn

Banks contribute the **vast majority** of the total deposit value.

NBDTIs

Rs 32.8 Bn

NBDTIs hold a smaller but **significant portion** of deposits.

Total Combined

Rs 525.6 Bn

The **combined total** value of deposits across **all institutions**.

Table 3: MDIC Obligations by Deposit Range

Deposit Range	MDIC Obligations (MUR)
Up to MUR100,000	27,261,430,730
Over MUR100,000 up to MUR200,000	23,281,405,024
Over MUR200,000 up to MUR300,000	21,101,835,841
Over MUR300,000	88,033,200,000
Grand Total	**159,677,871,594**

Key Findings

The data confirms the critical role of the Scheme in protecting the Mauritian depositing public, revealing two significant points:

High Depositor Protection: At the prescribed coverage limit of MUR 300,000 per depositor per member institution, the Scheme ensures that a significant majority—specifically 89% of resident individual depositors—would be fully covered in the event of a member failure.

Deposit Concentration: The bulk of insurable deposits are concentrated within the banking sector, which holds approximately 94% of the total insurable deposit value, with Non-Bank Deposit Taking Institutions holding the remaining 6%.

MDIC Financial Commitments Across Deposit Ranges

The MDIC's financial responsibility totals Rs159.68 billion, distributed among various deposit brackets, reflecting its commitment to safeguarding depositors across the spectrum.

Rs27.26Bn commitment

is allocated for deposits up to Rs100,000, highlighting significant protection for small depositors under MDIC's obligation.

Rs23.28Bn commitment

covers deposits over Rs100,000 and up to Rs200,000, ensuring continued security for mid-range depositors.

Rs21.10Bn commitment

is dedicated to deposits over Rs200,000 up to Rs300,000, maintaining comprehensive coverage by the MDIC.

Rs88.03Bn commitment

is reserved for deposits exceeding Rs300,000, representing the largest portion of MDIC's financial obligations.

MDIC's total obligation stands at Rs159.68 billion, securing deposits across all ranges to uphold depositor confidence and financial stability.

Future Initiatives

In adherence to global best practice, the MDIC will undertake a series of foundation studies to assess their feasibility prior to their inclusion in its strategic objectives. These studies would include a comprehensive review of the deposit insurance coverage limit, consistent with the periodic assessments undertaken by established Deposit Insurance Agencies such as the U.S. FDIC and European DIS frameworks, with a view to ensuring that the insured limit maintains its real value and enhance public confidence.

Furthermore, the MDIC would also explore the feasibility of transitioning to a Risk-Based Premium system. This aligns with the structural shifts seen in mature markets and is intended to promote market discipline by linking premium rates to an institution's risk profile, thereby ensuring greater equity in contributions.

Finally, as part of its strategy to ensure operational readiness, the MDIC will also undertake analysis and implementation of a full-fledged integrated core system and a robust development of Business Continuity Plans.

Financial Statements

Mauritius Deposit Insurance Corporation

FINANCIAL STATEMENTS

FROM 26 MARCH 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

COMPANY INFORMATION

The Directors are pleased to present the audited financial statements of the Mauritius Deposit Insurance Corporation Ltd (the "Corporation'') for the financial period 26 March 2024 (date of incorporation) to 30 June 2025.

PRINCIPAL ACTIVITY

The Corporation established under the Mauritius Deposit Insurance Scheme Act of 2019 ("MDIS Act") and incorporated and registered as such under the Mauritian Companies Act 2001, operates as a private company and wholly owned subsidiary of the Bank of Mauritius ("Bank").

