

X

HUMAN RESOURCES DEVELOPMENT AND ORGANISATIONAL MATTERS

The Reserve Bank as the central bank of one of the fastest growing emerging market economies has a responsibility to serve 1.2 billion population of the country. To be able to face the multi-dimensional complex challenges effectively, the Reserve Bank has constantly strived to strengthen its human resources. The emphasis particularly has been on acquisition of relevant skills and knowledge, which is reflected in the Bank's approach to recruitment, training of staff, schemes for higher studies and incentive schemes for attaining professional qualifications by the staff. During its Platinum Jubilee year, the Bank organised several events to sensitise the public about its role and services and to receive feedback from the public about its expectations from the Reserve Bank, while also aiming at achieving greater financial literacy and financial inclusion. Responding to public grievances, several initiatives were taken to improve the quality of customer service offered by the banks.

X.1 A central bank could discharge its duties effectively and efficiently depending on the expertise, experience and judgement of its staff. The recent global crisis revealed that a central bank can ill-afford to allow skill gaps in any important area falling in the domain of its core functions and responsibilities, since skill gap in itself could be a potential source of vulnerability to crisis. Recognising the importance of human resources in a skill-intensive organisation, the Reserve Bank has been constantly striving to upgrade the skills and quality of its human resources.

PLATINUM JUBILEE CELEBRATIONS

X.2 Commencing its operations in April 1935, the Reserve Bank completed its 75th year in April 2010. To commemorate its Platinum Jubilee year, the Reserve Bank launched several new initiatives and organised a number of events. These initiatives broadly covered: (i) various learning events that served to build understanding about what the Reserve Bank does and how, as the apex institution of the country in the monetary and financial system, it values two-way communication to enhance the relevance of its policies to all, (ii) internal interactive programmes and get-togethers involving the former and the current serving staff and (iii) extensive outreach visits to different areas of the country to

enhance understanding of how people in general view the Reserve Bank and what they expect it to do, that could change their lives (Annex II).

X.3 A number of learning events such as symposium, seminar and lectures by eminent personalities were organised on a variety of emerging issues of relevance to central banking. The most prominent events were: (a) a high level symposium on "Challenges for Central Banking" on August 14, 2009 at Hyderabad, (b) an International Conference on "Funding of Deposit Insurance Systems", January 18-20, 2010 at Goa (hosted by DICGC), (c) First International Research Conference (FIRC) on "Challenges to Central Banking in the Context of Financial Crisis", February 12-13, 2010 at Mumbai and (d) Joint RBI-OECD International Workshop on "Delivering Financial Literacy" at Bangalore, inaugurated by the Hon'ble Finance Minister, Shri Pranab Mukherjee on March 22, 2010.

X.4 A series of internal events included "Down Memory Lane" sessions with former executives and employees, staff get-togethers, intra-organisational cultural meets and programmes for the Bank's staff and their families. The flagship programme of these Platinum Jubilee events, celebrated in diverse ways, was the Outreach Programme (Box X.1).

Box X.I

Reserve Bank's Platinum Jubilee Year: Outreach Programme

The flagship project of the Reserve Bank's Platinum Jubilee celebrations was the outreach programme. The outreach visits were focused on taking forward the twin objectives of financial inclusion and financial literacy. A team of Reserve Bank officials, including the Governor and other top executives visited several villages across India. Interactions with the people helped the top executives to gain first hand experience of the hopes and aspirations of the people at the grass root level. The visits also gave to the top executives a feel of how the grass-root institutions, namely, self-help women's groups, micro-finance institutions, non-government organisations, rural cooperatives and rural branches of commercial banks operate. During these visits, the Reserve Bank officials also got an opportunity to explain to people what the Reserve Bank does and in what way it touches their everyday life.

The outreach programme started in June 2009. The areas were chosen carefully to represent wide and varied segments of demographic, social and economic constituencies in the State/region. Venues for these outreach programmes included: schools, colleges, local self-government offices, community centres, farmers' clubs, and popular local clubs. Other than Reserve Bank officials, the visiting team generally comprised State-level and local bankers, local Government officials, local public representatives, representatives from local media (both print and electronic), college and school teachers and members of NGOs.

It was ensured that at least some members of the visiting team, including some of the Reserve Bank's representatives, were conversant with the local language. Presentations and/or lecture sessions scheduled as part of these visits focused on: (i) spreading awareness about the economy in general

and the role and importance of the central bank in particular, (ii) familiarising the audience about basic functions of the Reserve Bank, (iii) emphasising on how the Reserve Bank is seeking to make a difference to the lives of millions of Indians all over the country and (iv) making people better aware of the financial services that banks offer and how using banking facilities could reduce their hardship and vulnerability as also expand opportunities for them to improve the quality of their lives.

