

Communication Policy

Introduction

In keeping with international trends, the Reserve Bank made significant changes to make its communication policy more transparent during the reference period.¹ Global trends, together with domestic factors, such as liberalisation, increasing reliance on market-based instruments and the opening of financial markets, led the Bank to disseminate more information to stakeholders and to the public and at the same time avoid disrupting financial markets. While maintaining transparency, quality and timeliness, the Bank sought to achieve clarity on its own roles and responsibilities, manage expectations, promote two-way flow of information, collect statistics and conduct research.²

Over the years, the communication strategy was strengthened. At the beginning of the reference period, existing communication channels consisted of periodic publications of monthly monetary and credit information reviews, Reserve Bank of India (RBI) *Monthly Bulletins*, *Annual Reports*, speeches of senior executives, circulars and notifications, data series, pamphlets and other reports to make information available to bankers, academics and general public. The launch of its own website in 1996 marked the beginning of electronic dissemination of information. Internally, the Governor's New Year Letters, RBI newsletters, in-house magazines, monthly demi-official letters to the Governor by Regional Directors, internal manuals, and conferences of Regional Directors served well to disseminate information and communicate to the staff.

During the reference period, the communication policy became more transparent, interactive and receptive to feedback (also see Box 14.1). The communication process engaged market participants. Draft reports, circulars and notifications were placed on the website, and comments on these were invited from the public before the reports became final. The Technical Advisory Committee for Monetary Policy (TACMP) created a platform

for greater interaction with the outsiders in the process of monetary policy formulation. At the same time, data dissemination improved, partly by adhering to the International Monetary Fund (IMF) standards. Increased interactions with media followed the announcement of the monetary policy. The Bank responded to media reports more than before. The speeches of the executives became more comprehensive and transparent in content and reach.

Box 14.1 Reflections on Communications Policy

So, if you look at any communication that has come from the RBI, you would not find anything which is secretive, or which influences the market. It is just giving confidence to the public that what we are doing is this, and then the media can criticize or not – whatever they want to do. So to be open on big policy matters has been a high priority.

Bimal Jalan, former Governor, Reserve Bank of India

... when you move from a planning to a market economy, more communication is required. Second, almost all over the world, communication by the central bank as a general trend ..., clearly ... [on] monetary policy ... communication becomes more important.

Y. V. Reddy, former Governor, Reserve Bank of India

The Bank's communication policy had two components, external and internal.³ External communication was conducted by means of press releases, speeches, publications, notifications, circulars, frequently asked questions (FAQs), advertisements, media interviews and the website, and focused on areas such as the macroeconomic situation, monetary and fiscal policies, banking, financial markets, payment systems and external sector developments. The channels of internal communication were training colleges, in-house magazines, newsletters, circulars and letters addressed by the top management. Internal communication processes facilitated two-way communication and, during the period of reference, these were made more transparent. Both internal and external communication of the Bank received impetus during this period. Governor Bimal Jalan indicated that internal office notes should not generally exceed two pages and should be clear. The Bank officials were encouraged to engage more closely with market participants, with an emphasis on providing prompt response to the media and the general public.

The present chapter discusses how policies and practices in this area evolved during the period of the study. It is divided into two sections – external communication and internal communication.

External Communication

External communication had two main components, monetary policy and regulatory-related (banking and financial) communication, which was central to the Bank's functions, and other communication.

Monetary Policy and Regulatory Communication

Monetary policy communication is, of course, an important tool for any central bank for monetary management.

The Reserve Bank reviewed its monetary policy twice a year, issued statements twice a year until 2005–06 and thereafter issued quarterly statements. The statements outlined the monetary policy stance and measures, prefaced by an analysis of domestic and global developments, and an overall assessment of the economy. These policy statements were placed on the Bank's website for wider dissemination immediately after the announcement. The policy statements discussed not only monetary policy but also financial sector policy issues. In addition to the policy statements, the annual policy and the mid-term review contained discussions on the measures relating to the financial sector. In the associated process, the Bank organised a meeting with the chief executive officers of select banks, a press conference, video conference with media persons, and individual interviews given to the electronic and print media by the Governor and Deputy Governors.

