



Manual of Instructions

August 2023

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Financial Services Institutions Bureau

TABLE OF CONTENTS

Introduction	3
Meetings of the FSIB	4
Protocol for conduct of Meetings / Interactions through Video Conferencing Mode	4
Standard Operating Procedure (SOP) for appointment of Whole Time Directors (WTDs) in Public Sector Banks, Public Sector Insurance Companies and Financial Institutions	5
Guide for connecting to FSIB through Video Conferencing over Internet	9
Receipts and Expenditure	12

वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

INTRODUCTION

The Central Government vide Resolution dated 1st July 2022 constituted the Financial Services Institutions Bureau (FSIB) for the purpose of recommending persons for appointment as whole-time directors and non-executive chairpersons on the Boards of financial services institutions and for advising on certain other matters relating to personnel management in these institutions.

The functions of FSIB set out in the resolution are: —

- (a) To recommend persons for appointment as whole-time directors (WTDs) and non-executive chairpersons (NECs) on the Boards of Directors in Public Sector Banks, financial institutions and Public Sector Insurers (hereinafter referred to as “PSBs”, “FIs” and “PSIs” respectively);
- (b) To advise the Government on matters relating to appointments, transfer or extension of term of office and termination of services of the said directors;
- (c) To advise the Government on the desired management structure at the Board level for PSBs, FIs and PSIs;
- (d) To advise the Government on a suitable performance appraisal system for WTDs and NECs in PSBs, FIs and PSIs;
- (e) To build a databank containing data related to the performance of PSBs, FIs and PSIs;
- (f) To advise the Government on formulation and enforcement of a code of conduct and ethics for whole-time directors in PSBs, FIs and PSIs;
- (g) To advise the Government on evolving suitable training and development programmes for management personnel in PSBs, FIs and PSIs;
- (h) To help PSBs, FIs and PSIs in terms of developing business strategies and capital raising plan etc.;
- (i) To carry out such process and draw up a panel for consideration of competent authority for any other bank, financial institution or insurer for which the Government

वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

makes a reference, after consultation with the regulator concerned with that bank, financial institution or insurer.

MEETINGS OF THE FSIB

1. The Secretary shall decide on the agenda and the range of dates for the meeting.
2. The meeting dates shall be sought from the Bureau members.
3. Once the dates are decided, the Members shall be intimated of the date and agenda by email.
4. The detailed agenda papers are printed, bound and sent by courier.
5. One copy of the agenda shall be filed.
6. The minutes of the meeting shall be finalised after obtaining approval of all Bureau members and the Chairman.
7. Action points in the minutes of the meeting shall be communicated to the relevant persons for actions.
8. Action Taken Report shall be submitted to the Secretary, if so required.

PROTOCOL FOR CONDUCT OF MEETINGS / INTERACTIONS THROUGH VIDEO CONFERENCING MODE

1. Chairman shall decide on the Panel Compositions and inform the Secretary.
2. The Three Panels shall be hosted by three different officers of the Bureau.
3. The Officer hosting the panel shall initiate a meeting link that shall be received over email. The Panel Members shall join their meeting Room.
4. The Meeting Room shall be Locked by the Host thereafter and only candidates shall be permitted as per the schedule.

वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

5. The Host Officer from the Bureau shall always remain in the Host Room, as the meeting cannot be hosted without it. However, the Bureau officer shall not communicate with the panel members unless they ask him/her to enter.
6. The Panel members shall mute their microphones after each interactions and discuss the scores with each other over Mobile/Alternate modes only.
7. As and when the interactions are over, the panel members can disconnect from the meeting room and finalize their results by communicating over mobile phone. Once the results are finalised, the scoring sheet shall be scanned and sent to the Secretary for compilation.
8. A Common meeting room shall be opened after the interactions that shall be hosted by the Secretary. Link to this room shall be sent to all the members where they can join to discuss the agenda items.
9. The Secretary shall compile the results and present it in this common meeting room thereafter.
10. The final results shall also be displayed in the room and concurrence is obtained from the members. Thereafter, the same shall be sent to the members to obtain their concurrence over email.
11. All Material for the meetings shall be sent over email / courier.

STANDARD OPERATING PROCEDURE (SOP) FOR APPOINTMENT OF WHOLE TIME DIRECTORS (WTDS) IN PUBLIC SECTOR BANKS, PUBLIC SECTOR INSURANCE COMPANIES AND FINANCIAL INSTITUTIONS

Any upcoming/ existing vacancy of WTDs in any of the institution under the Bureau's mandate is notified by Department of Financial Services (DFS) to the Financial Services Institutions Bureau (FSIB). The vacancy could be filled either by floating an open advertisement or through the promotion of the internal candidates as per the extant Appointments Committee of Cabinet (ACC) criteria.

वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

Recommendations for WTD positions where vacancies are filled by the promotion of internal candidates

1. The respective vacancy/ vacancies are notified to the Bureau along with the list of candidates who are eligible for the said vacancy. The list of candidates is then independently verified by the Bureau, to ensure that they fulfil the extant ACC criteria.
2. The Bureau then collects the annual performance appraisal reports (APARs) of the eligible candidates for the last five years.
3. A self-assessment questionnaire and a resume, duly attested by the respective institution, is collected from each of the eligible candidates.
4. A self-declaration, related to the vigilance records, which is to be duly attested by the Competent Authority is also collected from all the eligible candidates.
5. The vigilance details of the candidates are also collected from the CVO of the respective organization.
6. The next steps in the selection process entail a Behavioral Assessment Round, which is conducted by an external agency hired by the Bureau for conducting behavioral assessments. As part of this process, the candidates undergo a psychometric assessment (via a ~60-minute Online Survey) followed by an 'In Person' interview, entailing one-to-one assessment with a behavioural & a functional expert.
7. Bureau collects 360-Degree Feedback of all candidates from Customers, Superiors, References, Peers & Subordinates.
8. All the reports/ documents collected by the Bureau Secretariat are made available to the members of the FSIB before the interactions.
9. Thereafter the call letters are issued to the candidates and the interaction with the Board Members is conducted at the scheduled time and date.
10. Since the onset of the pandemic, most of the interactions are being held in online mode. A test VC is conducted with all the stakeholders before the interactions.

वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

11. For the interactions, three panels are formed, with two members in each panel. The constitution of panel members is decided by the Chairman, FSIB.

12. After the interactions of each of the panel with the candidates, the scores are awarded by all the three panels to each of the candidates. Taking into consideration the scores of all the panels along with the other extant ACC criteria, the final score is arrived at, on the basis of which the recommendations to the respective positions are made by the Bureau.

13. The recommendations made by the Bureau are published on the Bureau's website as well the twitter handle of the Bureau.

Recommendations for WTD positions where vacancies are filled by open advertisement

1. The respective vacancy/ vacancies are notified to the Bureau.

2. The Bureau then invites online applications from eligible candidates for the respective positions. The advertisement for the same is published in major newspapers and also on the Bureau's website.

3. Amongst other things, all applicants are required to furnish a self-assessment questionnaire and their resume. If an applicant is working in a public-sector organisation, a No Objection Certificate (NOC) from their employer is also required.

4. The applications are then scrutinized by the Bureau to determine the eligibility of the candidates for the said position as per the ACC criteria.

5. The candidates, whose candidature is not found in order, are advised by an email with the reasons for rejection of their candidature and are provided a time frame to provide any additional documents in support of their candidature for the said position. If the applicants are not able to furnish the satisfactory documents in support of their candidature, their candidature for the said position is rejected.

6. A self-declaration, related to the vigilance records, is collected from all the eligible candidates.

वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

7. The vigilance details of the candidates working in the Public Sector organisations are also collected from the CVO of the respective organization.
8. The next steps in the selection process entail the Behavioral Assessment Round, which is conducted by an external agency hired by the Bureau for conducting behavioral assessments. As part of this process, the candidates undergo a psychometric assessment (via a ~60-minute Online Survey) followed by an 'In Person' interview, entailing one-to-one assessment with a behavioral expert.
9. Bureau collects 360-Degree Feedback of all candidates from Customers, Superiors, References, Peers & Subordinates.
10. A background check of the eligible candidates is conducted by an agency hired by the Bureau for providing the said services.
11. All the reports/ documents collected by the Bureau Secretariat are made available to the members of the FSIB before the interactions.
12. Thereafter the call letters are issued to the candidates and the interaction with the Board Members is conducted at the scheduled time and date.
13. Since the onset of the pandemic, most of the interactions are being held in online mode. A test VC is conducted with all the stakeholders before the interactions.
14. For the interactions, three panels are formed, with two members in each panel. The constitution of panel members is decided by the Chairman, FSIB.
15. After the interactions of each of the panel with the candidates, the scores are awarded by all the three panels to each of the candidates. Taking into consideration the scores of all the panels along with the other extant ACC criteria, the final score is arrived at, on the basis of which the recommendations to the respective positions are made by the Bureau.
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वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

GUIDE FOR CONNECTING TO FSIB THROUGH VIDEO CONFERENCING OVER INTERNET

The Financial Services Institutions Bureau has licensed CISCO WebEx platform for facilitating 24x7 Video conferencing from anywhere as per the convenience of the end user.

What do you need to join a meeting

1. A laptop / PC connected to high speed internet
2. A Web Camera connected to it.
3. A microphone and headphone.
4. Power backup (in case of desktop)

Software requirement

It is advisable to download and install the “**WebEx Meetings**” application. This application is available in the following web link <https://www.webex.com/downloads.html/>

You can also watch a detailed YouTube Video on the procedure for installing and connecting to the meeting <https://www.youtube.com/watch?v=fE5FnEUKtaE>

Backup System

As a matter of abundant caution, you may download the mobile application on your mobile by searching for WebEx in the appstore. Once installed, you can join in the meeting by clicking on the email link or simply by entering the Meeting Number (Access Code) that shall be provided in the email.