As part of these outreach programmes, 160 remote unbanked villages across the country were selected with a view to transforming them into 'Model Villages'. Going forward, the successful pilot projects of these 'Model Villages' will be upscaled and replicated in all the 6,00,000 villages in the country. The 'Model Villages' will be characterised by: (i) 100 per cent financial inclusion in the totally unbanked villages through information and communication technology (ICT) initiatives, appropriately leveraging on business correspondents / business facilitators, (ii) each household will have at least one credit facility, viz., General Credit Card/*Kisan* Credit Card/overdraft against a No Frills Account, (iii) easy and effective access to exchange of currency notes and coins and (iv) effective grievance redressal mechanism and awareness among the villagers. Banks were urged to see that the IT solutions offered to customers are highly secure, amenable to audit, and follow widely-accepted open standards to ensure eventual inter-operability among the different systems. In many ways, these outreach programmes have been a reality check on the design and implementation of the Reserve Bank's policies and the experience gained through these visits will enhance the commitment of the Reserve Bank to financial inclusion as a vehicle for changing the lives of many who are currently financially excluded.

Publications

X.5 The following three publications were brought out during the Platinum Jubilee year: (i) a Brochure outlining the role and functions of the Reserve Bank was released by the present and the former Reserve Bank Governors on December 7, 2009, (ii) a book titled, 'Mint Road Milestones – RBI at 75' documenting the milestones in the Reserve Bank's journey over 75 years and (iii) a book, 'I Can Do - Financial Planning' conceived, as a part of the Bank's initiatives on financial education. On the recommendation of the Steering Group on

Project Financial Literacy, Smt. Swapna Mirashi, an independent financial planner was commissioned to write this book aimed at first time earners. The Hon'ble Finance Minister, Shri Pranab Mukherjee released the book at the RBI-OECD International Workshop on Financial Literacy held on March 22, 2010 at Bengaluru. The book is being translated into 12 regional languages.

Release of Stamp

X.6 The Department of Posts, Government of India issued a special commemorative stamp to

mark the Reserve Bank's Platinum Jubilee year. Her Excellency, the Hon'ble President of India, Smt. Pratibha Devisingh Patil released the commemorative stamp at a function held at the Reserve Bank Office, New Delhi on January 16, 2010.

Panel Discussion

X.7 A panel discussion on the changing role of central banks after the global economic crisis was organised in Mumbai on December 7, 2009 by a satellite television channel. Governor Dr. D. Subbarao as well as three former Governors- Dr. C. Rangarajan, Dr. Bimal Jalan and Dr. Y. V. Reddy were the discussants.

Town Hall Events

X.8 Two town hall events were organised. One in English, hosted by a satellite television channel was at the premises of Egmore Museum in Chennai on February 1, 2010 and the other was hosted by another satellite television channel in Hindi at the historic Asiatic Library, Mumbai on March 5, 2010. The theme of the events was 'RBI and the Common Person'. These events were designed to enable the common person to interact with the entire top management of the Reserve Bank.

Films

X.9 Several films were made during the Platinum Jubilee year. Some were made by private satellite television channels on their own initiative to pay tribute to the central bank and some were commissioned to meet specific objectives, such as, to explain the role and functions of the Reserve Bank or to document the Reserve Bank's initiative of outreach visits. A short film depicting the outreach programmes undertaken by the Reserve Bank as part of Platinum Jubilee was prepared with the help of a television channel. The Hon'ble Union Finance Minister released the film on March 6, 2010 at the Central Office, Mumbai. A one-minute film explaining the functions of the Reserve Bank was also released on business television channels as

a public service announcement in April 2010. A satellite television channel made a documentary on the Reserve Bank, tracing the Bank's role during various economic crises in the past 75 years. The film was telecast by the television channel on January 22, 2010 to coincide with the function held in Delhi to release the commemorative book, containing select speeches of all current and former Governors. A seven-minute film 'Suno Bandhuon', explaining the functions of the Reserve Bank in a folklore style was another effort to reach out to the common person. The film has been translated into 11 regional languages and will be used by the Bank's Regional Offices during outreach visits.