The Bank's monetary policy communication underwent frequent improvements. From October 2001, in addition to issuing the statements, the Bank introduced a live telecast of the Governor's press conferences during annual policy and mid-term reviews. The clarifications sought by newsmen in relation to monetary policy as well as financial sector policies were answered in the press conference, which created a direct communication channel between the top management and market participants. Subsequently, the Bank extended its communication on monetary and financial sector regulatory policies to six of its regional offices – Ahmedabad, Bengaluru, Chennai, Hyderabad, Kolkata and New Delhi – apart from Mumbai, through the video conferencing facility,

which provided an opportunity to the regional media to interact with the Governor. The telecast was also placed on the Bank's website.

Apart from these, the Bank also published from 2005–06 first- and third-quarter policies and reviews of the economy, increasing the frequency, 'to provide an opportunity for structured communication with markets on a more frequent basis while retaining the flexibility to take specific measures as the evolving circumstances warrant'. From April 2006, the Bank conducted interactive seminars on monetary policy for media in Mumbai and regional centres.

The issue of transparency remained central to monetary policy communication strategy and was assessed more than once both internally and by outside agencies. In 1998–99, the IMF announced a set of standards and codes to assess transparency and data dissemination policies of member countries. The Bank, in consultation with the government, set up a Standing Committee on International Financial Standards and Codes (SCIFSC)⁴ to address these issues in the Indian context. The findings of the Financial Sector Assessment Programme, a joint IMF and World Bank initiative introduced in 1999, and the IMF's Report on the Observance of Standards and Codes (ROSC, 2002)⁵ helped in improving monetary policy transparency. In 2006, the Government, in consultation with the Bank, constituted a Committee on Financial Sector Assessment (CFSA) to undertake self-assessment of financial sector stability and development. The committee set up an Advisory Panel on Transparency Standards.⁶ The terms of reference of the panel were, *inter alia*, to identify and consider the relevant standards and codes as currently prescribed and applicable for transparency in monetary and financial policies, and identify gaps and suggest a possible roadmap. The panel's recommendations formed part of the CFSA report submitted in 2009 and were considered for implementation subsequently.

The formation of various technical advisory committees (TACs) with representatives from market participants and experts was another important step in providing a platform for interacting with outsiders in the process of policy formation.⁷ While TACs for money, foreign exchange, and government securities markets, and on regulation, were already in place, the one on monetary policy was set up in 2005, after the recommendation of the Advisory Group on Transparency in Monetary and Financial Policies.⁸ These committees acted as platforms where the Bank was informed of the needs of market players and where it could communicate its stance in a manner not always possible using formal circulars. Resource management discussions that occurred before the annual policy deliberations acted as a forum for dialogue between commercial banks and the Reserve Bank management.

Other External Communication Channels

The Reserve Bank has been a major agency for data dissemination on macroeconomic situation, banking, monetary and fiscal policies, financial markets, external transactions and payment systems issues. Analyses of macroeconomic developments were provided in the *Monthly Bulletin*, *Annual Report*, the Report on Trend and Progress of Banking in India, and the Report on Currency and Finance. Other publications, such as the Weekly Statistical Supplement (WSS) to the *Reserve Bank of India Bulletin*, occasional papers, staff studies, and *Functions and Working of RBI*, also provided useful data. As of end of March 2008, there were 3,943 subscribers to Reserve Bank publications. Circulars and notifications communicated revisions in the monetary and regulatory policies. The Bank also brought out Hindi editions of its various regular publications. Further, *Monetary and Credit Information Review*, *Banking Chintan and Anuchintan*, *RBI Legal News and Views*, and *CAB Calling* (College of Agricultural Banking) aided information dissemination.⁹ Memorial lectures,¹⁰ speeches, press meets and economic editors' conferences were some of the other initiatives that contributed to the communication process. The history volumes provided systematic accounts of institutional developments based on internal documents. In March 2006, *The Reserve Bank of India, Vol. 3: 1967–1981* was released by the then Prime Minister, Manmohan Singh.¹¹ Annual meetings with the state Finance Secretaries were another platform of communication, introduced from 1997. The Reserve Bank staff, particularly research staff attached to the Department of Economic Analysis and Policy and the Department of Statistical Analysis and Computer Services (DESACS), provided inputs into the policy-making process as well as analyses of issues. In addition, speeches of the Governors and Deputy Governors provided rationale and explanations behind the policy decisions. The Governor met financial editors regularly, over informal lunch sometimes, to share the thinking behind policies.