DIRECTORS

The Directors of the Corporation as at 30 June 2025 and at the date of this report were as follows:

	Date of Appointment	Date of resignation
Mr Harvesh Kumar Seegolam (Chairperson)	28 March 2024	27 March 2025
Mr Mardayah Kona Yerukunondu	28 March 2024	27 March 2025
Mrs Hemlata Sadhna Sewraj-Gopal	28 March 2024	27 March 2025
Ms Marie Françoise Sarah Paturau	28 March 2024	27 March 2025
Mr Vasish Ramkhalawon	28 March 2024	27 March 2025
Mr Neil. Radhakrishna Chedumbarum Pillay	28 March 2024	27 March 2025
Mr Vinay Cooblall	28 March 2024	27 March 2025
Dr Rama Krishna SITHANEN GCSK (Chairperson)	27 March 2025	29 September 2025
Mr Rajeev HASNAH	27 March 2025	
Mr Louis Sydney Gérard In SANSPEUR	27 March 2025	29 August 2025
Ms Marie Bettina Bela Gaëlle SAMINADEN	27 March 2025	
Mrs Mary-Jane Christina EDOUARD	27 March 2025	
Ms Zakiyah Bibi PEEROO	27 March 2025	
Mr Yashodaren UMANEE	27 March 2025	
Mrs Priya BALGOBIN-SUTCHOO	27 March 2025	

DIRECTORS' SERVICE CONTRACTS

There are no service contracts between the Corporation and its Directors.

CONTRACTS OF SIGNIFICANCE

During the period under review, there was no contract of significance to which the Corporation was a party and in which a Director of the Corporation was materially interested either directly or indirectly.

COMPANY INFORMATION (CONTINUED)

DIRECTORS' REMUNERATION

For the financial period from 26 March 2024 (date of incorporation) to 30 June 2025, the following were the Directors' remunerations:

Category	Directors	MUR
Non-Executive	Dr Rama Krishna SITHANEN GCSK	100,000
Non-Executive	Mr Rajeev HASNAH	60,000
Non-Executive	Mr Louis Sydney Gérard In SANSPEUR	60,000
Independent	Ms Marie Bettina Bela Gaëlle SAMINADEN	90,000
Independent	Mrs Mary-Jane Christina EDOUARD	90,000
Independent	Ms Zakiyah Bibi PEEROO	90,000
Independent	Mr Yashodaren UMANEE	90,000
Independent	Mrs Priya BALGOBIN-SUTCHOO	90,000
Non-Executive	Mr Harvesh Kumar Seegolam	-
Non-Executive	Mr Mardayah Kona Yerukunondu	225,000
Non-Executive	Mrs Hemlata Sadhna Sewraj-Gopal	225,000
Independent	Ms Marie Françoise Sarah Paturau	325,000
Independent	Mr Vasish Ramkhalawon	325,000
Independent	Mr Neil. Radhakrishna Chedumbarum Pillay	325,000
Independent	Mr Vinay Cooblall	325,000
		2,420,000

DONATIONS

The Company did not make any donations during the financial period from 26 March 2024 (date of incorporation) to 30 June 2025.

AUDITOR'S FEES

	2025 MUR.
Audit fees (vat inclusive) payable to BDO & Co	**431,250**

The auditor did not receive any fees for other services.

STATEMENT OF DIRECTORS RESPONSIBILITY

STATEMENT OF DIRECTORS RESPONSIBILITY

The Mauritian Companies Act 2001 and the Mauritius Deposit Insurance Scheme Act 2019 require the Directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Corporation. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Corporation and to enable them to ensure that the financial statements comply with the Mauritius Deposit Insurance Scheme Act 2019 and the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are of the opinion that the Corporation has adequate resources to continue operations for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the Corporation's financial statements. The Directors have satisfied themselves that the Corporation is in a sound financial position and that it has access to sufficient funding facilities to meet its foreseeable cash requirements.

The Directors are not aware of any new material changes that may adversely impact the Corporation and are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Corporation.

The Directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The financial statements have been audited by BDO & Co, an independent auditing firm, which has been given unrestricted access to all financial records.

Mr Rajeev Hasnah
Director

Mr Yashodaren Umanee
Director

Date: 29 September 2025

CERTIFICATE OF COMPANY SECRETARY UNDER SECTION 166 (D) OF THE MAURITIAN COMPANIES ACT 2001

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of the Mauritius Deposit Insurance Corporation Ltd (the "Corporation") under the Mauritian Companies Act 2001 during the financial period 26 March 2024 (date of incorporation) to 30 June 2025.

