

# Fast Facts on Reserve Bank of India



**First Governor of Reserve Bank of India (RBI)** – Osborne Smith

**First Deputy Governor of Reserve Bank of India (RBI)** – James B. Taylor

**Present Governor of RBI** – Shaktikanta Das

**Present Deputy governor of RBI** – Shri M. K. Jain, Shri B.P. Kanungo, Dr. Viral V. Acharya and Shri N. S. Vishwanathan

**Established** – 1st April 1935 under RBI Act 1934

**RBI Established on the recommendations of** - Hilton Young commission.

**Headquarter** – It is located at Mumbai

**Nationalisation of Reserve Bank of India (RBI)** – In 1949 under banking Regulation Act 1949

**Zonal offices of RBI Located at** – 4 Places, Namely Chennai, Kolkata, Mumbai & Delhi

**Total number of Regional Offices** – 19

**Total number of sub-offices** – 9, currently RBI has opened 2 more sub-offices at Aizwal & Imphal (Capital city of Manipur)

Each of these local boards consists of 5 members who represent regional interests, and the interests of co-operative and indigenous banks

**Total number of Regional Offices in India** – 22 mostly in states capital

**The central office was initially located at** – Calcutta

**Currently, Central office is located at** – Mumbai, It was permanently moved in 1937

## The composition of Reserve Bank of India

- It has 2 Member from Ministry of Finance
- It has 5 Local Representative in Regional Offices
- It has 10 Board of Directors

## Function of RBI

### #1. Monetary Authority –

- Formulates, Implements & monitors the credit policy
- It provides market stability
- It ensures the flow of credit to the productive sectors

### #2. Supervisory Function –

- To protect depositors interests
- Provide effective customer services
- Maintain public confidence

### #3. The issue of Currency Notes –

- RBI has the sole authority to issue currency notes in India
- They also have the power to destroy old notes
- Last time RBI launched new notes known as MG-2005 series

### #4. Banker's to other Banks or Banker's Bank –

- RBI lends money to other banks in time of need
- The other banks can borrow the money from each other or from the market, if they failed everywhere then the last option is to borrow from RBI.
- For this specific reason, RBI is known as “Lenders of the Last Resorts”

### #5. Bankers to Government –

- RBI act as a banker to the Government of India & also to the governments of the constituent units of India's federal system.
- The bank has the responsibility to transact all the banking business of the Government of India on behalf of Government, like :

**A.** Bank accepts money on account of the government

**B.** Bank makes payment on behalf of the government, etc.

### #6. Custodian of Foreign Reserves –

- RBI has the power of custodian regarding foreign exchange
- RBI maintain the record of all transactions done in foreign exchange , also keep an eye on CAD (Current Account Deficit)

### #7. Promotional function --

- RBI performs various promotional functions.
- They actively participate in Government various initiative like financial Inclusion , Surgical strike on Black money , etc.