Data Dissemination

Apart from information contained in the monetary policy announcements, the Bank's communication strategy included data dissemination. The Bank is the 'primary data source' for monetary statistics, the balance of payments statistics, state finances, payment systems and banking data. The modes of data releases that were in existence already included, among others, a daily

press release on money market data, details of repos and reverse repos as part of the liquidity adjustment facility, the US dollar–rupee and euro–rupee reference rates, and monetary, banking, fiscal, external and financial data. India was one of the few countries that became members (1996–97) of the IMF's special data dissemination standards and general data dissemination standards. India started posting its metadata on IMF's dissemination standards bulletin board from 30 October 1997. The data coverage of the WSS, which provided regular updates on various economic variables, was expanded and its format substantially revised in April 1997. In 1998–99, the Bank introduced a publication called the *Handbook of Statistics on the Indian Economy*, which provided historical data and current statistics on a wide range of variables. The Report on Currency and Finance became thematic in scope from 1998–99. The surveys conducted by the Department of Statistical Analysis and Computer Services were an important source of data. From October 2002, the negotiated dealing system's (NDS's) real-time information on trades in government securities (including treasury bills and repos) and call, notice and term money were made available through the Bank's website. From February 2003, the website published information on the banks' minimum and maximum interest rates on rupee export credit and other credit. Updated on a quarterly basis, the information included bank group-wise range of median interest rates.

From 2000 to 2002, the IMF carried out assessments of India's compliance with its transparency code. Its ROSC data module (2002) provided a review of India's data dissemination practices against these standards, complemented by an in-depth assessment of the quality of country data, including monetary and balance of payments statistics released by the Reserve Bank. The recommendations of the report, including dissemination of monetary aggregates based on residency criterion, a time-series on components of money at a disaggregated level, and supply of more detailed data on services in the balance of payments statistics, were implemented subsequently. A major initiative on building a centralised database management system (CDBMS) as a decision support system was undertaken during 1999–2000. The project was completed in 2002–03. The related webpage was opened to users from within the Bank. In November 2004, the Bank provided web-based access to time series data on key macroeconomic aggregates of the Indian economy to the public in a user-friendly manner through dynamic web-based applications, such as the Database on Indian Economy. In December 2005, the Bank joined the databank hosted by the Bank for International Settlements (BIS).

As per the recommendation of the Standing Advisory Group¹² and Technical Committee on CDBMS,¹³ a common webpage called 'Database on Indian Economy: RBI's Data Warehouse' for both internal and external users was implemented on 29 February 2008. For senior managers to track the latest developments on the Indian economy, dashboards were implemented in the Bank's 'data warehouse'.

Other Initiatives

Some important changes were introduced in the external communication system during 1997–2008. The regular publications of the Bank and circulars and notifications mentioned earlier were the main vehicles of the Bank's dissemination activity. In addition, the Bank brought out handouts occasionally for the benefit of the general public. For example, in May 1998, the Bank published a handbook of policies and procedures for Indian overseas investment and began notifying 'citizen's charters' in its different departments and offices. In October 1998, a booklet on payment systems was published. Current issues often figured in communication. For example, a Y2K awareness programme was launched in the latter part of 1999. On the midnight of 31 December 1999, a video shoot of the smooth rollover to 2000 was arranged at its national clearing cell in Nariman Point, Mumbai, which was followed up by issuing a press release at 12.15 a.m. on 1 January 2000. Similarly, when the Foreign Exchange Management Act (FEMA) was introduced, related press release in June 2000 carried changes and revisions in the forex management and rules in simple language. FAQs were placed on the website about forex, banking and other related activities. Regional offices, too, held press briefings and issued clarifications on issues of local importance. One such example was the Ahmedabad office during the crisis of Madhavpura Mercantile Cooperative Bank Ltd in 2001 (see Chapter 11).

An education drive for depositors of non-banking financial companies (NBFCs) was initiated in 1999–2000. The objective was to inform and empower the depositors of NBFCs so that they could make good investment decisions.

Efforts were undertaken to familiarise the public with the security features of genuine currency notes. The Bank held several currency awareness programmes. When a new ₹500 note was issued in November 2000, some confusion arose regarding the legal tender status of the 'green colour 500 rupee

notes' issued in 1987. Public awareness campaigns, in different languages, were organised to dispel confusion. Security features of various currency notes were given wide publicity in the media, including vernacular newspapers.