X.10 The Platinum Jubilee finale function was held at the National Centre for Performing Arts (NCPA), Mumbai on April 1, 2010. Dr. Manmohan Singh, Hon'ble Prime Minister, was the Chief Guest on this occasion. The Prime Minister released a commemorative coin to mark the occasion. Complimenting the Reserve Bank for serving India with great distinction in its 75 years of existence, the Prime Minister noted that the Bank must remain committed to further the penetration of banking services so that banks can touch the lives of more and more of our people. Shri Pranab Mukherjee, Hon'ble Finance Minister, Shri K. Sankaranarayanan, His Excellency, the Governor of Maharashtra and Shri Ashok Chavan, the Hon'ble Chief Minister of Maharashtra were the Guests of Honour. Former Governors and retired as well as current senior executives of the Reserve Bank, senior government officials, senior officials from banks and financial institutions, leading industrialists and other dignitaries from the world of finance graced the occasion.

HUMAN RESOURCE DEVELOPMENT INITIATIVES

Training/ Deputation/ Higher Studies/ Distance Learning

X.11 The two training establishments of the Reserve Bank, viz., the Reserve Bank Staff College (RBSC), Chennai and the College of Agricultural

employees were deputed for in-house training programmes within the Bank.

X.14 Four officers were selected during the year under the Golden Jubilee Scholarship Scheme for higher studies abroad during 2010-11. Under this scheme, officers of the Bank get an opportunity to pursue courses in leading international universities and achieve excellence. In all, 99 officers have been selected under this scheme since its inception in 1986. Four officers of the Bank availed study leave under different schemes for pursuing higher studies during the year. Furthermore, 570 employees availed the benefits under the incentive scheme for pursuing select categories of part-time and distance education courses during 2009-10.

Joint India-IMF Training Programme (ITP)-Pune

X.15 The Reserve Bank of India and the International Monetary Fund jointly established the Joint India-IMF Training Program (ITP) at NIBM, Pune in May 2006, initially for a period of three years to impart policy oriented training in economics and related operational fields to Indian officials (from Central Government, State Governments, Reserve Bank and other regulatory bodies) and the officials of countries from South Asia and East Africa. The ITP has served as a platform to disseminate policy lessons learned in other parts of the world and as a forum to discuss regional issues. During the year eight programmes were conducted under this joint training initiative covering topics, *inter-alia*, on macroeconomic management and financial sector issues. On a review of the first three years of successful operations, the ITP has been extended up to April 30, 2013.

OTHER INITIATIVES

Lateral Infusion of Expertise/ Recruitment of Executive Interns

X.16 With a view to further expanding the knowledge base and infuse fresh ideas and expertise into the organisation, a scheme has been evolved for lateral recruitment of experts at senior levels in

specialised and policy-oriented work areas of the Bank. Moreover, in order to address the shortage of officers at the base level, a scheme for recruitment of 200 Executive Interns on contract basis for a period of three years is being implemented.

Human Resources Audit

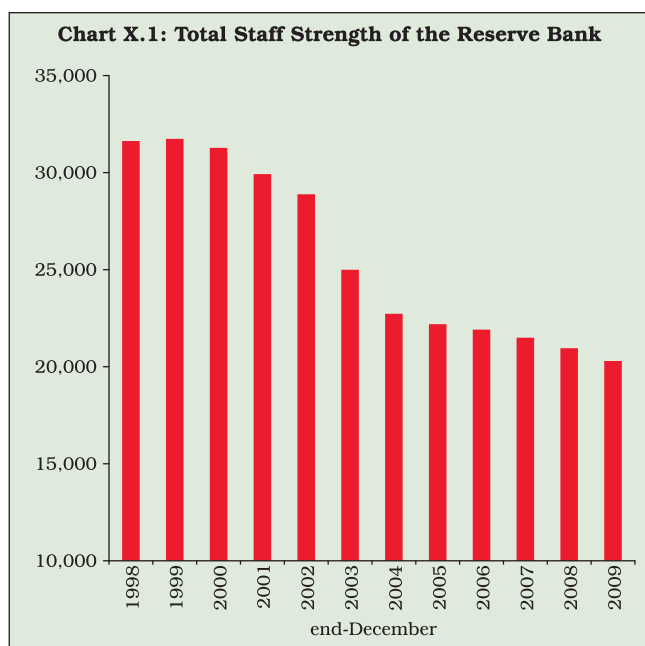
X.17 With a view to improving the existing HR management processes, a diagnostic audit of certain critical HR areas, *viz.*, performance appraisal, recruitment policies and practices, transfers and rotations, promotions, training and development and compensation policy were undertaken by engaging the services of M/s. Hewitt Associates, HR consultants. The audit also encompassed an Employee Engagement Survey. Based on the findings/ recommendations of the audit, a review of the processes relating to certain existing policies is under consideration.

