



THE MINUTES OF THE 51ST ANNUAL GENERAL MEETING (AGM) OF BANK OF BARODA (UGANDA) LIMITED HELD ONLINE THROUGH ELECTRONIC PLATFORM ON 26TH AUGUST, 2021 AT 1.00 P.M.

Board Meeting Date	26.08.2021
Meeting Start Time	01.00 PM
Meeting End Time	02.30 PM

PRESENT:

Mrs. Vastina R. Nsanze	Chairperson (Independent Non- Executive Director)
Mr. Raj Kumar Meena	Managing Director
Mr. Shanti Lal Jain	Non-Executive Director Attended online through Microsoft Team
Mr. Sempijja Thadeus	Independent Non-Executive Director & Alternate Chairperson
Mr. Prithvi Singh Bhati	Executive Director
Dr. Fred K. Muhumuza	Independent Non-Executive Director
Mr. Odoch Charles Langoya	Independent Non-Executive Director
Ms. Anne Mbonye Tumwesigye	Company Secretary
Mr. Uday Bhalara	Partner- M/s Grant Thornton bank's Statutory Auditor
Mr. D. Prajith Kumar	Deputy General manager & Proxy, Bank of Baroda, India Attended online through Microsoft Team
Shareholders including proxies	Attended on line through electronic platform

Due to the ongoing Covid-19 pandemic, the Government of Uganda implemented measures aimed to controlling the spread of the virus, including restriction on the number of people in a public gathering and meetings. Therefore, in compliance with the set measures, members of the Company followed and attended the AGM virtually.

Notice of the 51st Annual General Meeting of Bank of Baroda (Uganda) Limited was published in New Vision newspaper on 02.08.2021, including -05- Ordinary agenda items (**Number 2021/51/01 to 2021/51/05**) and -01- Special agenda item (**Number 2021/51/07**) as mentioned on page number 4 & 5 of these minutes. However, subsequently we published addendum to our AGM notice for Ordinary agenda item (**Number 2021/51/06**) in New Vision newspaper on 19.08.2021 after obtaining approval from Uganda Securities Exchange.

The 51st Annual General Meeting was hosted via Lumi AGM platform. To access the meeting, shareholders were required to download the Lumi AGM App or log on web.lumiagm.com. The meeting ID and login credentials were sent to shareholders through email and SMS. The Company's Audited Financial Statement, Annual Report, AGM Notice and Proxy Form were uploaded on the banks website at www.bankofbaroda.ug as well as the Uganda Securities Exchange's website. Mr. D. Prajith Kumar, Deputy General Manager, Bank of Baroda India furnished the proxy of Bank of Baroda (India), the major (80%) shareholder of the company.

After Prayer, the Chairperson presided over the meeting. She welcomed participants to the AGM and introduced members of the Board. Thereafter the Company Secretary confirmed the quorum of the meeting. The Managing Director, Mr. Raj Kumar Meena welcomed the shareholders and informed them that the bank's performance is a demonstration of great resilience, customer centrisim and focused leadership despite volatile, uncertain and complex environment due to prevailing COVID-19 pandemic conditions. He thanked the health workers of Uganda on behalf of the bank for all the hard work and sacrifice since the outbreak of the COVID- 19 pandemic as they worked tirelessly and selflessly to ensure that the community is safe. He stated that the bank grieves together with the families that lost their loved ones to COVID-19. The Managing Director reported that in terms of financial performance, the year 2020 was successful as the bank witnessed growth in almost all



parameters albeit the challenges. The stock performance of the bank has been remarkably good with the price being very stable.

