

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

STARRED QUESTION NO. *4

ANSWERED ON 29th November 2021 / Agrahayana 8, 1943 (SAKA)

Appointment of Directors in PSBs

*4. Shri Syed Imtiaz Jaleel:

Will the Minister of FINANCE be pleased to state :-

- (a) whether the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980 provide for the representation of Chartered Accountants, Depositors, Agriculture, Cooperation, Law, Small Scale Industries and employees by way of their appointment as Directors on the Board of Directors of the Public Sector Banks (PSBs);
- (b) if so, the details thereof including the number of such Directors appointed during each of the last five years, PSB-wise; and
- (c) if such appointments have not been made, the reasons therefor?

ANSWER

**THE MINISTER OF FINANCE
(SMT. NIRMALA SITHARAMAN)**

REPLY

(a) to (c): A statement is laid on the table of the House.

Statement referred to in reply to Lok Sabha Starred Question no. *4 by Shri Syed Imtiaz Jaleel for 29.11.2021 regarding ‘Appointment of Directors in PSBs’.

(a) to (c): Clause (g) of sub-section (3) of section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980 [“Act”] provides for nomination of Chartered Accountant as Director on the board of eleven Public Sector Banks (PSBs) covered under the Act. Sub-section (3A) of section 9 of the Act provides that the persons nominated as Director under clause (h) or to be elected under clause (i) of sub-section (3) shall have special knowledge or practical experience in the fields of agriculture, co-operation, law, small scale industries, any other matter the special knowledge of, and practical experience in, which would, in the opinion of the Reserve Bank be useful to the bank or represent the interest of depositors or represent the interest of farmers, workers and artisans. Clause (i) of sub-section (3) of section 9 of the Act provides that the Directors to be elected by the shareholders, other than the Central Government, from amongst themselves. Further, clause (e) and (f) of sub-section (3) of section 9 of the Act provides for nomination of employees of the bank as Director on its board. Nomination / re-nomination of such directors on the board of these PSBs is carried out on ongoing basis based on the vacancies and verification report received from various Government agencies. The number of the directors nominated / re-nominated / elected in eleven PSBs in these categories during last five years is at **Annexure**.

**Annexure as referred to in part (a) to (c) of the reply to Lok Sabha Starred Question no. *4
for 29.11.2021**

Details of number of directors nominated/ re-nominated / elected in eleven Public Sector Banks under Section 9(3)(e), (f), (g), (h) and (i) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980

S. No.	Public Sector Bank	Year	Number of Director
1.	Bank of Baroda ¹	2016	7
		2017	5
		2018	4
		2019	2
		2020	1
2.	Bank of India	2016	1
		2017	2
		2018	1
		2019	0
		2020	1
3.	Bank of Maharashtra	2016	2
		2017	0
		2018	1
		2019	1
		2020	0
4.	Canara Bank ²	2016	6
		2017	1
		2018	2
		2019	5
		2020	0
5.	Central Bank of India	2016	1
		2017	1
		2018	2
		2019	0
		2020	0
6.	Indian Bank ³	2016	3
		2017	3
		2018	3
		2019	3
		2020	0
7.	Indian Overseas Bank	2016	1
		2017	4
		2018	0
		2019	0
		2020	0
8.	Punjab & Sind Bank	2016	1
		2017	4
		2018	1
		2019	0
		2020	0
9.	Punjab National Bank ⁴	2016	3
		2017	7
		2018	2
		2019	1
		2020	0

S. No.	Public Sector Bank	Year	Number of Director
10.	UCO Bank	2016	1
		2017	2
		2018	0
		2019	1
		2020	0
11.	Union Bank of India ⁵	2016	2
		2017	6
		2018	6
		2019	2
		2020	0

Note 1: Dena Bank and Vijaya Bank amalgamated on 1.4.2019 with Bank of Baroda. The data of Bank of Baroda includes data of Dena Bank and Vijaya Bank.

Note 2: Syndicate Bank amalgamated on 1.4.2020 with Canara Bank. The data of Canara Bank includes the data of Syndicate Bank

Note 3: Allahabad Bank amalgamated on 1.4.2020 with Indian Bank. The data of Indian Bank includes the data of Allahabad Bank

Note 4: Oriental Bank of Commerce and United Bank of India amalgamated on 1.4.2020 with Punjab National Bank. The data of Punjab National Bank includes the data of Oriental Bank of Commerce and United Bank of India

Note 5: Andhra Bank and Corporation Bank amalgamated on 1.4.2020 with Union Bank of India. The data of Union Bank of India includes the data of Andhra Bank and Corporation Bank.