RBI Young Scholars Scheme

X.18 The Reserve Bank Young Scholars Scheme was launched in the year 2007 for students between 18 and 23 years of age studying in undergraduate classes in various institutions across the country. Under the Scheme for 2010, a country-wide selection test was conducted in all scheduled languages. While more than 30,000 candidates applied for these scholarships this year, 150 Young Scholars have been selected for pursuing projects, spanning two to three months, at various Reserve Bank offices throughout India.

Grants and Endowments

X.19 Apart from its own training colleges, the Reserve Bank has also catalysed the creation of four research and training institutions in India, *viz.*, (i) Indira Gandhi Institute of Development Research (IGIDR), Mumbai; (ii) NIBM, Pune; (iii) Indian Institute of Bank Management (IIBM), Guwahati; and (iv) Institute for Development and Research in Banking Technology (IDRBT), Hyderabad. The Reserve Bank extended financial support of ₹13.0



crore, ₹14.5 crore and ₹49.8 lakh to IGIDR, NIBM and IIBM, respectively, during 2009-10.

Industrial Relations

X.20 Industrial relations in the Bank remained, by and large, peaceful during 2009-10. The Bank continues to hold periodical meetings with the recognised associations/federations of officers and employees/ workmen on various matters related to service conditions and welfare measures.

Recruitment

X.21 During 2009 (January-December), the Reserve Bank recruited 151 employees. Of this,

Table X.3: Recruitment by the Reserve Bank – 2009*

Category of Recruitment	Total	of which		Percentage	
		SC	ST	SC	ST
1	2	3	4	5	6
Class I	108	13	7	12.0	6.5
Class III	25	3	1	12.0	4.0
Class IV					
(a) Maintenance Attendant	8	4	0	50.0	0.0
(b) Others	10	1	0	10.0	0.0
Total	151	21	8	13.9	5.3

* January-December.

29 belonged to Scheduled Castes (SCs) and Scheduled Tribes (STs) categories, constituting 19.2 per cent of total recruitment (Table X.3).

Staff Strength

X.22 The total staff strength as on December 31, 2009 was 20,295 as compared with 20,952 a year ago (Chart X.1). Of the total staff, 21 per cent belonged to SCs and 8.9 per cent belonged to STs (Table X.4).

X.23 The total strength of OBCs (recruited after September 1993) in the Reserve Bank as on December 31, 2009 stood at 921. The total strength of ex-servicemen and the physically challenged employees in the Reserve Bank as on December 31, 2009 stood at 1,065 and 457, respectively.

X.24 Of the total staff, 46.5 per cent belonged to Class I, 18.7 per cent to Class III and the remaining 34.9 per cent to Class IV (Table X.5).

Table X.4: Staff Strength of the Reserve Bank

Category	Total Strength						Per cent to Total Strength	
	Total Strength		SC		ST		SC	ST
	December 31, 2008	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2009	
1	2	3	4	5	6	7	8	9
Class I	8,760	9,430	1,278	1,365	614	658	14.5	7.0
Class III	4,908	3,789	786	596	545	439	15.7	11.6
Class IV	7,284	7,076	2,383	2,300	718	710	32.5	10.0
Total	20,952	20,295	4,447	4,261	1,877	1,807	21.0	8.9

Table X.5: Category-wise Actual Staff Strength

(As on December 31, 2009)

Class	Actual Strength
1	2
Class I	
1. Senior Officers in Grade F	88
2. Senior Officers in Grade E	170
3. Senior Officers in Grade D	393
4. Officers in Grade C	878
5. Officers in Grade B	1,470
6. Officers in Grade A	6,180
7. Treasurer	16
8. Deputy Treasurer	45
9. Assistant Treasurer	190
Total Strength in Class I	9,430
Class III	
1. Senior Assistant	1,296
2. Assistant	1,037
3. Secretarial assistant	120
4. Word Processor Assistant	400
5. Special Assistant (Teller)	448
6. Class III (Others)	488
Total Strength in Class III	3,789
Class IV	
1. Maintenance Staff	1,511
2. Service Staff	4,593
3. Technical Staff	212
4. Other Staff	760
Total Strength in Class IV	7,076
Total Strength in the RBI	20,295

X.25 Mumbai centre (including the Central Office Departments) continued to have the maximum number of staff (29.1 per cent) followed by Kolkata (9.6 per cent), Chennai (7.3 per cent) and Delhi (6.8 per cent) (Table X.6).

