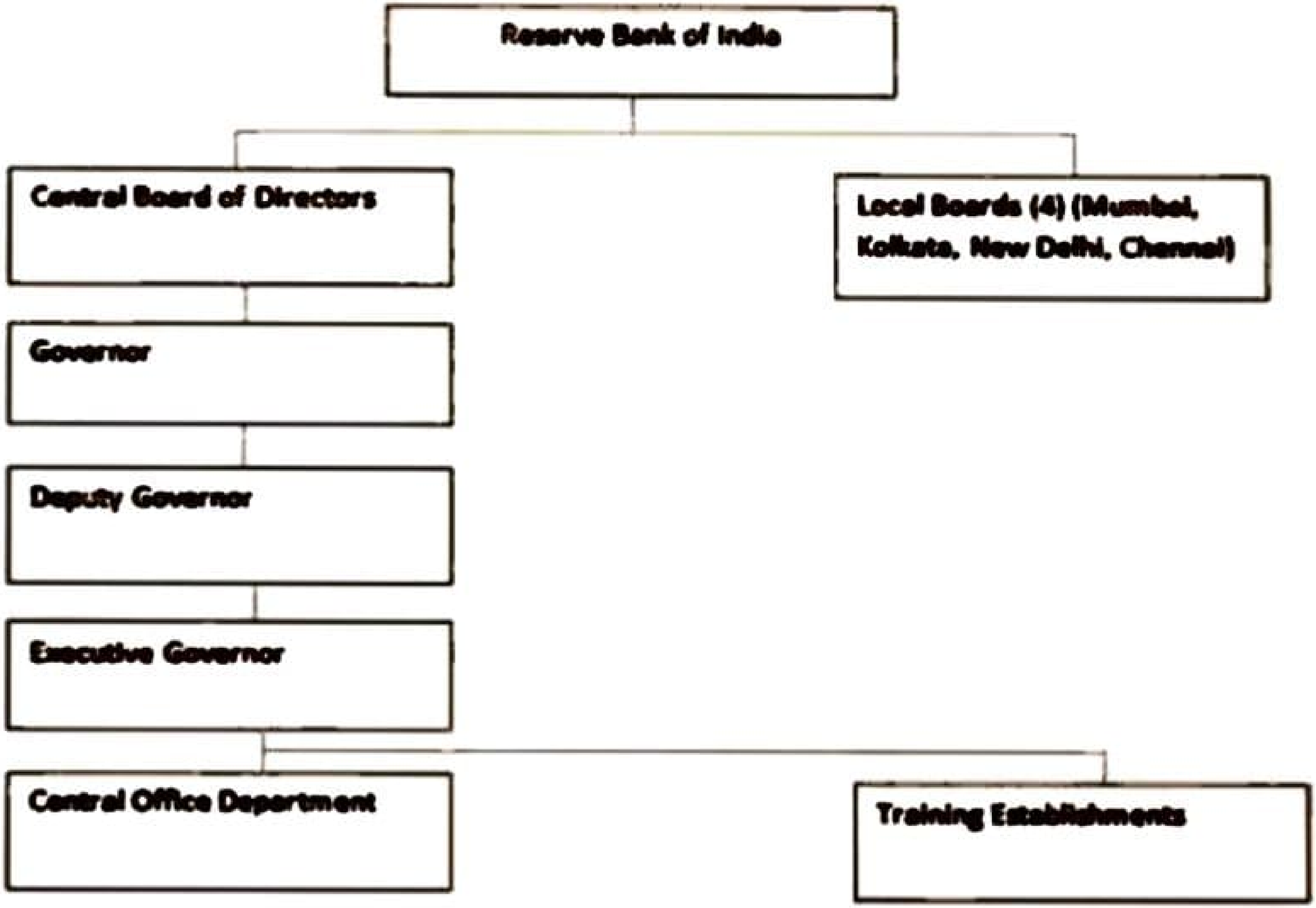
Organizational Structure of RBI



The Reserve Bank of India (RBI) is **India's central bank**, also known as the banker's bank. The RBI controls the monetary and other banking policies of the Indian government. The Reserve Bank of India (RBI) was established on April 1, 1935, in accordance with the Reserve Bank of India Act, 1934. 04-Oct-2021

Government: Government of India

Jurisdiction: India

Date founded: April 1, 1935

Is RBI a government company?

Though originally privately owned, since nationalisation in 1949, **the Reserve Bank is fully owned by the Government of India**. ... The Reserve Bank's affairs are governed by a central board of directors. The board is appointed by the Government of India in keeping with the Reserve Bank of India Act.

How many subsidiary are there in RBI?

There are **five** fully owned subsidiaries of RBI: DICGC, BRBNMPL, ReBIT, IFTAS and RBIH.

What are the four subsidiaries of RBI?