The Reserve Bank management desired that the awareness programmes use simple content and language to reach out widely. For example, reacting to a design of an advertisement highlighting the key features of genuine notes in May 2001, Governor Jalan pointed out that 'the communication should capture only those key features ... that would distinguish the genuine ones from the fake notes ... [and which the] common man could easily remember'. The Bank also held the Banking Ombudsman Scheme (BOS) publicity campaigns. In 2003–04, an education campaign on forex facilities was launched. In particular, after the Foreign Exchange Management Act, 1999 (FEMA), provisions of buying properties were publicised in Goa, where there were some irregularities in property dealings by non-residents. For some departments like the Department of Currency Management, the Department of Non-Banking Supervision and the Foreign Exchange Department, such campaigns and publications served well the purpose of dissemination of information.

Interactions with the Public

A new initiative was taken by several offices and departments in setting up helpdesks to answer questions from the public. In 2001–02, some regional offices installed an information kiosk to facilitate access to information relating to their offices as well as general information to the public visiting their premises. Wide publicity was given at the regional level to the grievance redressal mechanism. The mechanism provided a forum to the public to seek redressal of their complaints against any department of the Bank. Some regional offices regularly organised workshops on adjudication of defective notes, and detection of forged notes for bankers and officials, representing the police, the Criminal Investigation Department, the Income Tax Department, Railways, Post and Telegraphs, Customs and the chambers of commerce. Notice boards, put up at strategic points in the Bank's various premises, displayed information of interest to customers. Complaint boxes and public display of the 'citizens' charter' also performed a similar role. The external relations cell in the central office continued to attend to queries received from the media and the public. With a view to establishing a more transparent and effective system of interaction with the

members of the public and responding to their queries, a senior officer in the rank of Deputy General Manager was nominated as a nodal officer in some regional offices.

In 2000–01, when the Government authorised branches of commercial banks to sell and service relief bonds, information was provided to the public by releasing films through the electronic media.

To instil interest in central banking among the wider public, the Bank facilitated visits of students, children and members of the public to its premises. The visitors were offered interactive sessions with the officers, a tour of the monetary museum and a visit to the National Clearing Cell where cheques were processed. Cadet officers from defence institutions were also offered educational visits. For example, in January 2007, around ninety such officers from the Army War College, Indore, visited the the Bank.

In July 2007, a multilingual site was launched for the general public (www.rbi.org.in/commonman) with information about the rights to receive efficient banking services at reasonable cost. The site, available in eleven regional languages apart from Hindi and English, gave information on the Bank's regulations, service charges, lending rates and cheque collection policy, and the BOS. As part of the financial education programme, the Bank participated in October 2007 in a 'Train Exhibition'. One of the compartments of the train (Azadi Express) displayed information on the evolution and changing role of the the Reserve Bank, Indian currency from 1857 to 2007, and banking: then and now. To mark Children's Day on 14 November 2007, the Bank created a web page (www.rbi.org.in/financial_education) dedicated to financial education for children. This explained banking and central banking concepts through comics and games. Two characters were created for this purpose – Raju, who learns all about banking and shares his learning with his friends in the village, and Money Kumar, who explained central banking. The site also had films explaining security features of currency notes and was available in several regional languages in addition to Hindi and English. Again for schoolchildren, the Bank conducted state-level essay competitions through its regional offices, which evoked an enormous response. Apart from cash prizes, the children were invited by some offices to visit the Bank. The award-winning essays were placed on the Reserve Bank's website (see Chapter 13). A Young Scholars Award Scheme designed at giving college-going students an opportunity to work as interns in the Bank was also put in place.

Interactions with the Media

The Reserve Bank's policy regarding communication with the media was revised in 2004. In October 2004, a part of the deliberations in a seminar by General Managers was cited by the media as a policy announcement. Deputy Governor Rakesh Mohan pointed out the inappropriateness of such practices and, in response, in November that year, the rules of communication with the media were revised. From then on, besides the Governor, only Deputy Governors and Executive Directors would make policy announcements on behalf of the Bank; Regional Directors and Chief General Managers in charge of central office departments could make statements on the status of different policies and programmes of the Bank; officers below these ranks could make statements with specific authorisation.

While data dissemination was handled by the Department of Economic Analysis and Policy and the Department of Statistical Analysis and Computer Services, the Press Relations Division (PRD) was responsible for information release and handled issues relating to communication.¹⁴ The division was upgraded to Department of Communication from 1 March 2008.

In January 2006, the Bank, for the first time, included regional media in its customary press conference held after the monetary policy announcement. This was done through video conferencing. In 2006 and 2007, the PRD conducted interactive seminars on banking regulations, monetary policy, securitisation of standard assets, new capital instruments for banks, and commercial banks' balance sheet, among other subjects. Such seminars, which were conducted earlier on an ad hoc basis, were now a part of the Bank's regular outreach activity.