Creation of Financial Stability Unit (FSU)

X.26 Pursuant to the announcement in the Annual Policy Statement of 2009-10, the Financial Stability Unit (FSU) was set up in the Bank, which became functional with effect from July 17, 2009. The main functions of the FSU include: (a) conduct of macro-prudential surveillance of the financial system on an ongoing basis, (b) preparation of financial stability reports, (c) development of a data base on key variables, which could impact financial stability in co-ordination with the supervisory wing of the Bank, (d) development of a time series of a

Table X.6: Reserve Bank's Office-wise Staff Strength

(As on December 31, 2009)

Office	Class I	Class III	Class IV	Total
1	2	3	4	5
1. Ahmedabad	422	185	287	894
2. Bengaluru	546	159	285	990
3. Belapur	161	72	245	478
4. Bhopal	189	26	99	314
5. Bhubaneswar	228	73	228	529
6. Chandigarh	230	37	117	384
7. Chennai	602	326	544	1,472
8. Guwahati	266	101	221	588
9. Hyderabad	366	126	302	794
10. Jaipur	346	127	234	707
11. Jammu*	114	8	58	180
12. Kanpur	322	189	408	919
13. Kochi	58	44	43	145
14. Kolkata	792	457	703	1,952
15. Lucknow	217	60	135	412
16. Mumbai	688	559	1,161	2,408
17. Nagpur	327	266	293	886
18. New Delhi	659	291	439	1,389
19. Panaji, Goa	3	4	2	9
20. Patna	296	76	275	647
21. Pune-CAB-CRDC-ITP	73	15	87	175
22. Raipur (Sub-Office)	12	-	-	12
23. Ranchi (Sub-Office)	11	-	-	11
24. Shimla (Sub-Office)	5	-	-	5
25. Dehradun (Sub-Office)	8	2	3	13
26. Thiruvananthapuram	242	73	170	485
A. Total	7,183	3,276	6,339	16,798
B. CODs@	2,247	513	737	3,497
Grand Total	9,430	3,789	7,076	20,295

* : Includes Srinagar Sub-Office.

@ : Central Office Departments.

CAB : College of Agricultural Banking.

CRDC : Central Records and Documentation Centre.

ITP : IMF Training Programme, Pune.

Note: Gangtok Sub-Office was opened on January 25, 2010.

core set of financial indicators, (e) conduct of systemic stress tests to assess resilience and (f) development of models for assessing financial stability in due course. The FSU acts as the Secretariat to the Bank's representative in the Financial Stability Board.

Opening of Sub-Office of RBI at Gangtok (Sikkim)

X.27 The Gangtok Sub-Office of the Reserve Bank, catering to the State of Sikkim, was opened on January 25, 2010. The Sub-Office has two main

functions: (i) to co-ordinate with NABARD and banks to carry on the mission of financial inclusion through IT- enabled services and Banking Correspondent model as also to promote financial literacy in the State to facilitate faster financial inclusion, (ii) To monitor availability of good quality currency notes in the State by overseeing the operations of currency chests/bank branches and also to give a thrust to public awareness campaigns (*i.e.*, awareness to detect fake notes) in partnership with banks.

Rajbhasha

X.28 The Reserve Bank continued with its efforts to promote the use of Hindi in its working during 2009-10 in pursuance of the statutory requirements of Rajbhasha Policy involving implementation of the provisions of the Official Languages Act, 1963, the Official Language Rules, 1976 and the Annual Programme issued by the Government of India. The Reserve Bank conducted various Hindi training programmes and other promotional activities such as publication of reference material, shield competitions, inter-bank Hindi essay competition and Hindi/bilingual in-house journal competitions. Many programmes were conducted during Hindi fortnight observed from September 14, 2009. The Reserve Bank continued to bring out its various publications in bilingual form, *i.e.*, both in Hindi and English.

Customer Service and Grievance Redressal System

X.29 The vision of the Customer Services Department is to work towards fair and responsible banking and to ensure cost effective and credible system of dispute resolution for common persons utilising the banking services. The Reserve Bank has been constantly striving to improve the quality of customer service offered by the banks. In this endeavour, it has set up a Committee (Chairman: Shri M. Damodaran, former Chairman, SEBI) to look into grievance redressal system of banks and suggest ways to improve them.