The Managing Director then presented to the meeting the key financial highlights of the bank for the financial year ended 31st December 2020, which depicted the inherent strength of the bank as under:

1. Total deposits increased by Ush 142.74 Bn, showing a growth of 9.98% over the previous year, an increase from Ush 1,429.59 Bn as at December 31, 2019 to Ush 1,572.33 Bn as at December, 31, 2020.
2. Advances net of impairment increased by Ush 29.73 Bn, showing a growth of 3.70% in FY 2020 to Ush 834.00 Bn from Ush 804.27 Bn in FY 2019.
3. Total Business i.e. Deposit plus Advances increased by Ush 177.25 Bn, showing a growth of 7.91% over the previous year. In absolute terms the total business grew from Ush 2,242.01 Bn to Ush 2,419.26 Bn.
4. Total income increased by 3.59% to Ush 207.11 Bn in FY 2020 from Ush 199.94 Bn in FY 2019.
5. Balance sheet size increased by 14.04% in FY 2020, to Ush 2138.93 Bn from Ush 1875.63 Bn in FY 2019 due to increase in investments, advances and profit.
6. Gross NPA as a percentage to total advances was at 1.38% as on December 31, 2020 compared to 1.25% as of December 31, 2019.
7. Return on Assets was at 4.18% for FY 2020 increased from 2.54% in FY 2019.
8. Return on shareholders' Equity increased to 19.00% in FY 2020 from 11.90% in FY 2019.
9. Capital Adequacy Ratio as at December 31, 2020 was 33.38 which was increased from 30.01% as at December 31, 2019.

The Managing Director further highlighted the following measures taken by the bank in the year 2020:

1. The bank provided COVID-19 relief measures for customers whose businesses were affected by the pandemic through provision of -12- months moratorium adjustments on loans. The bank also made a contribution of Ush 10 Mn towards the COVID- 19 relief programs through the Indian Association of Uganda.
2. The bank continued to support the bank's staff by allowing flexible working time including paid leave so as to decongest the workplace, the bank also provided transport services to staff to and from their workplace.
3. The bank provided a safe, convenient and efficient way for the clients to transact without visiting branches through ATM machines with cash recyclers, mobile and internet banking and agent banking which will bring the banking services right in the neighborhood of every Ugandan.
4. The bank enhanced its risk, compliance and asset management through technology by enhancing its Core banking System provisions.

The Managing Director placed on record his sincere thanks to the Board, the Management Team and all staff members for their tireless efforts in serving the bank's customers and creating shareholder value through Care, Concern and Competence. He also thanked the Government of the Republic of Uganda, bank of Uganda and other stakeholders for their valuable guidance and continued support in strengthening the operations of the bank. . In conclusion, he extended good wishes to everyone.

Thereafter, the Chairperson, Mrs. Vastina R Nsanze welcomed the shareholders to the 51st Annual General Meeting. She informed the shareholders that the bank started the year 2020 on a good note and had a successful track record of balancing the interests of stakeholders, including shareholders, customers, employees and the communities in which we live and serve. She attributed this to the bank's clear strategy. She said that Uganda's economy in the first half of 2020 experienced a slow down as a result of the lockdown, restrictions and sanctions due to the outbreak of the COVID-19 pandemic, although during the second half, it started showing a positive outlook and continued to register impressive recovery and long term sustainability of the development strategies. She informed



the meeting that the economy achieved a 3% growth, which was a fine performance considering the economic challenges encountered as a result of the pandemic.

The Chairperson stated that the bank had achieved YOY growth of 7.91% in total business, 9.98% in Total Deposit and 3.70% in Net Advance. She reported further that out of the total advances of Ush 846.93 Bn as on December 31, 2020, the manufacturing sector constitutes 44.46% and the agriculture sector constitutes 25.98 % and other sectors 29.56% respectively. She further informed the meeting that the bank continues to support the people of Uganda through financing priority areas of commercial agriculture, industries, services and ICT, leading to further expansion and growth of the economy.

On the factor of technology and innovation, the Chairperson informed the meeting that the bank operated on a robust technology platform and provided various services through different technology based channels such as mobile banking so as to ensure customer safety, convenience and efficiency in carrying out banking transactions. She also reported that the bank was in the final stages of rolling out agent banking.

