

**Dr. C. Rangarajan takes over as RBI Governor
(December 22, 1992)**

Dr. C. Rangarajan assumed charge as the

Governor of the Reserve Bank of India today after Shri S. Venkitaramanan relinquished charge at the close of business on December 21, 1992.

In his message to the RBI staff after he took over as the Governor, Dr. Rangarajan said, "While we grapple with the immediate challenges, the process of financial sector reforms would have to be strengthened to make the Indian financial system vibrant, dynamic and competitive, so that it can meet the diverse credit needs of the economy efficiently. These arduous tasks will involve reforms within the Reserve Bank as well."

In his message, Dr. Rangarajan also emphasised that the pace and sequencing of reforms in the financial sector must be in consonance with the reforms in other sectors of the economy. According to Dr. Rangarajan, major issues before the country's central Bank in the aftermath of the securities irregularities were putting the Indian financial system back on rails, restoring credibility of the banking system and ensuring the viability of the financial institutions.

Until recently a member of the Planning Commission, Dr. Rangarajan brings with him rich experience in policy formulation. He played an important role in formulating the Eighth Five Year Plan in the perspective of the current changes in the economic policy. Dr. Rangarajan was the Chairman of a Committee that suggested the exchange rate management, popularly known as 'partial convertibility.' He was also a member of the Tenth Finance Commission.

As the Deputy Governor of the RBI between 1982 and 1991, Dr. Rangarajan was responsible for providing a clear focus to monetary and credit policy. He was also instrumental in bringing about a number of changes in credit and financial system by way of introducing new instruments and new institutions.

Dr. Rangarajan holds a Master's degree from Madras and a Doctorate in Economics from University of Pennsylvania. He was a Professor at IIM, Ahmedabad before taking over as the Deputy Governor in RBI in 1982. His main areas of interest in Economics are monetary economics and financial institutions, economic planning and industrial economics.