Subsidiaries of RBI

- Deposit Insurance and Credit Guarantee Corporation of India (DICGC)
- Bharatiya Reserve Bank Note Mudran Private Limited (BRBNMPL)
- Reserve Bank Information Technology Private Limited (ReBIT)
- Indian Financial Technology and Allied Services (IFTAS)

Who invented RBI?

The origins of the Reserve Bank of India can be traced to 1926 when **the Royal Commission on Indian Currency and Finance – also known as the Hilton-Young Commission** – recommended the creation of a central bank for India to separate the control of currency and credit from the Government and to augment banking facilities ...

Who appoints the RBI governor?

The Appointments Committee of the Cabinet has approved the appointment of T Rabi Sankar, Executive Director, RBI, as Deputy Governor of Reserve Bank of India (RBI) for a period of three years. He succeeds B P Kanungo, who retired on April 2. 02-May-2021

Which is largest commercial bank of India?

State Bank of India (SBI)

State Bank of India (SBI)

SBI is India's largest public sector bank and is ranked 232nd on the Fortune Global 500 list of the world's biggest corporations. The bank is also the country's biggest lender.

Is sidbi a subsidiary of RBI?

The SIDBI (Small Industries Development Bank of India) is **a wholly-owned subsidiary of IDBI (Industrial Development Bank of India)**, established under the special Act of the Parliament 1988 which became operative from April 2, 1990. 12-Oct-2021

How many directors are there in RBI?

Taking into consideration five official directors, the central board of the RBI as prescribed by the Act can have a total of **21 directors**. 25-Jul-2021

Who is not subsidiary organization of RBI?

Deposit Insurance and Credit Guarantee Corporation, DICGC; National Housing Bank; Bharatiya Reserve Bank Note Mudran Private Limited (BRBNMPL) and **NABARD**.

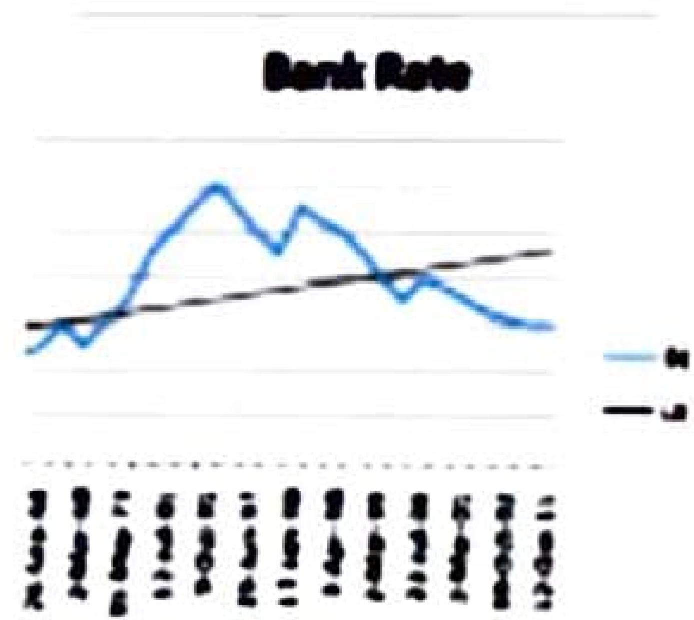
What is the old name of RBI?

Reserve Bank of India

History of Reserve Bank of India

In 1921, **the Imperial Bank of India** was set up to proceed as the national bank of India by the British Government. 18-Nov-2020

Who control the credit in India?



Credit control is an important tool used by Reserve Bank of India, a major weapon of the monetary policy used to control the demand and supply of money (liquidity) in the economy. **Central Bank** administers control over the credit that the commercial banks grant.

How many RBI bank in India?

Reserve Bank Of India has **62 branches** in 24 states / union territories of India.

What is RBI function?

In the Indian context, the basic functions of the Reserve Bank of India as enunciated in the Preamble to the RBI Act, 1934 are: “**to regulate the issue of Bank notes and the keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to** ...

How does RBI control credit?

Buying and selling of government securities by the RBI in the open market is called open market operations. When RBI buys government securities the volume of credit increases and when securities are sold the volume of credit decreases. ... This leads to contraction of credit in the economy. 28-May-2017

What are the main features of RBI?

Major functions of the RBI are as follows:

- Issue of Bank Notes: ...
- Banker to Government: ...
- Custodian of Cash Reserves of Commer
  Banks: ...
- Custodian of Country's Foreign Currency Reserves: ...
- Lender of Last Resort: ...
- Central Clearance and Accounts Settlement: ...
- Controller of Credit:

What is importance of RBI?

RBI is an **apex body that controls and guides the Indian economy**. It is the guardian of Indian Economy that facilities growth in the capital markets, FOREX, exports and all other sectors of the economy. It plays a major role in strengthening and developing the country's economy and financial structure. 01-Feb-2020

What is RBI credit policy?

rbi credit policy. RBI credit policy, or the RBI Monetary Policy, is a policy adopted by India's monetary authority – the Reserve Bank of India (RBI) – **to control either the interest rate payable for very short-term borrowing or the money supply**.