She emphasized that the bank is committed to good corporate governance and compliance with all applicable laws and regulations. She expressed appreciation to Mr. Manoj Kumar Bakshi who served as the Executive Director and Board Member from August 2017 to March 2021 for his immense contribution to the performance of the Board and the achievements of the bank. She also welcomed Mr. Prithvi Singh Bhati as the new Executive Director who joined the Board w.e.f. March 25, 2021.

Further, she informed the meeting that the bank's commitment to corporate citizenship continues to be a priority. She reported that the bank extended its commitment to be part of the development of the society through its corporate social investment. In this regard, she mentioned the following as some of the services the bank offered during the reporting period, such as provision of scholastic materials, supporting Ugandan needy children and children who needed heart surgery in India, blood donation drives and tree planting. She also informed the meeting that Bank of Baroda (Uganda) Limited rededicates its commitment to all its customers to render the highest standard of services and to enhance the stakeholders value in the coming years.

She thanked the Board of Directors, the Management Team and all bank Staff for putting up a spirited performance in 2020 in order to deliver on the promise of the bank to "augment shareholders value". The chairperson concluded by expressing gratitude to the Government of the Republic of Uganda and all officials of the Bank of Uganda for their guidance and support in strengthening the operations of the Bank of Baroda (Uganda) Limited.

After the remarks of the Chairperson, Mr. Shanti Lal Jain, Director read the statement on behalf of Global Managing Director & Chief Executive Officer of Bank of Baroda, India Mr. Sanjiv Chadha.

Thereafter, Mr. Uday Bhalara, Partner with M/s. Grant Thornton, the bank's Statutory Auditor, read the Auditors' Report and briefed the meeting on the financials of the bank for the Financial Year 2020.

The Chairperson then called upon the Company Secretary to conduct the business transactions of the day.

Mrs. Anne Mbonye Tumwesigye, Company Secretary, presented the following Agenda items for approval by the shareholders:

AGENDA ITEM No. 2021/51/01: CONFIRMATION OF THE MINUTES OF THE 50TH ANNUAL GENERAL MEETING.

The minutes of the 50th Annual General Meeting held on 18th September, 2020 had been circulated to the shareholders via Lumiagm App and bank's website and were taken as read and confirmed.

Mr. Praveen Joshi, **SCD No. 233807** moved the motion for approval of the minutes of the 50th AGM, which was seconded by Mr. Wokwesiga Pius, **SCD No. 239677**.

2/1



AGENDA ITEM No. 2021/51/02: FINANCIAL STATEMENTS

To consider and, if deemed fit, receive the separate and consolidated Financial Statement for the year ended December 31, 2020, report of the Board of Directors on the state of affairs of the bank, together with the Auditors' report thereon.

Ms. Kalibala Vivian, **SCD No. 240664** moved the motion for approval of the Financial Statement for the year 2020, which was seconded by Mr. Kyagulanyi Fred, **SCD No. 240551**.

AGENDA ITEM No. 2021/51/03: DIVIDEND.

- (i) To consider and, if deemed fit, ratify the payment of the final dividend at Ush 10.00 per share (100%) for the financial year ended December 31, 2019 which was by May 21, 2021 paid to shareholders on the register at the close of business on May 17, 2021.
- (ii) To consider and, if deemed fit,, to approve the dividend proposed by the Board of Directors at a rate of Ush 10.00 per share for the FY 2020 subject to approval from the Bank of Uganda.

Mr. Maganbhai Patel, **SCD No. 110434** moved the motion to ratify the payment of the final dividend at Ush 10.00 per share for the financial year 2019 and to approve the dividend proposed by the Board of Directors at the rate of Ush 10.00 per share for the financial year 2020 subject to approval from the Bank of Uganda, which was seconded by Ms. Rhona Faith Mbazalidde, **SCD No. 140376**.

AGENDA ITEM No. 2021/51/04: DIRECTORS

To consider and, if deemed fit, ratify the appointment of Mr. Prithvi Singh Bhati as Executive Director on the Board of Bank of Baroda (Uganda) Limited to replace Mr. Manoj Kumar Bakshi w.e.f. March 25, 2021.

