

BANK ONE

BOARD ADMINISTRATIVE

&

STAFF COMPENSATION

COMMITTEE

TERMS OF REFERENCE

Owner: Corporate Affairs

December 2018

These Terms of Reference encompass the following:

1. OVERALL PURPOSE AND OBJECTIVES

2. AUTHORITY

3. ORGANISATION

3.1 Appointment & Membership

3.2 Attendance at meetings

3.3 Reporting responsibilities

4. ROLES AND RESPONSIBILITIES

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APPENDIX 1 – Members of the Committee

1. OVERALL PURPOSE / OBJECTIVES

The Board Administrative & Staff Compensation Committee ("BASCC" or the "Committee") is constituted and appointed by the Board to assist in fulfilling its responsibilities pertaining to:

- HR Management;
- Expenses related matters;
- Administrative matters.

2. AUTHORITY

The Board authorises the BASCC, within the scope of its responsibilities, to:

- 2.1 Seek any information it requires from:
 - any employee
 - external parties
- 2.2 Obtain outside legal or other professional advice.
- 2.3 Ensure the attendance of Bank officers at meetings as appropriate.

3. ORGANISATION

3.1 Appointment & Membership

- 3.1.1 The Board will appoint the BASCC. The number of members shall be determined by the Board from time to time and shall consist of three members. The BASCC shall be composed of one director from each of the two shareholders' board representatives and the Chief Executive Officer.
 - The current membership is as shown in Appendix 1.
- 3.1.2 The Board shall fix the term of office of the BASCC members.
- 3.1.3 The Board will, as far as practical, review the composition of the BASCC and make any changes it deems appropriate.
- 3.1.4 The Board will have the power to appoint and remove any member of the BASCC and to fill all casual vacancies that may arise.
- 3.1.5 The Board shall elect a Chairperson from amongst the members of the BASCC in accordance with the provisions of an Agreement entered into between the Shareholders.
- 3.1.6 The Chief Executive Officer, Chief Operations Officer, and Heads of HR and Finance Departments may attend the BASCC meeting by invitation and for consultation only. The Committee may also invite such other person to its meetings, as it deems necessary.

3.2 Attendance at Meetings

- 3.2.1 A quorum for any meeting shall be two members, one of whom shall be the Chairperson. A Member shall be deemed to be present at any meeting if he is able to hear and understand all of the proceedings of the meeting and be heard and understood by all present or deemed present by way of telephone or other suitable means of communication and such Member indicates his willingness for the meeting to proceed on that basis.
- 3.2.2 Decisions of the Committee shall be taken unanimously. A Member present at a meeting of the Committee is presumed to have agreed to and to have voted in favour of a decision / recommendation, unless he expressly

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dissents from or votes against the decision / recommendation at the meeting.

- 3.2.3 Members of the BASCC shall meet quarterly or more frequently, as required.
- 3.2.4 The Committee may deliberate on urgent matters by way of written resolutions. A resolution in writing shall be assented to by all Members for same to be as valid and effective as if it had been passed at a meeting of the Committee, duly convened and held. Any such resolution may consist of several documents (including facsimile, electronic mails or other similar means of communication) each assented to by one or more Members. Any such resolution shall be put to the next meeting of the Committee for ratification.
- 3.2.5 The Secretary of the BASCC will be the Company Secretary of the Bank, or such other person as nominated by the Board.

3.3 Reporting Responsibilities

- 3.3.1 Report of the BASCC will form a regular feature on the Board's Agenda.
- 3.3.2 Minutes of the meetings of the Committee shall be tabled at the subsequent Board Meetings.
- 3.3.3 The BASCC will report directly to the Board through its Chairperson.
- 3.3.4 The Chairperson of the BASCC shall regularly update the Board about the Committee activities and make appropriate recommendations.
- 3.3.5 The BASCC shall ensure the Board is aware of matters, which may significantly impact the financial condition or affairs of the business of the Bank.
- 3.3.6 The Committee shall review and update its Terms of Reference of the BASCC and receive approval from the Board on any amendments thereto.
- 3.3.7 The BASCC shall evaluate its own performance on a regular basis.

4. ROLES AND RESPONSIBILITIES

The responsibilities of the BASCC shall include, but shall not be limited to the following: -

4.1 In Relation to HR Management

- 4.1.1 To consider and decide upon matters under the Human Resources policy of the Bank, over and above powers delegated to Management, to ensure/promote harmonious staff relations in the Bank at all times.
- 4.1.2 To review the Human Resources Policy from time to time and recommend changes to the Board.
- 4.1.3 To review on a yearly basis facilities approved to Staff Members.
- 4.1.4 To consider the Annual Salary Increase and Performance Bonus to Staff, and make recommendations thereof to the Board.
- 4.1.5 To review on a quarterly basis movement in Staff at Management Level.
- 4.1.6 To take note on a quarterly basis of disciplinary actions involving summary dismissals, cases involving suspension from work and / or intent to dismiss.

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4.1.7 To review annually the training calendar and make recommendations to the Board on the Annual Budget for training.

4.2 In Relation to Expenses

- 4.2.1 To review Capital Expenditure on a quarterly basis against budget.
- 4.2.2 To review post implementation of key projects where applicable;
- 4.2.3 To review and approve unbudgeted adhoc Capital Expenditure required for operations and strategic reasons, over and above the powers delegated to Management, and keeping in mind the maintenance and appointment of service providers, where applicable;
- 4.2.4 To review and recommend to the Board disposals and write offs of such Fixed Assets where the Net Book Value is above Rs 200k;
- 4.2.5 To review and approve requests for approval for revenue expenditure in excess of the financial powers delegated to the Management team of the Bank from time to time;
- 4.2.6 Review and recommend to the Board, requests for unexpected and unbudgeted expenses.

4.3 In Relation to Administrative matters

- 4.3.1 To review and approve amendments to the Bank's Authorised Signatories List and to the respective Authorisation Limits pertaining to operations and transactions in the normal course of business.
- 4.3.2 To review on a quarterly basis, progress on ongoing IT and IT security-related projects and ensure adequacy of resources for such projects.
- 4.3.3 To review on a quarterly basis, service quality standards.
- 4.3.4 To review on a quarterly basis, the efficiency standards in terms of transformation initiatives and employee engagement.

4.4 Reporting to Board

To keep the Board apprised and informed of all significant human resources and administrative related matters arising out of deliberations at the BASCC.

APPROVED BY BOARD ON

5th December 2018

CHAIRPERSON OF THE BOARD

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CHAIRPERSON OF THE COMMITTEE

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COMPANY SECRETARY

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APPENDIX 1

BOARD ADMINISTRATIVE COMMITTEE

The Members of this Committee, as at present are:

<u>Chairperson:</u>	Mr. Marc-Emmanuel VIVES	Non Executive Director
<u>Members:</u>	Mr. Ravneet CHOWDHURY	CEO and Executive Director
	Mr. L.A SIVARAMAKRISHNAN	Non Executive Director