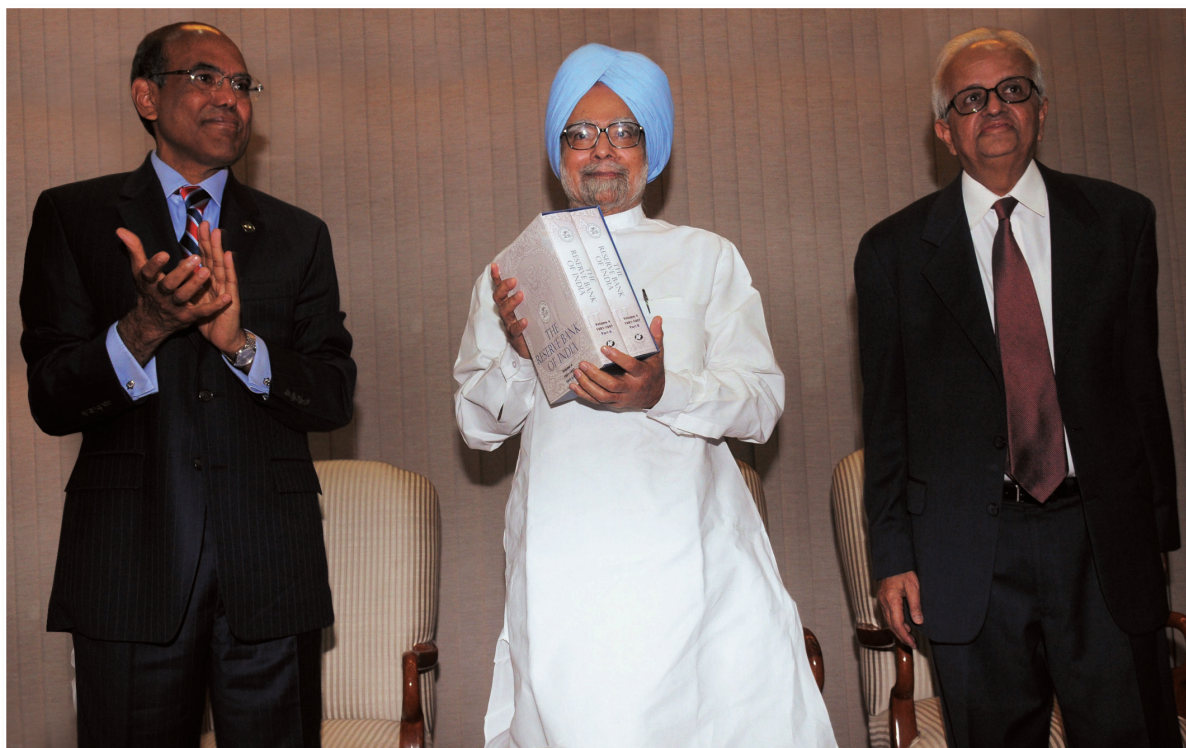


*Prime Minister's Remarks on releasing a Volume:
"History of the RBI"**



The Prime Minister, Dr. Manmohan Singh releasing the Volume IV of "History of the RBI", in New Delhi on August 17, 2013.

It goes without saying that the history of the Reserve Bank is the history of the growth of our country since independence. The Reserve Bank has done the country proud – the role which it has played in shaping the monetary policy, in shaping the credit policy, and, if I remember correctly, in also influencing, particularly, the supply of credit to rural areas.

The Reserve Bank has served our country with great distinction. But I venture to think that the best is yet to come.

Dr. Subbarao has touched upon various facets of policy-making, and I dare say, Dr. Raghuram Rajan

will build on the experience of his predecessors to chart out a new course of action in very difficult circumstances that our economy is facing. We can never be satisfied with the status quo. When I became the Governor, I had no great knowledge of what monetary policy is about, and therefore, I asked the late Prof. Chakravarty to head a committee to look at the functioning, the goals, the means and measures of monetary policy, and that report was pretty influential for a period of time. And I would venture to think that the time has come, when we should revisit some of those areas – the possibilities and limitations of monetary policy in a globalised economy, in a fiscally constrained economy – I think that is one subject. But macro-economic policy-

* Remarks by Dr. Manmohan Singh, Hon'ble Prime Minister of India on releasing RBI History Volume IV, New Delhi, August 17, 2013.

making, targets and instruments, I think, is another area, where I feel fresh thinking is called for, and I sincerely hope that the Governors of the future, particularly Dr. Raghuram Rajan, will attempt to revisit some of these difficult areas.

And thank you all, at least among professional people, a degree of national consensus, which we need, if we have to carry out social and economic change in a country as large, as diverse, as complex as India is.

As I said, the Reserve Bank has served our country with great distinction. But as I ventured to think, the best is yet to come.

With these words, I wish Dr. Subbarao the best. He has served the Reserve Bank and our country with great devotion. And I extend a hearty welcome to his successor, Dr. Raghuram Rajan. In him, we have a very distinguished economist of international fame. I sincerely hope that the Reserve Bank of India will see a more glorious period under his Governorship.