Mr. Mugisha Jonathan, **SCD No. 241320** moved the motion to ratify the appointment of Mr. Prithvi Singh Bhati as Executive Director, which was seconded by Robert Mulindwa, **SCD No. 208477**.

AGENDA ITEM No. 2021/51/05: AUDITORS.

To consider and, if deemed fit, approve the appointment of M/s. Grant Thornton, Certified Public Accountants as the Statutory Auditors of the bank for the period ending 31st December 2021 and to approve their remuneration as proposed by the Board of Directors.

Mr. Musaba Nicholus, **SCD No. 239979** moved the motion of appointment of M/s. Grant Thornton as bank's External Auditors as recommended, which was seconded by Mr. Tushar Rasiklal Doshi, **SCD No. 70785**.

AGENDA ITEM No. 2021/51/06: REVISION IN DIRECTORS' FEES/ALLOWANCES.

To consider and, if deemed fit, approve the revision in fees/ allowances structure for Non-Executive Directors of the Company other than nominee full time Directors of the parent bank.

Mr. Jinal Shah Kamlesh, **SCD No. 9512** moved the motion for revision in fees/ allowances structure for Non-Executive Directors, which was seconded by Ms. Joanita Nakabuye, **SCD No. 231298**.



AGENDA ITEM No. 2021/51/07: SPECIAL RESOLUTION

To consider and, if deemed fit, pass a special resolution to amend the Company's Articles of Association to include a provision for the appointment of the Managing Director by the Board of Directors.

By amending article 75) to include the following new clauses :

i “ (b) The Board shall be headed by a Chairperson who shall be a Non-Executive Director.

(c) The majority shareholder shall nominate the Managing Director.

(d) The Board, subject to satisfying itself to suitability of the said nominee, shall appoint the nominee as Managing Director.”

Ms. Dallen Ampumuza, **SCD No. 234285** moved the motion for amending the Company's Articles of Association in Article 75 to include new clauses (b), (c) and (d), which was seconded by Mr. Rakesh Kumar Patel, **SCD No. 234019**.

Thereafter, the Chairperson declared the result on line to all the shareholders as detailed below

Agenda	Details of the agenda	No. of votes in favour	No. of votes against	% votes in favour
Agenda No. 01	Confirmation of minutes for 50 th AGM dated 18.09.2020	54	00	100.00
Agenda No. 02	Financial Statements	57	00	100.00
Agenda No. 03	Dividend (i)	54	00	100.00
	Dividend (ii)	53	02	96.36
Agenda No. 04	Appointment of Director	54	00	100.00
Agenda No. 05	Appointment and remuneration of Auditors	53	02	96.36
Agenda No. 06	Revision in fees/allowances for Non-Executive Directors.	42	10	80.77
Agenda No. 07	Special Resolution to amend Company's Articles of Association to include Articles 75(b), 75(c) and 75(d).	51	01	98.08

The Chairperson informed the meeting that all agenda items were passed by the shareholders with majority votes and she put on record the following resolutions:

• **AGENDA ITEM No. 2021/51/01: CONFIRMATION OF THE MINUTES OF THE 50TH ANNUAL GENERAL MEETING.**

“RESOLVED to confirm the minutes of the 50th Annual General Meeting of the Company held on September 18, 2020.

• **AGENDA ITEM NO. 2021/51/02: FINANCIAL STATEMENTS.**

“RESOLVED to adopt the financial statements for the year ended 31st December 2020 including the reports of the Board of Directors and External Auditors.

• **AGENDA ITEM NO. 20210/51/03: DIVIDEND**



“RESOLVED to ratify the payment of the final dividend at Ush 10.00 per share for the FY 2019; and
To approve the dividend proposed by the Board of Directors at the rate of USH. 10.00 per share for the FY 2020 subject to approval from Bank of Uganda

• **AGENDA ITEM NO. 20210/51/04: DIRECTORS.**

“RESOLVED to ratify the appointment of Mr. Prithvi Singh Bhati as Executive Director of the Board of Bank of Baroda (Uganda) Limited w.e.f. 25.03.2021.

