



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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RBI/2013-14/506

UBD CO BPD (PCB) Cir. No. 49 /12.05.001/2013-14

February 28, 2014

To

All Multi-State Urban Co-operative Banks

Madam / Dear Sir,

Guidelines on 'Fit and Proper Criteria' for Chief Executive Officers (CEOs) of Multi-State Urban Co-operative Banks

Please refer to the circular No R-11017/17/2011-L&M dated August 16, 2011 issued by Government of India, Ministry of Agriculture, Department of Agriculture and Co-operation on the captioned subject.(copy enclosed). It would be observed therefrom that the Government of India has prescribed the minimum eligibility criteria for appointment to the post of Chief Executive Officer of Multi-State Urban Co-operative Banks.

2. It has been brought to our notice that some of the UCBs registered under the Multi-State Co-operative Societies Act either have not laid down the 'fit and proper criteria' for appointment of Chief Executive Officer in their bank or the same is not being adhered to as per the above guidelines.

3. As the 'fit and proper criteria' have been prescribed pursuant to the recommendations of TAFUB, you are advised to ensure that the guidelines for appointment of Chief Executive Officer of the bank are followed in letter and spirit.

Yours faithfully,

(Scenta Joy)
Deputy General Manager

Urban Banks Department, Central Office, 1st Floor, Garment House, Worli, Mumbai – 400 018
Phone: 022 - 2493 9930 - 49, Fax: 022 - 2497 4030 / 2497 3954, Email: rbiubdco@rbi.org.in

चेतावनी: भारतीय रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिये कोई भी व्यक्तिगत जानकारी जैसे बैंक खाते का ब्यौरा, पासवर्ड आदि नहीं माँगा जाता है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी प्रकार से जवाब मत दीजिए।

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers

No. R-11017/17/2011-L&M
Government of India
Ministry of Agriculture
(Deptt. of Agriculture and Cooperation)

Krishi Bhavan, New Delhi
Dated 16/08/2011

To
The Chairman/ Secretary,
All the Multi-State Urban Co-operative Banks,

Sub: Guidelines on 'Fit and Proper Criteria' for CEOs of Multi-State Urban Co-operative Banks- Reg.

Sir,

In consultation with the Reserve Bank of India, it has been decided to issue guidelines on 'Fit and Proper Criteria' for CEOs of Multi-State Urban Co-operative Banks. The guidelines are as follows;

1. Minimum Eligibility Criteria

Minimum eligibility criteria for the post of Chief Executive Officer (CEO) of UCBS are as under:

- The candidate should be a graduate. Higher Educational qualification could be prescribed by bank depending upon size and need.
- He/ she should be between 35 years of age not beyond the prescribed age of superannuation for officers of the bank.
- He/ she should have a minimum 10 years of experience in respect of one or more of accountancy, banking, cooperation, economics, finance and law.

2. The Board of banks should obtain / verify the following

- a) Proof of age;
- b) Proof/ documents of educational qualification;
- c) Bankers' Report about incumbent ; and
- d) Report from previous employer/ s (during last 5 years)

3. Board of banks should also obtain a signed self- declaration from the CEO regarding his 'relatives' and 'substantial interest' in the bank as per the Annexure.

Yours faithfully,
Sd/-

(Surendra Sehgal)

Dy. Director (Cooperation)

Encl.: As above

Copy for information to:

The Chief Executive, National Federation of Urban Co-operative Banks and Credit Societies,
New Delhi

ANNEXURE

Relatives of a CEO:

A Relative of CEO of the bank shall mean any relative(s) as indicated below;

- a) They are member of Hindu Undivided Family.
- b) They are Husband and Wife or
- c) The one is related to the other in the manner indicated below;
 - i. Father
 - ii. Mother (including stepmother)
 - iii. Son (including step son)
 - iv. Son's wife
 - v. Daughter (including step daughter)
 - vi. Daughter's husband
 - vii. Brother (including step brother)
 - viii. Brother's wife
 - ix. Sister (including step sister)
 - x. Sister's husband

Substantial Interest

- i) In relation to a company, means the holding of beneficial interest by an individual or his spouse or minor child, whether singly or taken together in the shares thereof, the amount paid-up on which exceeds four lakhs of rupees or ten percent of the paid-up capital of the company, whichever is less.
- ii) In relation to a firm means the beneficial interest held therein by an individual or his spouse or minor child, whether singly or taken together, which represent 10 percent of total capital subscribed by all the partners of the said firm.