Secretary

Registered Office:
Level 3, Bank of Mauritius Building
Sir William Newton Street
PORT LOUIS

Date: 29 September 2025

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDER OF MAURITIUS DEPOSIT INSURANCE CORPORATION LTD

Tel: +230 202 3000
Fax: +230 202 9993
www.bdo.mu

10, Frère Félix de Valois Street
Port Louis, Mauritius
P.O. Box 799

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of the Mauritius Deposit Insurance Corporation Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mauritius Deposit Insurance Corporation Ltd (the "Corporation"), set out on pages 9 to 28 which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Corporation as at June 30,2025, and of its financial performance and its cash flows for the period then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and comply with the Mauritian Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code").* We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information included in the Annual report obtained at the date of this auditor's report is the Company Information, Statement of Directors' Responsibility and Certificate of Company Secretary, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDER OF MAURITIUS DEPOSIT INSURANCE CORPORATION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholder of Mauritius Deposit Insurance Corporation Ltd (Continued)

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholder of Mauritius Deposit Insurance Corporation Ltd (Continued)

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have no relationship with, or interests in, the Corporation, other than in our capacity as auditor, and dealings in the ordinary course of business.
- We have obtained all information and explanations we have required.
- In our opinion, proper accounting records have been kept by the Corporation as far as it appears from our examination of those records.

Other Matter

This report is made solely to the Corporation's Shareholder, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Corporation's Shareholder those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation and the Corporation's Shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

BDO & Co

BDO & Co
Chartered Accountants

SJankee

Siddhish Jankee, FCCA
Licensed by FRC

Port Louis,
Mauritius

September 29, 2025

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Notes	2025 Rs
ASSETS		
Current Assets		
Cash and Cash Equivalents	7	695,868,840
Other assets	8	110,000
		695,978,840
TOTAL ASSETS		**695,978,840**
EQUITY		
Capital and Reserves		
Stated Capital	9	200,000,000
Retained earnings		492,939,034
Total Equity		**692,939,034**
LIABILITIES		
Current Liabilities		
Other payables	10	519,100
Advanced annual premium	11	2,520,706
Total Liabilities		**3,039,806**
TOTAL EQUITY AND LIABILITIES		**695,978,840**

The financial statements have been approved and authorised for issue by the Board of Directors on 29 September 2025 and signed on its behalf by:

Mr Rajeev Hasnah
Director

Mr Yashodaren Umanee
Director

The notes on pages 59 to 74 form an integral part of these financial statements.
Independent Auditor's report on pages 52 to 54.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD 26 MARCH 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

	Notes	2025 Rs
INCOME		
Initial Contribution	3.2/12	500,000,000
Total Revenue		**500,000,000**
EXPENSES		
Staff costs	13	1,857,903
Operating expenses	14	2,783,063
Directors' fees	15	2,420,000
Total Expenses		**7,060,966**
Net income for the period		**492,939,034**
Other comprehensive income for the period		**-**
Total Comprehensive income for the period		**492,939,034**

The notes on pages 59 to 74 form an integral part of these financial statements.
Independent Auditor's report on pages 52 to 54.

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD 26 MARCH 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

	Notes	Stated Capital Rs	Retained Earnings Rs	Total Rs
Issue of Shares	9	200,000,000	-	200,000,000
Net income for the period		-	492,939,034	492,939,034
Other comprehensive income		-	-	-
Balance at 30 June 2025		**200,000,000**	**492,939,034**	**692,939,034**

The notes on pages 59 to 74 form an integral part of these financial statements.
Independent Auditor's report on pages 52 to 54.