• **AGENDA ITEM NO. 2020/51/05: AUDITORS**

“RESOLVED to approve the appointment of M/s. Grant Thornton, Certified Public Accountants as the Statutory Auditors of the bank for the period ending 31st December 2021 and approved their remuneration as proposed by the Board of Directors.

• **AGENDA ITEM NO. 2020/51/06: REVISION OF DIRECTORS' FEES/ALLOWANCES**

“RESOLVED to approve the revision of fees/ allowances structure for Non-Executive Directors of the Company other than nominee fulltime Directors of the parent bank.

• **AGENDA ITEM NO. 2020/51/07: SPECIAL RESOLUTION**

“RESOLVED and passed a special resolution to amend the Company's Articles of Association to include a provision for the appointment of the Managing Director by the Board of Directors.

By amending article 75 to include the following new clauses:

“ (b)The Board shall be headed by a Chairperson who shall be a Non-Executive Direc.

(c): The majority shareholder shall nominate the Managing Director.

(d): The Board, subject to satisfying itself to suitability of the said nominee, shall appoint the nominee as Managing Director.”

There being no other agenda items, the meeting was opened for a question- answer session during which the following seven questions raised by the shareholders were randomly responded to by the Board of Directors:

Question No. 01 - Why is the Bank of Baroda (Uganda) Limited not paying dividends?

This question was asked by Mr. Gautam Das.

The Chairperson requested Dr. Fred Muhumuza, Director, to give a reply.

Answer: Dr. Fred Muhumuza replied that in 2020, the Bank of Uganda (BOU) directed all supervised financial institutions, including the Bank of Baroda (Uganda) Limited, to defer the distribution of all discretionary payments, including dividends, until further notice or until explicit authorization is given by the Bank of Uganda for the purpose of capital preservation during the Covid-19 pandemic. The bank distributed dividend payouts to shareholders for 2019 after taking approval from the regulator.

The bank sought BOU approval for payment of the 2020 final dividends which is still pending, hence to be paid upon receipt of Bank of Uganda approval. The Book closure date of payment of dividends for FY 2020 will be notified to shareholders after receiving approval from the Bank of Uganda.

Question No. 02 - What are the major reasons for increase in profit from Ush 45.36 Billion during FY 2019 to Ush 83.22 BN during FY 2020?

This question was asked by **Ms. Aketch Dorothy**.

The Chairperson requested Mr. Raj Kumar Meena, Managing Director to give a reply.

Answer: Mr. Raj Kumar Meena replied that the major reason for increase in profit was due to the decrease in the operating expenses mainly on account of bad debts written off which reduced from UGX 33,982 Mn in 2019 to UGX 205 Mn in 2020 and also reduction in interest cost from UGX 62,084 Mn in 2019 to UGX 58,346 Mn in 2020.

Question No. 03: How is the bank ensuring Corporate Governance issues?

This question was asked by **Mr. Benjamin Tumwebaze**.

Answer: Chairperson replied that the bank is committed to adhering to the highest standards of good corporate governance at all levels of its operations. This commitment is rooted in our core values and beliefs. The bank has put in place elaborate governance processes which comply with industry best practices.

As a licensed commercial and listed bank on the Uganda Securities Exchange ('USE'), the bank operates in a highly regulated environment and is committed to complying with legislation, regulations, and codes of best practice.

The Board currently consists of:

- Chairperson & Non-Executive Director- One
- Executive Directors- Two
- Non-Executive Directors- Five

The Non-Executive Directors are drawn from a wide range of business and other backgrounds. This diversity is considered by the members as one of the strengths of the Board.

All Directors receive regular and timely information about the bank prior to Board meetings. They also have access to the Company Secretary for any further information they may require. Directors have unrestricted access to management and the bank information as well as resources required to carry out their roles and responsibilities.

The full Board meets at least four times a year. The Board deals with all significant matters, including strategic direction for the bank and group; ensuring competent management of the business; internal control; compliance with laws and regulations and reporting performance to shareholders.

