

Board of Directors: Management and composition

The RRB Act (Regional Rural Banks Act) outlines the composition of Board as:

Board of directors.- (1) The Board of directors shall consist of the Chairman appointed under sub-section (1) of section 11, and the following other members, namely:--

1*[(a) two directors, who are not officers of the Central Government, State Government, Reserve Bank, National Bank, Sponsor Bank or any other bank, to be nominated by the Central Government; (b) one director, who is an officer of the Reserve Bank, to be nominated by that Bank; (c) one director, who is an officer of the National Bank, to be nominated by that Bank; (d) two directors, who are officers of the Sponsor Bank, to be nominated by that Bank; and (e) two directors, who are officers of the concerned State Government, to be nominated by that Government.]

(2) The Central Government may increase the number of members of the Board; so, however, that the number of directors does not exceed fifteen in the aggregate and also prescribe the manner in which the additional number may be filled in. (Source: Sec 09, RRB Act, 1976)

The following table exhibits the composition and types of Directors on the Board of RRBs.

Sl no	Type of Director	Designation	Nominated by	Numbers
1	Official	Chairman	Sponsor Bank	1
2	Official	Director	State Government	2
3	Official	Director	Sponsor Bank	2
4	Official	Director	RBI	1
5	Official	Director	NABARD	1
6	Non-Official	Director	Government of India	2
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