STATEMENT OF CASH FLOWS

FOR THE PERIOD 26 MARCH 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

	Notes	2025 Rs
Cash Flows from Operating Activities		
Net income for the period		492,939,034
Changes in working capital:		
Increase in other assets	8	(110,000)
Increase in other payables	10	519,100
Increase in advance annual premium	11	2,520,706
Net Cash Flows generated from Operating Activities		**495,868,840**
Cash Flows from Financing Activity		
Issue of share capital	9	**200,000,000**
Net Cash Flows generated from Financing Activity		**200,000,000**
Net increase in cash and cash equivalent during the period		**695,868,840**
Cash and cash equivalent at end of the year	**7**	**695,868,840**

The notes on pages 59 to 74 form an integral part of these financial statements.
Independent Auditor's report on pages 52 to 54

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 26 MARCH 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

1. GENERAL INFORMATION

The Mauritius Deposit Insurance Corporation Ltd (the 'Corporation') established under the Mauritius Deposit Insurance Scheme Act of 2019 ("MDIS Act") and incorporated and registered as such under the Mauritian Companies Act 2001, operates as a private company and wholly owned subsidiary of the Bank of Mauritius ("Bank").

The Insolvency and Insurance Acts shall not apply to the Corporation.

The Corporation administers and manages the Mauritius Deposit Insurance Scheme and the Deposit Insurance Fund. The insurance coverage limit under that Scheme is currently 300,000 rupees on a per insured depositor per member institution basis. Member institutions contribute to the Deposit Insurance Fund by way of an initial contribution and an annual premium at the rate of 20 cents per hundred rupees of their insurable deposits. The corporation expects to build up a target fund of 5 billion rupees in five years' time to meet its financial obligations.

The Corporation has a Paybox Plus mandate such that it has the obligation to compensate insured depositors of a failed member institution where the latter is liquidated or is resolved through a purchase and assumption transaction where the Bank determines this method to be the least cost resolution.

The Corporation uses the Bank's staff and other infrastructure, and its registered office is at Level 3, Bank of Mauritius Building, Sir William Newton Street, Port Louis.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Corporation have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in compliance with the requirements of the MDIS Act and the Mauritian Companies Act 2001.

(b) Basis of measurement

The financial statements have been prepared using the going concern concept under the historical cost basis.

(c) Functional and presentation currency

The financial statements of the Corporation are presented in Mauritian Rupee ("Rs") which is the Corporation's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenditure. Actual results may differ from those estimates.

2. BASIS OF PREPARATION (CONTINUED)

(d) Use of estimates and judgements (continued)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment for the period ended 30 June 2025, as well as critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are provided in note 5.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future period affected.

3. ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently in the financial statements.

3.1 Stated Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction from proceeds.

3.2 Income recognition

Income is recognised when it is probable that the economic benefit will flow to the Corporation and the income amount can be measured reliably. Income is recognised in the statement of profit and loss in the period in which they are due. As per the MDIS Act, the income of the Corporation consists of initial contributions and annual premiums.

(i) Initial Contribution

In terms of the Third Schedule of the MDIS Act, the Initial Contribution of member institutions constitute one-tenth of the target fund of the Corporation estimated at Rs5 billion and is apportioned on the basis of their insurable deposits.

(ii) Annual Premium

Premium is charged annually to member institutions at the rate of 20 cents per hundred rupees on insurable deposits or calculated at such rate and on such basis as may be prescribed to fund the Deposit Insurance Fund. The annual premium shall be set based on reasonable assumptions and projections.

(iii) Recovery

(a) The Corporation may recover –
- any compensation paid to, or for the benefit of, an insured depositor out of the Fund which is in excess of what ought to have been paid to the insured depositor under the MDIS Act; or
- any compensation which is wrongly paid to any person, in such manner and within such period as the Board may specify to that person.

(b) Any amount paid in excess or wrongly paid to any person shall be recoverable by the Corporation as a debt due by that person.

(c) The Corporation shall, on the recovery of any amount paid in excess or wrongly paid from any person, pay such amount into the Deposit Insurance Fund.

3. ACCOUNTING POLICIES (CONTINUED)

3.3 Compensation

(i) The obligation of the Corporation to pay compensation to depositors of a failed member institution shall arise where:

(a) a liquidator, conservator or receiver for the member institution is appointed in accordance with the Mauritian Banking Act; or

(b) a member institution is resolved through a purchase and assumption transaction where the Bank determines this method to be the least cost resolution.

