

F.No.7/124/2011-BOA  
Ministry of Finance  
Department of Financial Services

Jeevan Deep Building  
Sansad Marg, New Delhi  
Dated : 31st May, 2012

The CEOs of  
**All Public Sector Banks**

Dear Sir,

**SUBJECT: STRENGTHNING OF CIRCLE/ZONAL/REGIONAL OFFICES**

This department had, vide its letter dated 23<sup>rd</sup> Feb 2012, suggested measures to strengthen the Circle/ Zonal/ Regional offices of Public Sector Banks (PSBs) and had sought comments from all the PSBs on the same. The comments from all PSBs have since been received. All the PSBs agree that there is a need to review performance of their Circle/Zonal/ Regional Offices on regular basis. The PSBs have informed that the quantitative parameters suggested vide aforesaid letter are already in place in banks as part of their budgetary exercise. Also in place is the system of monthly/ quarterly performance review on these parameters. The PSBs have further informed that the policies related to qualitative parameters are also in place.

2. In this regard, you are requested to ensure that:-

- The budgetary target allocation and quarterly performance review should be meticulously followed. A report on said quarterly review be placed before the Board.
- The performance of all functionaries with budgetary responsibility should be reflected in their Annual Performance Appraisal Report (APAR).
- The Bank should suitably devise an annual reward/ recognition system in order to incentivize the best performers in the Circle/Zonal/ Regional Offices. In this regard, PSBs are requested to devise an appropriate evaluation-matrix with respect to performance of functionaries in the Circle/Zonal/ Regional Offices allocating marks for achievement on each parameter.

You are further requested to place the above before your Board at the earliest.

Yours faithfully

(Pravin Rawal)  
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Copy to all Govt. Nominee Directors on the Boards of PSBs