

By Registered/Speed Post

F.No. R-11017/17/2011-L&M
Government Of India
Department of Agriculture & Cooperation
Ministry of Agriculture

Krishi Bhavan, New Delhi
Dated the 24th July, 2015

To,
The Chairman/President
All Multi State Urban Cooperative Banks

Sub : "Fit & Proper Criteria" for CEOs of Multi State Urban Co-operative Banks.- reg.

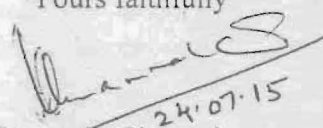
Sir/Madam,

In reference to circular of even number dt. 16/08/2011, on the above mentioned subject, some of the Multi State Urban Cooperative Banks had sought clarification from this office regarding the issue of extension of the term of their Chief Executive Officers/ Managing Directors vis-à-vis Fit & Proper criteria for the CEO's of the Multi State Cooperative Banks formulated by this office in consultation with RBI.

2. The matter has been taken up with RBI keeping in view the provisions of section 49{2(d)}, 49{2(e)} and section 51 of the Multi State Co-operative Societies Act 2002. In consultation with RBI it has been decided to provide option to UCBs to relax the age of superannuation for CEO's from 60 years to 70 years provided a resolution of the Board is passed by the banks in this regard.

This issues with the approval of Central Registrar of Co-operative Societies.

Yours faithfully


(Kamna R. Sharma)

Deputy Director (Cooperation)

Copy to : Chief General Manager, Reserve Bank of India, Department of Co-operative Bank Regulation Central Office, Garment House 1st Floor, Dr.A.B. Road, Worli Mumbai 400 018 (Maharashtra).

2. Chief Executive, NAFCUB, B-14, 3rd Floor, A-Block Shopping Complex, Naraina Vihar, Ring Road, New Delhi- 110 028

*Issued
Multi State Urban
Coop. Banks*

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

Krishi Bhawan, New Delhi

Dated: 16/8/2011

To,

The Chairman/ Secretary,
All the Multi-State Urban Cooperative Banks,

Sub: Guidelines on 'Fit and Proper Criteria for CEOs of Multi-State Urban Cooperative 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 Cooperative Banks. The guidelines are as follows:

1. Minimum Eligibility Criteria

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

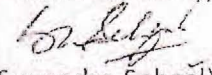
- The candidate should be a graduate. Higher educational qualification could be prescribed by banks depending upon size and need.
- He/ she should be between 35 years of age and not beyond the prescribed age of superannuation for officers of the bank.
- He /she should have a minimum of 10 years of experience 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 qualifications;
- c) Banker's Report about the 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,


(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

Issued with encl
19/8/11

ANNEXURE

Relative of a CEO:

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

- a) They are members of a 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 a 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 represents 10 percent of the total capital subscribed by all the partners of the said firm.