(ii) Compensation shall be paid where conservatorship fails, and the member institution is in compulsory liquidation. The Corporation shall compute the amount of compensation payable to an insured depositor in respect of his insured deposits placed with a failed member institution in accordance with the MDIS Act. Where an insured depositor has one or more insured deposits placed with a failed member institution, which

(a) the insured depositor holds in his own right; or

(b) the insured depositor holds in his own right, jointly with one or more other persons in a joint account, the insured depositor shall be entitled to compensation of the specified amount.

(c) The specified amount shall not exceed the aggregate amount of such insured deposits or the coverage limit, whichever is lower, regardless of the number or amount of insured deposits which the insured depositor has placed with the failed member institution.

(iii) As per the MDIS Act, the coverage limit per insured depositor shall be 300,000 rupees or such other amount as may be prescribed. The specified amount means both the principal and the interest amount held by an insured depositor in the same capacity and the same right as on the date of the cessation of operations of the failed member institution.

3.4 Expenditure Recognition

Expenditure is recognised as incurred and recorded in the financial statements on an accruals basis to reflect the period to which they relate.

3.5 Financial Assets

(i) Recognition and initial measurement

Financial assets are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

3. ACCOUNTING POLICIES (CONTINUED)

3.5 Financial Assets (Continued)

(ii) Classification and subsequent measurement

IFRS 9 includes three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The Corporation determines the classification at initial recognition.

(a) Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding; and
- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows.

Financial assets- Solely Payments of principal and interest (SPPI)

Under IFRS 9, the SPPI test requires that the contractual terms of the financial asset (as a whole) give rise to cash flows that are solely payments of principal and interest on the principal amounts outstanding i.e. cash flows that are consistent with a basic lending arrangement..

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. Liquidity risks and administrative cost), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Corporation considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of the contractual cash flows such that it would meet this condition. In making the assessment, the Corporation considers:

- contingent events that would change the amount and timing of cash flows;
- prepayment and extension terms;
- terms that limit the Corporation's claim to cash flows from specified assets (e.g. non-recourse arrangement); and
- features that modify consideration of the time value of money - e.g. periodical reset of interest rates.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to the expected credit loss requirements.

Financial assets- Business model assessment

The Corporation makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the

3. ACCOUNTING POLICIES (CONTINUED)

3.5 Financial Assets (Continued)

(ii) Classification and subsequent measurement (continued)

(a) Amortised cost (continued)

Financial assets- Business model assessment (continued)

- duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to management; and
- the risks that affect the performance of the business model, the financial assets held within that business model and its strategy for how those risks are managed.

The Corporation has determined that it has one business model which is held to collect. This includes cash and cash equivalents. These assets are held to collect contractual cash flows.

Impairment
Annual premium receivables
Impairment provisions for premium receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process, the probability of the non-payment of the premium receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the premium receivables. For premium receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the separate statement of profit or loss. On confirmation that premium receivables will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment
Annual premium receivables
In assessing whether the credit risk has increased significantly since initial recognition, the Corporation compares the risk of a default occurring on the premium receivable at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Corporation considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Corporation considers a financial asset in default when a member institution fails to meet its financial obligation after having received a payment notice from the Corporation.

Forward-looking information considered includes the future prospects of the industries in which the Corporation's debtors operate which are obtained from economic expert reports, external sources of actual and forecast economic information that relate to the Company's core operations.

Credit- impaired financial assets
At each reporting date, the Corporation assesses whether financial assets at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

3. ACCOUNTING POLICIES (CONTINUED)

3.5 Financial Assets (Continued)

(ii) Classification and subsequent measurement (continued)

(a) Amortised cost (continued)

Credit- impaired financial assets (continued)
Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the debtor;
- it is probable that the debtor will enter bankruptcy; or
- the disappearance of an active market for a security because of financial difficulty.

Write-off
The gross carrying amount of a trade receivable is written off when the Corporation has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Corporation makes an individual assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. At as reporting date, there were no amounts written off or credit impaired.

