



## Communiqué

According to certain prevailing rumours, the First City Bank Ltd would be closing down or facing an imminent revocation of its banking licence. These rumours are likely to create confusion among members of the public.

As regulator, the Bank of Mauritius has the duty to ensure the financial soundness of all banks with a view to protecting the interests of depositors and the public. In this context, it is normal for the Bank of Mauritius, following inspections conducted by its officers, to call upon banks to satisfy prudential norms and comply with prescribed guidelines relating to capital adequacy, lending and liquidity management policies. The Bank of Mauritius has always stressed upon the Boards of banks their duties and responsibilities for the good running of their institutions.

Such requirements should not be misconstrued as conveying anything other than enforcement measures aimed at ensuring that banks observe the prescribed guidelines in the best interests of the public. The Bank of Mauritius will pursue its efforts to protect the interests of depositors and promote the sound conduct of business in the banking sector of Mauritius.

Bank of Mauritius

30 July 2004