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MINISTRY OF FINANCE
(Department of Financial Services)

RESOLUTION

New Delhi, the 1st July, 2022.

F. No. 14/1/2022-BO-I.—Financial services institutions play a vital role in the development of the national economy. The Central Government has decided to hereby constitute a Financial Services Institutions Bureau (FSIB) for the purpose of recommending persons for appointment as whole-time directors and non-executive chairpersons on the Boards of financial services institutions and for advising on certain other matters relating to personnel management in these institutions. The policy relating to its functions and composition, nomination of its members, and its management, funding and methodology is set out below.

2. **Functions.**—The functions of FSIB shall be as follows, namely:—

- (a) To recommend persons for appointment as whole-time directors (WTDs) and non-executive chairpersons (NECs) on the Boards of Directors in Public Sector Banks, financial institutions and Public Sector Insurers (hereinafter referred to as “PSBs”, “FIs” and “PSIs” respectively);
- (b) To advise the Government on matters relating to appointments, transfer or extension of term of office and termination of services of the said directors;
- (c) To advise the Government on the desired management structure at the Board level for PSBs, FIs and PSIs;
- (d) To advise the Government on a suitable performance appraisal system for WTDs and NECs in PSBs, FIs and PSIs;
- (e) To build a databank containing data related to the performance of PSBs, FIs and PSIs;
- (f) To advise the Government on formulation and enforcement of a code of conduct and ethics for whole-time directors in PSBs, FIs and PSIs;
- (g) To advise the Government on evolving suitable training and development programmes for management personnel in PSBs, FIs and PSIs;
- (h) To help PSBs, FIs and PSIs in terms of developing business strategies and capital raising plan etc.;
- (i) To carry out such process and draw up a panel for consideration of competent authority for any other bank, financial institution or insurer for which the Government makes a reference, after consultation with the regulator concerned with that bank, financial institution or insurer.

3. **Composition of FSIB.**—The composition of FSIB shall be as follows, namely:—

- (a) The Chairperson of FSIB, to be nominated by the Central Government, who shall be a retired official from the banking sector or a regulatory institution, or a business person of repute with sufficient knowledge of the financial sector, or a person with at least 25 years of experience in
Chairperson
(part-time)

- public administration with experience in banking and the financial sector;
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| (b) The Secretary in charge of the Department of Financial Services; | Member
(<i>ex officio</i>) |
| (c) The Secretary in charge of the Department of Public Enterprises; | Member
(<i>ex officio</i>) |
| (d) The Chairperson of the Insurance Regulatory and Development Authority of India (IRDAI), and if the office of Chairperson is vacant, the senior-most whole-time member of IRDAI; | Member
(<i>ex officio</i>) |
| (e) A Deputy Governor of Reserve Bank of India (RBI); | Member
(<i>ex officio</i>) |
| (f) Three persons with subject matter knowledge relating to PSBs and FIs, to be nominated by the Central Government, of whom— | Member
(part-time, non-government) |
| (i) at least two shall be ex-bankers from the public or private sector; and | |
| (ii) one may be an academician, or a former regulator, or a businessperson, or a former administrator, and has experience in business management, information technology, human resource management, finance or accounting; | |
| (g) Three persons with subject matter knowledge relating to PSIs, to be nominated by the Central Government, of whom— | Member
(part-time, non-government) |
| (i) at least two shall be either formerly from the public sector or experts in insurance sector, with specialisation in life insurance, non-life insurance, reinsurance or actuarial science; and | |
| (ii) one may be an academician, or a former regulator, or a businessperson, or a former administrator, and has experience in business management, information technology, human resource management, finance or accounting. | |

3.1 FSIB shall be competent to carry out its functions regardless of any vacancy in its composition.

4. **Initial Chairperson and part-time members.**—The following persons shall be the initial Chairperson and the initial part-time, non-government members of FSIB, from the date of assumption of office till a period of two years from the date of notification of this Resolution, or until further orders of the Central Government, whichever is earlier, namely:—