Question No. 04: Any major Board Decision taken for streamlining the bank's Business operations due to the uncertainties caused by Covid-19 pandemic?

Asked by Mr. Rakesh Kumar Dineshbhai Patel.

The Chairperson requested Mr. Shanti Lal Jain to give a reply.

Answer: Mr. Shanti Lal Jain replied that the bank has a detailed Business Continuity Policy which outlines the management of operations during the time of crisis. In addition to what is in the policy the bank has taken the following steps/initiatives to further Business Continuity:

The bank has introduced **Cash Recyclers** which can be used for cash deposits and cash withdrawals. Customers are not required to visit the bank for depositing and withdrawing cash for certain limits.

- The bank has encouraged customers to use **Mobile Banking Application**, Internet Banking, ATMs and VISA Debit card like alternative delivery channels.
- **Transportation of staff during the pandemic-** The bank arranged transport facility for staff members to and from their nearest point of residence during the -42- days lockdown implemented by the Government of Uganda up to 31.07.2021. This was due to the restrictions in movement of both private and public transport in the country that were laid down by the Government of Uganda due to rapid spread of second wave of COVID-19. This enabled the bank to carry on business smoothly without creating problems that would arise due to understaffing.
- **Mass Testing of Staff for COVID-19-** The bank carried out compulsory COVID-19 tests on all bank staff in order to keep and maintain a healthy workforce. In this connection, the staff that tested positive were advised to stay home till they recovered so as to avoid spreading of the virus/disease. In this way, business operations continued smoothly, as staff were working and interacting in a safe working environment. The bank continues to disinfect all premises/ branches at regular intervals.
- **Work from Home-** As a way of ensuring continuity in hard times like in the recent/ prevailing COVID-19 situation, the bank has allowed work from home for some of the staff members. Staff members were able to do work from home successfully.
- **Rotation of Staff-** Department Heads and Branches were advised to rotate the staff in shifts or guided them to avail their un-availed leaves in such a manner that routine branch/office work is carried out smoothly and in adherence to the guidelines regarding minimum staff strength.
- **Identification of Compliance Officer for Covid-19-** To keep a close watch on Covid-19 second wave, officers at Head Office and branches were designated as Compliance officers to take decisions immediately and without interventions.
- **Shifting of Staff at nearest branch-** Due to the transportation hardships, some of the staff members were shifted and permitted to work from branches nearest to their places of residence.
- **Appeal for Mandatory Vaccination-** All staff members who have not been vaccinated have been advised to take the initiative and go for vaccination immediately (as per availability) and present vaccination certificates to our HR department.
- **Credit Relief Measures to borrowers:** The Regulator has also allowed measures to provide credit relief to the borrowers, which the bank has adopted by preparing a new policy "Credit Relief and Loan Restructuring Measures during COVID-19 Pandemic" approved by the Board Credit Committee which permits restructuring of advance accounts affected due to COVID-19 pandemic. The bank has restructured 155 accounts amounting to Ush 157.80 Billion as on 31.12.2020 in line of COVID-19 relief measures allowed by Bank of Uganda.

Question No. 05: How much expenses were incurred towards CSR during last year & what were the major activities?

Asked by Mr. Sanket Vyas.

Chairperson requested Mr. Sempijja Thadeus to give a reply.

Answer: Mr. Sempijja Thadeus replied that during the year 2020, the bank made donations aggregating Ush 34.68 million for various social causes. Major ones are listed below.

- Financial support to Mr. Ashraf Saad for pursuing Bachelor Degree in Law being sponsored by Indian Association of Uganda;
- Donation to needy and underprivileged members of the society by sponsoring for Holi Celebration organized by Rajasthani Association in conjunction with the Indian Association;
- Donation for COVID 19 Pandemic through the Uganda Bankers' Association.
- Donation for COVID 19 Pandemic through the Indian Association Uganda.