However, you must join the meeting from only one of the devices.

Testing of equipment

वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

You can test your connectivity with the WebEx platform by using a self-test available at <https://www.webex.co.in/test-meeting.html>. Kindly follow the instructions as given on the website.

Note: You do not need to get a WebEx Account or signup for the meeting.

Prior to the Meeting / Interview

You shall receive an email from Financial Services Institutions Bureau informing you of the scheduled date and time of the interactions. Kindly make a note of the same.

On the Date of the Meeting / Interview

Step 1. You shall receive an email from Financial Services Institutions Bureau that shall contain a link to join the meeting. Kindly click on the link to join the meeting.

IMPORTANT Note: The link may open the default web browser but the webpage may not load. In such a case, please check the URL in the address. The address will generally read as follows:

<https://sampark.webex.noclick.com/sampark/e.php?MTID=m947563fa48f9344463e5b52230c704c>

This error is due to the highlighted “noclick_” text that is automatically inserted to enhance cyber security as protection from unknown source. As the link is otherwise secure, kindly remove the “***noclick_***” from the link. The URL address, after editing, should read as follow

<https://sampark.webex.com/sampark/e.php?MTID=m947563fa48f9344463e5b52230c704c>

Press enter after the edit and the page should open.

Step 2. Click on the Microphone and Camera button so that they are enabled. It may be noted that once you join the meeting, you would be directed to the lobby of the meeting room and the host/ administrator of the meeting room (i.e. the official from whom you

वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

have received the link to join the meeting) would be notified of the same. Thereafter, you would be directed to the Interview Room for your interactions with the Bureau Members.

Step 3

Once the meeting is over, you would be required to exit from the Interview Room and wait for further instructions.

Step 4

It may be noted that each candidate would be required to appear for the interactions before the three panels. Accordingly, once your interactions with the first panel is over, kindly login to your email account and check your email for new instructions. You shall receive the link for joining the second panel. Click on the new meeting email invitation and follow the same procedure to join the meeting as above.

Important Tips for the meeting

- 1. Ensure that there are no other applications running on the desktop that may be using the camera or microphone or speaker. This may disrupt the call.*
- 2. Please be present 2-3 minutes before the meeting start and connect by clicking on the link to join the meeting. The host will let you in once the meeting starts. In case you get a message that the meeting has not started, kindly connect after a few minutes.*
- 3. Please ensure that your mobile phone is on silent mode and kept away from the microphone to avoid interference.*
- 4. Please ensure that there is no one else in the room to distract / disturb the interactions.*
- 5. As the interviews may last for over 20 minutes, you may like to keep potable water for yourself in close vicinity.*
- 6. Please do not use any other application / device or audio recorders etc. or record (digitally or manually) any proceedings of the Interactions as it violates the Non-Disclosure Agreement Terms.*
- 7. Please be dressed appropriately.*

वित्तीय सेवा संस्था ब्यूरो

Financial Services Institutions Bureau

RECEIPTS AND EXPENDITURE

1. All expenses of the Bureau shall be incurred with the sanction of the Secretary only.
2. All major expenses shall be incurred with the consent of the FSIB or with permission of the Chairman.
3. For each financial year, the funds to be contributed by each of the three categories of financial service institutions (namely, PSBs, FIs and PSIs) towards meeting expenditure by FSIB shall be reckoned in proportion to the total number of their respective vacancies of WTDs and NECs at the beginning of the financial year. The contribution of an individual PSB or FI in the total contribution as reckoned for all PSBs or FIs, as the case may be, shall be in the ratio of the total income of the individual PSB or FI to the total income of all PSBs or FIs, as the case may be, for the financial year. Further, the contribution of an individual PSI in the total contribution as reckoned for all PSIs shall be in the ratio of its net premium earned to the total net premium earned by the individual PSI to all PSIs for the financial year.
4. FSIB shall assess its total fund requirement for a particular financial year and apportion it among PSBs, FIs and PSIs in the aforesaid manner and intimate the apportioned requirement to SBI in respect of PSBs, NABARD in respect of FIs, and LIC in respect of PSIs. SBI, NABARD and LIC shall remit upfront the funds to be contributed by PSBs, FIs and PSIs respectively, and collect the contributions of individual PSBs, FIs and PSIs, as the case may be.
5. The receipts and payments of the Bureau are routed through an account maintained at Reserve Bank of India.
6. Payments: The major payments related to lease rentals towards hiring of premises at Mumbai and personnel costs are reimbursed to Reserve Bank of India. These constitute the recurring expenses for the Bureau. The External HR agency charges are incurred for assessment and background verification of candidates. There are no fixed assets as majority of the fixtures, furniture and computer hardware etc. are provided by RBI. Minor items of hardware are considered as revenue expense.