Management of the Bank's Premises

X.30 During 2009-10, the Premises Department continued its planned efforts towards renovation of office space/buildings and upgradation of various amenities in residential flats as per HRDD guidelines. The Department completed the work of retrofitting and renovation of the Central Office building façade in March 2010.

X.31 Replacement of old AC chiller packages with energy efficient ones having refrigerant of lowest Ozone Depletion Potential and Global Warming Potential has been completed/ initiated in some offices. A feasibility study for obtaining 'Green' rating, which is known as LEED-EB (Leadership in Energy and Environment Design-Existing Building) for the Bank's Central Office Building at Mumbai, has been commissioned and the work of facilitation of Green Building Services has been awarded to a reputed agency.

Internal Audit/ Inspection

X.32 The Management Audit and Systems Inspection (MASI) including Risk Based Internal Audit (RBIA), Information Systems (IS) Audit, snap audits of the Offices/Departments of the Bank were undertaken at prescribed intervals during 2009-10. Inspections, adopting the risk-based methodology, were carried out at four Regional Offices. Management audit of four offices of Banking Ombudsman (BO) were carried out by the Inspection Department/ External Audit firms.

X.33 Implementation of ISO 9001 Standards at four more Regional Offices (ROs) of Issue and Banking Departments is at a final stage and ISO Certification is expected to be achieved by September 2010. Implementation of ISO standards in the Department of Economic Analysis and Policy (DEAP), Central Office is underway. Implementation of ISO certification at eight more ROs has also been taken up and is expected to be completed by 2010. ISO 27001 (Information Security Management System) standards implementation has been taken up at

Central Accounts Section (CAS), Nagpur and Financial Markets Department (FMD), with Certification targeted to be achieved by September, 2010. All locations certified under both the above Standards during earlier years have successfully faced surveillance/ sustenance audits. Technology audits of several important applications, viz., e-treasury, Liquidity Adjustment Facility, Integrated Establishment System (IES) and Estate Management System (EMS) were completed during the year, with assistance from external experts.

Communication Policy

X.34 Effective communication is critically important for a central bank to enhance the effectiveness of its policies and the credibility. As a part of the Bank's initiatives to further improve communication, for the first time, a teleconference with a new target group, namely, researchers and analysts was organised after the release of the Third Quarter Review of the Monetary Policy in January 2010. The teleconference gave an opportunity to this influential group to interact with the Governor and the Deputy Governors and better understand the rationale behind the Reserve Bank's monetary policy stance. Around 500 national and international researchers and analysts participated in the interaction. The interaction with this group through teleconference was repeated in the subsequent Policy announcement in April 2010. Given the potential of this outreach effort, interaction with researchers and analysts has become a permanent communication activity after the quarterly Monetary Policy announcements. Interaction through teleconference was also extended to the media persons, which enabled the media from far away places, such as, Guwahati to interact with the Reserve Bank's top management. In order to make communication more transparent and increase its outreach, transcripts of Governor's post-Policy press conference and interactions with researchers and analysts are now being placed on the Reserve Bank website.

Public Awareness Campaigns

X.35 The Reserve Bank, in coordination with the Directorate of Audio and Visual Publicity, Government of India, launched a campaign under its 'Jago Grahak Jago' programme to alert members of the public against fraudulent e-mails. The e-mails relate to fictitious offers/lottery winnings/ employment offers/remittance of cheap funds in foreign currency from abroad being sent by certain foreign entities/individuals, including Indian residents acting as representatives of such entities. As part of the campaign, advertisements cautioning the public against falling prey to such fictitious offers were released in major daily newspapers and on the national television channels. Media campaign was also undertaken to make the members of public aware of the security features of genuine bank notes, mobile banking and the Banking Ombudsman Scheme.

Launch of Financial Education in School Curriculum in Karnataka

X.36 The Bank developed material on financial education for inclusion in the school curriculum in Karnataka. The chapters on financial literacy were formally launched at a ceremony held in Bengaluru on March 22, 2010. The material has been sent to all the Regional Offices for translation and for taking up with the respective State Governments to have it included in the school curriculum.

Right to Information Act (RIA), 2005

X.37 The Heads of various Central Office Departments have been designated as Central Public Information Officers, with Executive Director (Shri C. Krishnan) as the Appellate Authority. Receipt of requests continues to be centralised at the RIA Division, Central Office, which also acts as a central monitoring agency to ensure compliance. Generic e-mail ids have been created for all the CPIOs and a list of CPIOs, together with their e-mail ids, addresses and a brief description of the functions of all the

Departments, have been placed on the Bank's website, to enable members of public to submit their requests online.