- Support to the Uganda Martyrs Nursery & Primary School.
- Sponsorship of Education of Adikini Juliet.
- Sponsorship of Artificial Limb Fitment.
- Donation to needy and underprivileged persons who suffered from COVID-19, by sponsoring Navratri Celebration organized by SSDM Temple.
- Sponsoring Image India project through the Indian Association to support the Government of Uganda process of strengthening industrialization.

Question No. 06: What is your action plan to comply with the Bank of Uganda guidelines on Risk Management in banks?

Asked by **Asked by Mr. Salthiya Muhammad.**

The Chairperson requested **Mr. Odoch Charles Langoya, Director** to give a reply.

Answer: Mr. Odoch Charles Langoya replied that the bank has in place a robust Risk Management Policy. Various customer centric measures have been adopted to mitigate the risks factors:

- Robust Risk Based Internal Audit process coupled with bi-monthly concurrent audit and half yearly System and operational Audit.
- Stress Testing & Credit Ratings of Credit Proposals and Stress Testing of Market risks is carried out at regular intervals.
- Comprehensive Business Continuity Plan for Operational Risks.
- Regular Trainings/knowledge up gradation of the employees in all area of operations.
- The bank has a robust Core Banking System (CBS-Finacle). This is a Transaction system based on Maker-Checker / Four Eye Principle concept thereby mitigating the risks of frauds.
- The Data Center and Back Up for the CBS (Disaster Recovery Centre) housed in two geographically located different seismic zones in Uganda, thereby ensuring business continuity in any eventuality.
- Safe & Secured digital channels for customers; Mobile Banking and Internet Banking.
- 24 hours CCTV coverage in all the branches.
- Full time security personnel deployed in all the branches.
- System Generated Cash Receipt printout for deposit etc.

Fraud & Risk Monitoring System (FRMS) is also operationalized and has further improve the bank's Risk mitigation mechanism.

Question No. 07: Bad debts spectacularly fall from Ush 33bn. to 200 Mn. Why such a write-off, the smallest since 2013? How are the recoveries going on vis-a-vis this write off?

Asked by **Mr. Andrew Muhimbise.**

The Chairperson requested Mr. Prithvi Singh Bhati, Executive Director to give a reply.

Answer: Mr. Prithvi Singh Bhati replied that there is sharp reduction in bad debts written off during FY 2020 i.e. UGX 205 Million was written off in 2020 as compared to UGX 33.98 Billion in FY 2019.

- The bank has formed a new functional cell "*Recovery & Monitoring Cell*" to ensure smooth functioning of recovery of PNPA, NPA & Written Off accounts and for close monitoring of credit portfolio of the bank, which helps in ensuring asset quality of the bank.
- Further, the Regulator has also allowed the bank to provide credit relief to eligible borrowers, which permits restructuring of advance accounts affected due to COVID-19 pandemic.
- Recovery process was slow during FY 2020 due to prevailing restrictions caused by COVID-19 pandemic. However, the bank was able to recover Ush 6.07 Billion in written off account

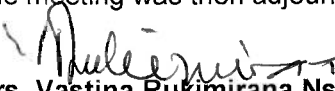


during FY 2020. The bank is taking all measures for recovery, including exploring the possibilities of compromise/ out of court settlement in all written-off accounts.

The Chairperson informed the meeting that due to limited time available to conduct the virtual meeting, the bank management would send replies to the remaining questions via email to the shareholders.

Thereafter, the Chairperson gave a vote of thanks to the shareholders. She congratulated Mr. Mr. Shanti Lal Jain upon his promotion to the position of MD&CEO of Indian Bank. Further, the chairperson thanked the Managing Director for leading the bank effectively. She also thanked the Directors for the vital guidance to management. She expressed gratitude to Dr. Mudumba Krishnama Chary for his contribution to the growth of the bank. Finally, the chairperson thanked Departmental Heads for their invaluable contribution in making the 51st AGM a success.

The meeting was then adjourned at 2.30 p.m.


Mrs. Vastina Rukimirana Nsanze
Chairperson
Bank of Baroda (Uganda) Limited

Date: 26th August, 2021

