

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.

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	Usually by 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
5	Official	Director	Government of India	2
6	Non-Official			9