Cash and cash equivalents
The Corporation has cash at Bank with the Bank of Mauritius.

(iii) Derecognition of financial assets
The Corporation derecognises a financial asset when:
- the rights to receive cash flows from the asset have expired; or
- the Corporation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Corporation has transferred their rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor has transferred their control, the asset is recognised to the extent of the Corporation's continuing involvement in the asset. In that case, the Corporation also recognises an associated liability.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Any interest in transferred financial assets that qualifies for derecognition that is created or retained by the Corporation is recognised as a separate asset or liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Corporation has retained.

Financial assets and liabilities are offset and the net amount presented in the separate statement of financial position when, and only when, the Corporation has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.
Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards.

3. ACCOUNTING POLICIES (CONTINUED)

3.5 Financial Assets (Continued)

(iv) Modification of financial assets

If the terms of a financial asset are modified, then the Corporation evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the debtor is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Corporation plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria is not usually met in such cases.

If the modification of a financial asset measured at amortised cost does not result in derecognition of the financial asset, then the Corporation first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the debtor, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the terms and conditions of the financial asset are not substantially different, the Corporation recalculates the new gross carrying amount of the financial asset by discounting the modified cash flows of the financial asset using the original effective interest rate (EIR). The difference between the new gross carrying amount and the original gross carrying amount is recognised as a modification gain or loss in profit or loss.

3.6 Financial liabilities

(i) Recognition and initial measurement

Financial liabilities initially recognised at fair value plus or minus, transaction costs that are directly attributable to its acquisition or issue, when the Corporation becomes a party to the contractual provisions of the instrument. Other financial liabilities are recognised on the date on which they are originated.

3. ACCOUNTING POLICIES (CONTINUED)

3.6 Financial liabilities (continued)

(ii) *Classification and subsequent measurement*

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains are recognised in profit or loss. The Corporation's financial liabilities include other payables which are measured at amortised cost

(iii) *Derecognition*

The Corporation derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Corporation also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified term is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) *Modifications of financial liabilities*

The Corporation derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

3.7 Provisions

Provisions are recognised when the Corporation has present legal or constructive obligations as a result of past events. It is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.8 Provisions (continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

3.9 Taxation

The Corporation is exempt from the payment of any taxes, levies or duties in respect of its profits, transactions and operations as per the MDIS Act.

3.10 Related Parties

For the purposes of these financial statements, parties are considered to be related to the Corporation if they have the ability, directly or indirectly, to control the Corporation or exercise significant influence over the Corporation in making financial and operating decisions, or *vice versa*, or if they and the Corporation are subject to common control. Related parties may be individuals or other entities.

3.11 Current versus non-current classification

The Corporation presents assets and liabilities in the separate statement of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
-

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

4 FINANCIAL RISK MANAGEMENT

4.1 FINANCIAL RISK FACTORS

The Corporation is mainly exposed to the following risks:

- Credit Risk and
- Liquidity Risk

(a) Credit risk

Credit risk is a risk that a counterparty will be unable to pay an amount in full when due. Credit risk arises from contractual cash flows of premium receivable and cash and cash equivalents, as well as credit exposures to customers, including outstanding receivables.

Cash balances are held with the Bank to limit the amount of exposure.

Credit risk for exposures is managed by mandating the payment of premium contributions as well as enforcing penalties on any late payments thereof by member institutions.

In terms of the MDIS Act, The Minister of Finance, Economic Planning and Development may, by regulations, impose, in an emergency situation on a temporary basis, a special premium increase during a year whenever he considers that it is necessary to replenish the Deposit Insurance Fund.

(b) Liquidity Risk

The Corporation is also exposed to liquidity risk as a result of its obligation to make payouts to depositors in the event a member institution fails. This is managed through the liquidity and emergency funding to the Corporation as provided for in the MDIS Act. The Corporation may thus borrow or establish pre-arranged funding arrangements with the Bank and with private lenders on such terms and conditions as may be mutually agreed.

