

RBI/2007-2008/365
DBOD. No. Inf. BC. 94 /11.01.009/2007-08

June 13, 2008

The Chairman & Managing Director
of all Public Sector Banks

Dear Sir,

Review of circulars issued to Public Sector Banks (PSBs)

In continuation of our circular letter DBOD. No.Inf. BC.32/11.01.009/2007-08 dated September 10, 2007 on the above subject, it has been decided in consultation with the Government of India to withdraw 8 more circulars, as detailed in the Annex.

You are advised to carefully go through the circulars in the enclosed statement and in case it is felt that the instructions in the circular are relevant, kindly ensure that suitable Board approved policies/procedures are drawn up for substituting the same.

Yours faithfully,

(Vinay Bajjal)
Chief General Manager

Annex

Circulars issued to PSBs during the period January 1991 to June 2004 for withdrawal

Sr. No.	Circular No.	Subject Matter in brief	Gist of Circular
1	DBOD.No. BP.BC.80/21.04.117/2001-02 dated 22.3.02	Special One Time Settlement Scheme for Small and Marginal Farmers.	The Boards of the Public Sector Banks were advised to formulate a policy for recovery of loans upto Rs. 50,000 to small and marginal farmers. This was an offshoot of the announcement in the Union Budget of 2002-03 by FM that a special OTS Scheme for small and marginal farmers would be announced by RBI. The guidelines were made operative upto December 31, 2002.
2	DBOD No. BP.BC. 83/C 469(V)-91 dated 19.2.91	Nominees of Banks on Boards of Companies	The banks were advised to evolve a system of reviewing periodically the role played by the nominees of banks and financial institutions on the boards of assisted companies and take corrective measures, if necessary to avoid adverse observations.
3	DBOD No. BP. BC. 73 / 21.04.018/2000-01 dated 30.1.01	Voluntary Retirement Scheme (VRS) Expenditure – Accounting and Prudential Regulatory Treatment.	Voluntary Retirement Scheme (VRS) Expenditure - Accounting and Prudential Regulatory Treatment.
4	DBOD No. BP.BC. 87 /21.04.018/00-01 dated 7.3.01	-do-	Voluntary Retirement Scheme (VRS) Expenditure - Accounting and Prudential Regulatory Treatment – Clarifications on the accounting issues contained in circular at Sr. No. 3 above.

Sr. No.	Circular No.	Subject matter in brief	Gist of Circular
5	DBOD No. BP.BC. 90/21.04.018/00-01 dated 22.3.01	Voluntary Retirement Scheme (VRS) Expenditure – Accounting and Prudential Regulatory Treatment.	Voluntary Retirement Scheme (VRS) Expenditure - Accounting and Prudential Regulatory Treatment – Provisions need not be made in the accounting year 2000-01 where the banks are not in a position to complete the process of acceptance of VRS within the prescribed time.
6	DBOD No. BL.BC. 3/22.01.001/2001 dated 25.7.01	Closure of bank Branches due to Voluntary Retirement Scheme (VRS)	Closure of bank branches due to Voluntary Retirement Scheme (VRS) – Banks not to close any branch in general and branch in rural area in particular due to VRS.
7	DBOD No. BC.54/ 17.05.001/92 dated 25.11.92	Pending Departmental Enquires Disposal of Disciplinary Proceedings.	The banks were advised to dispose of disciplinary proceedings generally within 3 to 6months in view of the observation of the Hon. Justice of High Court of Mumbai.
8	DBOD No. MC.149/ 19.03.29 / 94-95 dated 27.4.95	Average Business Per Employee	Advising banks to furnish fortnightly levels of business as well as quarterly position of staff so as to arrive at the annual average business per employee for the year 1994-95