X.38 The number of requests for information has steadily increased from 2,455 in the year 2007-08 to 3,333 in 2008-09 and further to 4,350 in 2009-10. About 96 percent of all requests had been responded to. The requests in respect of which information could be fully disclosed and actually disclosed, rose from 75 per cent as on June 30, 2009 to 77 per cent as on June 30, 2010. The number of appeals received against the decision of CPIOs /non-disclosure of information was 550 for the year 2008-09 and 795 for the year 2009-10. Central Information Commission had dealt with 194 appeals as on June 30, 2010. The Commission upheld the decisions of the CPIOs/ first Appellate Authority of the Bank in 114 cases and provided minor directions in 80 cases.

X.39 A majority of the requests for information that were received during the year pertained to the Reserve Bank's regulatory and supervisory functions. Certain requests seeking opinions, views, reasons, interpretations or grievance redressal were outside the scope of the Act and were dealt with accordingly. Similarly, no information was provided with respect to certain information, which is exempt from disclosures. A 'Disclosure Log' summarising disclosures of general interest has also been placed on the Reserve Bank's website.

Research Activities

X.40 The research and analysis requirements of the Bank have increased in line with the growing complexities of central banking issues and the Bank's two Departments, *i.e.*, Department of Economic Analysis and Policy (DEAP) and Department of Statistics and Information Management (DSIM) continued to meet analytical research and data support for formulation of policies. The First International Research Conference (FIRC) on "Challenges to Central Banking in the Context of Financial Crisis" was organised by DEAP during

February 12-13, 2010 at Mumbai. In the conference, several emerging issues of relevance to central banks were discussed, such as inflation targeting framework, monetary policy role in relation to asset prices, challenges of globalisation for monetary policy and options to deal with the impossible trinity (Box III.1).

X.41 The two Departments, besides meeting the needs of policy research, conduct empirical research and generate primary data covering many critical sectors of the economy, which are disseminated through various publications of the Bank. The Bank also promotes economic research in external agencies through various schemes and it aims at strengthening the link between RBI funded external research and Bank's information set used for formulation of policies.

X.42 During the year, research was undertaken both internally and in collaboration with external experts on several important topical issues such as productivity and potential output, inflation persistence, impact of exchange rate movements on inflation and exports, fiscal risks to inflation, neutral policy rate, monetary policy formulation and impact of higher capital requirements on growth. Following its commitment to make available time series data published by the Bank to the public through database on Indian economy (DBIE) site, the "Real-Time Handbook of Statistics (RTHBS)" went live from September 15, 2009.

X.43 The broad categories of financial assistance provided by the Bank for promoting external research support include: (a) Endowment Scheme of the Bank, (b) DRG Studies, (c) financing of projects, (d) funding seminars/conferences/workshops, (e) financial support to research journals and (f) scholarship scheme for faculty members from academic institutions.

X.44 In order to streamline the research support activities of the Bank, an Expert Committee was constituted under the Chairmanship of Dr. Bimal Jalan. Based on the recommendations, resolutions have been passed by the Central Board of Directors for making the financial assistance

provided for research by the Bank to become more visible and effective in supporting Bank's policy decisions. Accordingly, schemes established for external research are being reoriented and focused on the lines of the resolutions of the Central Board of Directors of the Bank. These are in various stages of implementation. The research undertaken by the external experts under the corpus fund is being reoriented with a focus on issues and challenges that are of immediate relevance to central banking.

THE CENTRAL BOARD AND ITS COMMITTEES

Meetings of the Central Board and its Committee

X.45 The Central Board held eight regular meetings and a special meeting during the year 2009-2010. Of these, five were held at traditional metro centres (New Delhi, Kolkata and three at Mumbai) and three at non-traditional centres (Gangtok, Patna and Thiruvananthapuram). The Hon'ble Finance Minister, Shri Pranab Mukherjee attended the post-Budget meetings of the Central Board held on July 9, 2009 in New Delhi and March 6, 2010 in Mumbai after the presentation of Union Budgets 2009-10 and 2010-11, respectively. The post budget meeting is traditionally held at New Delhi. The post-Budget meeting of 2010-11 was held in Mumbai in view of the celebrations of the Bank's Platinum Jubilee year. Dr. Manmohan Singh, Hon'ble Prime Minister of India, addressed the Central Board on April 1, 2010 at Mumbai during the Platinum Jubilee Finale Event. The Finance Minister, the Governor and the Chief Minister of Maharashtra were also present on the occasion.

