

DIRECTORS ON THE BOARDS OF PRIVATE SECTOR BANKS

Ref: RBI Circular DBOD.No.BC.94/16.13.100/92 dated March 9, 1992

STATEMENT

	DO'S		DON'TS
i)	Attend the meetings regularly and effectively.	i)	Do not send any instruction to any individual officer of the Bank or give direction to individual officer in any matter.
ii)	Study the Board papers thoroughly and use the good offices of the Chief Executive for eliciting any information at the Board meeting.	ii)	Do not involve yourself in any matter relating to personnel administration, whether it is appointment, transfer, posting or promotion or a redressal of individual grievances of any employee.
iii)	Ask the Chairman to furnish you with the Board papers and follow-up reports on a definite time schedule.	iii)	Do not interfere in the day-to-day functioning of the Bank.
iv)	Involve yourself as Director on the Board thoroughly in the matter of formulation of general policy and also ensure that performance of the Bank is monitored adequately at Board levels.	iv)	Do not approach or influence for sanction of any kind of facility from an individual Branch Manager or any other official.
v)	Be familiar with the Board objectives of the Bank and the policy laid down by the Government and the Reserve Bank.	v)	Do not involve yourself in the routine or every day business and in the Management functions.
vi)	All constructive ideas for the better Management of the Bank and for making valuable contribution would be welcome.	vi)	Do not participate in the Board discussion if a proposal in which you are directly or indirectly interested comes up for discussion. Disclose your interest well in advance to the Chief Executive.
vii)	You must work as a team and not sponsor or be prejudice against individual proposals. Management on its part is supposed to furnish full facts and complete papers in advance.	vii)	Do not reveal any information relating to any constituent of the Bank to anyone as you are under oath of secrecy and fidelity.

	DO'S		DON'TS
viii)	Try to give as much of your wisdom, guidance and knowledge as possible to the Management.	viii)	Directors should not send for individual officers of the Bank or give directions to such officers on any matter.
ix)	Try to analyze the trends of economy, assist in the discharge of Management's responsibility to public and formulation of measures to improve customer service and be generally of constructive assistance to the Bank Management.	ix)	You should discourage the individual employee or unions approaching you in any matter.
		x)	You may indicate your Directorship of the Bank on your visiting card or letter heads, but the logos or distinctive design of the Banks should not, however, be displayed on the visiting card/letter head.
		xi)	Directors should not directly call for papers/files/notes recorded by various departments for scrutiny etc. in respect of agenda items to be discussed in the meetings. All information/clarification that they may requires for taking a decision will be made available by the executive.
		xii)	Directors are expected to ensure confidentiality of the Bank's agenda papers/notes. Ordinarily, it is suggested that by way of abundant precaution, the Board papers may be returned to the Bank after the meeting.
		xiii)	Do not sponsor any loan proposal, buildings and sites for Bank's premises, enlistment or empanelment of contractors, architects, doctors, lawyers etc. Do not do anything, which will interfere with and/or be subversive of maintenance of discipline, good conduct and integrity of the staff.