

## **Guidelines for appointment of Chairmen of RRBs by Sponsor Banks**

The Chairmen of the RRBs are appointed by the sponsor banks of the respective RRBs under the provision of Section 11 of RRB Act, 1976.

2. The sponsor banks appoint Chairmen in RRBs sponsored by them in consultation with NABARD. However, specific guidelines have not been prescribed for selection. NABARD, at the time of consultation, generally takes into account the level of the officer recommended by the sponsor bank, the business level & size of the RRB which the officer is recommended for, experience of the officer in serving rural areas and the residual service of the officer to be minimum 3 and a half year.

3. With a view to strengthen the management of RRBs, the sponsor banks need to select Chairmen of RRBs on the basis of level & professional expertise of the officer, willingness, exposure in rural banking etc. The following model guidelines may be followed for appointment of Chairmen of RRBs.

4. **Selection Committee:** Sponsor banks will constitute a Selection Committee under the Chairmanship of Chairman/Chairman & Managing Director/ Managing Director with the following members.

|   |   |        |
|---|---|--------|
| 1 | RBI nominee director on the board of the bank.                          | Member |
| 2 | Officer not below the rank of CGM from NABARD                           | Member |
| 3 | ED (CGM in case of Associate of SBI) of Sponsor Bank looking after RRBs | Member |
| 4 | An external expert in Rural Banking                                     | Member |

### **5. Eligibility criteria:**

Officer should not be below the rank of Assistant General Manager or equivalent rank. The officers posted as Chairmen of RRBs shall be placed at one level above their position in sponsor bank.

Age of the applicant should be below 55 years.

The candidate should not have been imposed any major penalty or more than one minor penalty in his/her career.

The cut-off date for determining the eligibility will be reckoned as on 1<sup>st</sup> April of the financial year in which the vacancies arise.

## **6. Selection Procedure:**

Selection shall be made for all vacancies likely to arise during the year (April to March).

The sponsor bank will invite applications from amongst its eligible officers.

Eligible candidates would be invited for an interaction with the selection committee.

## **7. Selection by the Selection Committee:**

The selection committee shall recommend officers for appointment as Chairman of RRB based on their suitability after considering their overall service record, experience, past performance and performance during the interaction. Potential and ability of the officer to discharge the responsibility as Chairman of RRB shall be the essential criteria.

The selection committee may also recommend officers to be posted as against specific vacancies to arise in the year.

The Committee may also prepare a Reserve List upto 50% of the vacancies.

## **8. Appointment of the Chairman**

The recommendations of the Selection Committee will be placed before the Board of the Directors of sponsor bank for final selection and appointment of the Chairman of the RRB.

The Chairman of RRB should be appointed for period of 5 years. The performance of the bank shall be reviewed by the Board of Directors of the Sponsor Bank on a quarterly basis and based on performance; the Board may take a decision on recalling the officer from RRB and post another officer from the list of officer recommended for the year.