What are the monetary policy of RBI?

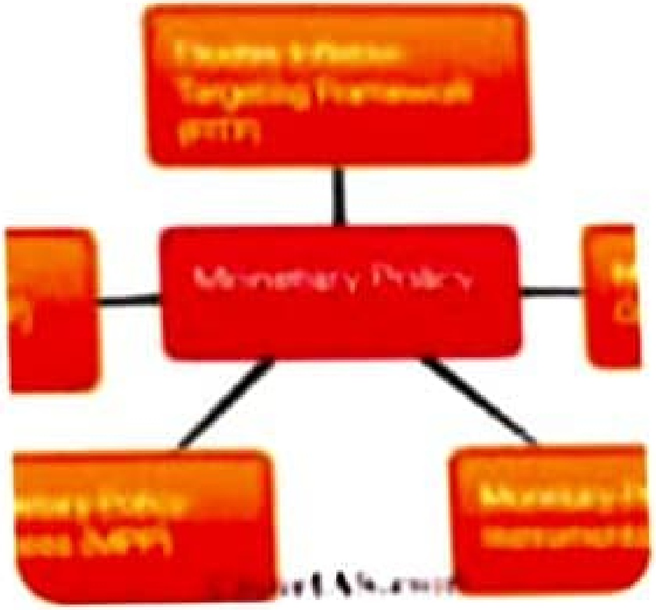
The monetary policy states **the use of financial instruments under the control of the Reserve** Bank of India to standardise magnitudes such as availability of credit, interest rates, and money supply to achieve the ultimate objective of economic policy mentioned in the Reserve Bank of India Act, 1934. 06-Oct-2021

How many times a year is the monetary policy announced?

Under the amended RBI Act, the monetary policy making is as under: The MPC is required to meet **at least four times in a year**. The quorum for the meeting of the MPC is four members. Each member of the MPC has one vote, and in the event of an equality of votes, the Governor has a second or casting vote.

Who designs monetary policy in India?

The Reserve Bank of India (RBI)



The Reserve Bank of India (RBI) is vested with the responsibility of conducting monetary policy. This responsibility is explicitly mandated under the Reserve Bank of India Act, 1934. 15-Jan-2021

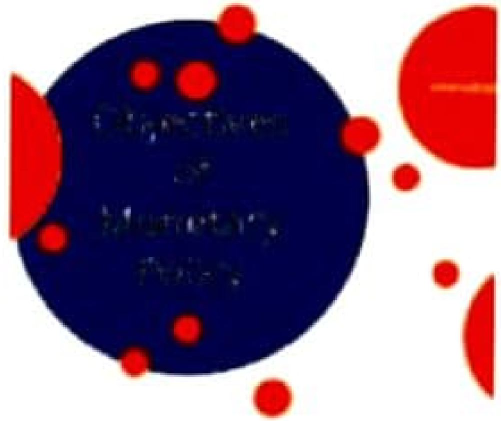
What are the 3 main tools of monetary policy?

The Fed has traditionally used three tools to conduct monetary policy: **reserve requirements, the discount rate, and open market operations**. In 2008, the Fed added paying interest on reserve balances held at Reserve Banks to its monetary policy toolkit.

Who controls monetary policy?

Congress has delegated responsibility for monetary policy to **the Federal Reserve (the Fed)**, the nation's central bank, but retains oversight responsibilities for ensuring that the Fed is adhering to its statutory mandate of "maximum employment, stable prices, and moderate long-term interest rates." To meet its price ...

Objectives of Monetary Policy



- Inflation. Monetary policies can target inflation levels. ...
- Unemployment. ...
- Currency exchange rates. ...
- Interest rate adjustment. ...
- Change reserve requirements. ...
- Open market operations. ...
- Expansionary Monetary Policy. ...
- Contractionary Monetary Policy.

Which tool is not a part of monetary policy?

The specific interest rate targeted in open market operations is **the federal funds rate**. The name is a bit of a misnomer since the federal funds rate is the interest rate charged by commercial banks making overnight loans to other banks. 27-Oct-2020

Which monetary tool is used the most?

Open market operations

Open market operations are flexible, and thus, the most frequently used tool of monetary policy.

What is the difference between fiscal and monetary?

Monetary policy addresses interest rates and the supply of money in circulation, and it is generally managed by a central bank. Fiscal policy addresses **taxation and government spending**, and it is generally determined by government legislation.

What are the 2 types of monetary policy?

What Are the Two Types of Monetary Policy? Broadly speaking, monetary policy is either **expansionary or contractionary**. An expansionary policy aims to increase spending by businesses and consumers by making it cheaper to borrow.