

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 1878

TO BE ANSWERED ON DECEMBER 21, 2018/AGRAHAYANASO, 1940(SAKA)
PRIVATE CORPORATE ENGAGING EX-BANKERS OF PSBs

1878. SHRI P. K. KUNHALIKUTTY:

Will the Minister of FINANCE be pleased to state:

- (a) whether a big corporate company has appointed the former CMD of State Bank of India (SBI) on their Board as Executive Director and if so, the details thereof;
- (b) whether such an appointment of former CMD of SBI is seen as *quid pro quo* for favouring Joint Venture (JV) between SBI and the said corporate company for setting up Jio Payment Bank;
- (c) if so, the details thereof and if not, the reasons therefor; and
- (d) whether the Government would restrict such appointments to have more transparency in the system and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

- (a) to (d): State Bank of India (SBI) has informed in this regard that-
- (1) in terms of regulation 19(1) of the State Bank of India Employees' Pension Fund Regulations, 2014, only in case where an officer intends to accept employment in any other bank at any time or any other commercial employment within one year from the date of retirement, he/she should obtain the previous sanction of the competent authority;
 - (2) as per terms and conditions of appointment of Whole-time Directors (WTDs) of Public Sector Banks (PSBs), for acceptance of any commercial employment including directorship of companies, within one year after demitting office, prior permission of the Central Government is required;
 - (3) that the last former Chairman of SBI retired on 6.10.2017 and
 - (4) SBI's decision to enter into joint venture with 30% stake in Jio Payments Bank was taken purely on commercial considerations.