4.2 FAIR VALUE ESTIMATION

Except where otherwise stated, the carrying amounts of the Corporate's financial assets and liabilities approximate their fair values.

4.3 CAPITAL RISK MANAGEMENT

The Corporation's objectives when managing capital are to safeguard its ability to continue as a going concern for the benefit of its shareholder and other stakeholders and to maintain an optimal capital structure.

The capital of the Corporation is represented by equity. The Corporation manages its capital structure and makes adjustments to it, in light of changes in economic conditions.

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Significant judgement - Going concern

(a) Going concern
The Corporation's Board has made an assessment of the Corporation's ability to continue as a going concern and is satisfied that the Corporation has the resources to continue in business for the foreseeable future. Furthermore, the Board is not aware of any material uncertainties that may cast significant doubt upon the Corporation's ability to continue as a going concern. Therefore, the separate financial statements have been prepared on a going concern basis.

5.2 Critical accounting estimates and assumptions

The Corporation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. During the current financial period, the Corporation did not have any estimates and assumptions that had a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

6 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

(a) Standards, Amendments to published Standards and Interpretations effective in the reporting period

IAS 1 Presentation of Financial Statements
Classification of Liabilities as Current or Non-current: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current. The amendments have no impact on the Corporation's financial statements.

Non-current Liabilities with Covenants: Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current. The amendments have no impact on the Corporation's financial statements.

IFRS 16 Leases
Lease Liability in a Sale and Leaseback: The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments have no impact on the Corporation's financial statements.

IAS 7 Statement of Cash Flows & IFRS 7 Financial Instruments: Disclosures
Supplier Finance Arrangements: The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. The amendments have no impact on the Corporation's financial statements.

6. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINUED)

(b) Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after July 1, 2025 or later periods, but which the Corporation has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Effective date January 1, 2025

IAS 21 *The Effects of Changes in Foreign Exchange Rates*

Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Effective date January 1, 2026

IFRS 9 *Financial Instruments* & IFRS 7 *Financial Instruments: Disclosures*

Classification and Measurement of Financial Instruments: The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Also, additional disclosures have been introduced for financial instruments with contingent features and equity instruments designated at fair value through other comprehensive income

Contracts Referencing Nature-dependent Electricity: The amendments clarify how IFRS 9 should be applied to power purchase agreements with specific characteristics. The amendments include clarification on the application of the 'own-use' requirements and permitting hedge accounting if these contracts are used as hedging instruments. New disclosure requirements have also been included to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

Effective date January 1, 2027

IFRS 18 *Presentation and Disclosure in Financial Statements*

Presentation and disclosure in financial statements: IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals presented within the statement of profit or loss within one of the following five categories – operating, investing, financing, income taxes, and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, it brings about consequential amendments to other accounting standards. This standard replaces IAS 1 - Presentation of Financial Statements.

6. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINUED)

(b) Standards, Amendments to published Standards and Interpretations issued but not yet effective (continued)

Effective date January 1, 2027 (continued)

IFRS 19 *Subsidiaries without Public Accountability: Disclosures*
Subsidiaries without Public Accountability: Disclosures: IFRS 19 is a non-mandatory standard. It specifies the disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS accounting standards. It allows eligible entities to benefit from reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent, intermediate parent or ultimate parent company produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The effective date of this amendment has been deferred indefinitely until further notice
IFRS 10 *Consolidated Financial Statements*
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

IAS 28 *Investments in Associates and Joint Ventures*
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

Where relevant, the Group and Corporation are still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued, but not yet effective, on the presentation of its financial statements.

7 Cash and Cash Equivalents

	2025
	Rs
Cash and Cash Equivalents consist of	
Current accounts with the Bank of Mauritius	695,868,840
Total Cash and Cash Equivalents	**695,868,840**

There was no non-cash transaction during the period ended.

8 Other Assets

	2025
	Rs
Prepayments	**110,000**

9 Stated Capital

	Number of Shares	2025 Rs
Authorised, issued and fully paid up		
Issued during the period	20,000	200,000,000
As at 30 June 2025	**20,000**	**200,000,000**

The Capital of the Corporation was fully subscribed and paid up by Bank of Mauritius on 15 April 2024. Each share confers to its holders the right to one vote at general meetings of the Corporation.