X.46 The discussions at the meetings of the Central Board broadly covered matters pertaining to general superintendence and direction of the Bank's affairs. The Board in its meetings also deliberated on matters like India's contribution to the IMF's additional fund raising initiatives, issue of India Depository Receipts (IDRs) by foreign banks, financial sector reforms and inclusive growth.

X.47 Forty- six weekly meetings of the Committee of the Central Board (CCB) were held during the year in Mumbai. The CCB, as usual, attended to the current business of the Bank, including approval of the Reserve Bank's weekly accounts pertaining to the Issue and the Banking Departments. Heads of Central Office Departments were invited to make brief presentations to the CCB on key issues and five such presentations were made.

X.48 The occasion of the Central Board meetings held at Gangtok, Patna and Thiruvananthapuram were utilised by the Governor for interacting with Chief Ministers and senior officials of the State Government, commercial banks and financial institutions in these States to discuss issues like extension of banking services in unbanked/underbanked areas using IT-enabled banking services/Banking Correspondent/Banking Facilitator module to promote financial inclusion, enhancing credit flow, Electronic Benefits Transfer (EBT), development of SHGs, improving CD Ratio and measures to tackle the menace of forged notes, particularly in border areas,

Directors/Members of the Central Board/Local Boards - Changes

X.49 Dr. Subir Gokarn assumed the Office of Deputy Governor of the Bank on November 24, 2009.

X.50 Dr. Ashok S. Ganguly resigned as a Director of the Central Board consequent upon his nomination to the Rajya Sabha.

Awards

X.51 Dr. Y. V. Reddy, former Governor and Shri K.P. Singh, former Member of the Central Board were awarded Padma Vibhushan and Padma Bhushan for their outstanding contribution towards Public Affairs and Trade and Industry, respectively, on Republic Day, 2010.

Felicitation

X.52 Shri Y.H. Malegam, Director of the Central Board was felicitated by the Hon'ble Finance Minister, Shri Pranab Mukherjee on March 6, 2010 on the occasion of his attending the 100th meeting of the Board.

Obituary

X.53 Dr. D. Jayavarthanelu, Director of the Central Board of the Bank passed away on June 11, 2010 at Chennai. Dr. D. Jayavarthanelu was nominated on the Bank's Central Board on June 27, 2006.

FOREIGN DIGNITARIES

X.54 During the year, 37 delegations from 16 countries visited the Bank. The maximum number of delegations came from the US (7), followed by the UK (6) and China (5) (Annex III). The delegations held interactive meetings with the Governor and other senior executives. A wide spectrum of issues came up for discussion, including the functions and policies of the Reserve Bank, facets of monetary policy, banking supervision, economic policy, trade and bilateral relations.

X.55 For the first time in the Bank's history, the Bank received a visiting Head of State, His Excellency, the President of the Federal Republic

of Germany, Mr. Horst Kohler. Mr. Kohler, who had earlier served as the MD of the IMF was accompanied by a commercial and industrial delegation. Mr. Horst Kohler had one-to-one meeting with Governor, followed by a meeting of his delegation with the top management of the Bank. The subject matter for discussion with the President and his delegation included, among other things, the global financial crisis, international monetary system and our views on the future strategies for India's domestic financial markets. The other VVIPs, who visited the Bank were Hon. John Lenders, the Victorian Treasurer and the Minister for Financial Affairs and his delegation from Australia, Mr. Merwyn Davies, Hon. Minister for Trade and Investment, UK, Alderman Ian David Ludar, Mayor of the City of London, Mrs. Anne Marie Idrac, Hon. Minister of State for Foreign Trade, Republic of France, Mr. Mark Carney, Governor of Bank of Canada and Lord Adair Turner, Chairman of Financial Services Authority, UK, Mr. Simon Crean MP, Australian Minister for Trade, Prof. Joseph E. Stiglitz, Nobel Laureate for Economic Sciences and Ms Sheila Bair, Chairman, Federal Deposit Insurance Corporation, US. These high level visits signified the keen interest taken by the world community to understand India's economic and financial sector policies, which had enabled the country to successfully cope with the global crisis. Such visits also helped in exchange of ideas on the nuances of the emerging international financial architecture in the aftermath of the global crisis.