10 Other Payables

	2025
	Rs
Payable to the Mauritius Revenue Authority	87,850
Provision for auditor's fees	431,250
	519,100

The carrying amounts of other payables approximate their fair values.

11 Advanced annual premium

	2025
	Rs
Annual Premium received in advance	**2,520,706**

12 Income

	2025
	Rs
Initial contribution	500,000,000
Total income	**500,000,000**

In accordance with section 18(1) of the MDIS Act, 20 members of the Mauritius Deposit Insurance Scheme (14 banks and 6 non-bank deposit-taking institutions) paid an initial contribution to the Corporation during the financial period ended 30 June 2025.

Further, as section 18(2) of the MDIS Act does not specify the commencement date of the first premium contributions and in a bid not to cumulate the payment of initial contribution as well as the first premium in the same financial year, the Board of the Corporation resolved to accrue the first premium contribution as from financial year ending 30 June 2026.

13 Staff Costs

	2025
	Rs
Allowances	1,857,903
	1,857,903

14 Operating Expenses

	2025
	Rs
Management fees	2,025,000
Design costs	224,250
Advertisement costs	99,763
Auditor's fees	431,250
Other operating costs	2,800
	2,783,063

15 Directors' Fees

	2025
	Rs
Directors	**2,420,000**

For the period 26 March 2024 (Date of Incorporation) to 26 March 2025, the Board was composed of 7 members including the Chairperson. The Chairperson requested not to be remunerated, and other directors were paid a monthly fee of Rs 25,000.

Effective 27 March 2025, the Board comprises 8 members including the Chairperson. The Chairperson and other directors are paid a monthly fee of Rs 50,000 and Rs 30,000 respectively.

16 Provision for compensation

No provision has been accrued for compensation losses in the financial period ended 30 June 2025 as the probability that the Corporation will incur a cash outflow in the foreseeable future on account of the failure of a member institution had not been determined with certainty.

17 Related Party Disclosures

During the financial period ended 30 June 2025, the Corporation transacted with the Bank of Mauritius, its holding company, and key management personnel, that is directors.

Details of the nature, volume of transactions and balances with the related entities are as follows:

Related Party and Relationship	Nature of Transaction	2025
		Rs
Transactions		
Bank of Mauritius - Parent	Fees for office space, facilities and services	2,025,000
Balances		
Bank of Mauritius – Parent	Cash and cash equivalents	695,868,840

The above transactions have been made on commercial terms and in the normal course of business. Amounts owed to/by related parties are unsecured. There have been no guarantees provided or received for any related party receivables/payables. The Corporation has not recorded any impairment of receivables during the year. This assessment is undertaken each year through examining the financial position of the related parties.

18 Holding and Ultimate Company

The Directors consider the Bank of Mauritius, the Central Bank for Mauritius, as the Corporation's Holding and Ultimate Holding Company.

19 Events after the reporting period

There has been no event after the reporting period which would require disclosure or adjustment to the financial statement for the period ended 30 June 2025.

Glossary of Terms

Agency	Mauritius Deposit Insurance Corporation Ltd
ARMC	Audit and Risk Management Committee
Bank	Bank of Mauritius
Board	Board of Directors
CEO	Chief Executive Officer
Corporation	Mauritius Deposit Insurance Corporation Ltd
DIF	Deposit Insurance Fund
DIS	Deposit Insurance Scheme
IADI	International Association of Deposit Insurers
IMF	International Monetary Fund
MBA	Mauritius Bankers Association Limited
MDIC	Mauritius Deposit Insurance Corporation Ltd
MDIS	Mauritius Deposit Insurance Scheme
MDIS Act	Mauritius Deposit Insurance Scheme Act
Member Institutions	Banks and Non-bank deposit taking institutions
NBDTI	Non-bank deposit taking institution
Scheme	Mauritius Deposit Insurance Scheme