In 1999, on the initiative of Governor Jalan, steps were taken to point out misreporting in the media to the editors of the newspapers concerned. Similarly, in 2005, the Bank decided to publish on its website rejoinders to the comments and reports that appeared in the media. The Bank arranged, from time to time, interactive seminars for media persons to familiarise them with the basic concepts of central banking. An interactive seminar for senior journalists was also arranged in May 2007, a first of its kind. The workshop was arranged in the College of Agricultural Banking, Pune. The aim was to discuss international best practices in central banking with reference to the Reserve Bank. The Bank also interacted with the international media, for example, with the editor of the *Financial Times* in December 2003, journalists from *The Economist* in February 2005, the Italian media in March 2006 and the Indonesian media in June 2006.

Circulars and Notifications

The Bank tried continuously to improve the clarity in its publications, particularly circulars and notifications. For example, on a draft circular of the Internal Debt Management Cell (September 2002), Governor Jalan remarked, '[L]et us try and make all our circulars more friendly and courteous in tone.' Similarly, prior to the release of regulations made by the Bank in connection with FEMA, he remarked on a note (13 May 2000), '[C]ould we attempt a "citizen friendly" Press Note on the main benefits for Persons/Corporates from the new bill after it comes into effect?' The various departments in the Bank began consolidating and issuing annual master circulars from 2003–04. The Bank periodically issued instructions to its regulated entities regarding rules and regulations relevant to their operation. To enable them to have all instructions in one place, a master circular was issued, as recommended by the Regulation Review Authority. These were a one-point reference of instructions issued by the Bank on a subject between July and June (the financial year) with a sunset clause (also see Chapter 15). These were issued on 1 July every year and automatically expired on 30 June the next year. The Bank introduced continuous serial numbering of the circulars issued by its operational departments from January 2004, based on the recommendation of the Advisory Group on Financial Regulations,¹⁵ enabling them to track the circulars more easily. In December 2006, Governor Reddy met representatives of the financial media to discuss the communication strategy of the Bank. The media responded that the language used by the Bank in its circulars was archaic, neither very clear nor direct, and that the jargon used took time to understand. They recommended a simpler language and more direct and briefer documents. An attempt was made to fine-tune the communication policy based on the feedback received in this meeting.

A change was also needed in the timing of circulars. Generally, important press releases and circulars, which had a bearing on the market, were released after the market was closed. In the senior management meeting held on 15 April 2004, Deputy Governor Mohan emphasised the need for issuing press releases and circulars well in time to be covered in next day's newspapers, which was put into practice subsequently.

Website

The Bank extensively used its website for dissemination of information. Access to notifications, press releases, speeches and data was provided

through the website. Efforts were made to create portals of information on the Indian economy, banking and finance through the website. The Bank also used the website to obtain feedback on its policies from market participants. From 1997, the Bank placed draft regulations, guidelines and reports of various committees in the public domain before they were finalised to elicit their views.

The Bank's website, <http://www.reservebank.com> (later renamed <https://www.rbi.org.in>), became operational on 17 September 1996. Several regional offices maintained their own web pages. The Bank's periodical publications were placed on the website. In September 1998, a search engine was added on the site. On 11 December 1998, the monetary museum website was inaugurated, presenting India's monetary heritage to Indian and international viewers. The website in Hindi was launched on 2 January 2001.

During 2001–02, the Bank added two new features to its website to make it more user-friendly. Visitors could register on the website and receive the desired information through e-mail as soon as these were published online. Visitors could also personalise the site to access the sections that they wanted to view regularly. A query facility was provided for exchange rates. In September 2002, the Bank's website was upgraded and, soon after, a comprehensive study to evaluate the content and quality was undertaken through a London-based firm. The study rated the Bank's website in relation to the websites of eight central banks and major international financial institutions, using parameters such as effectiveness, design, navigation, content, use of technology, contact information and the home page as a gateway to information. The overall rating of the site was satisfactory. However, it was not found to be very useful and friendly for the bank customers and the public at large. Inconsistent navigation, confusing search engines, breadcrumb tracking system, lack of adequate summaries and non-specialised material were some of the areas suggested for improvement. The Bank refurbished the site and the new website was launched in August 2005.

To make the website more useful for the general public, it was made multilingual and made available in all major regional languages. The multilingual website was released in June 2007, which had instructions issued by the Bank on banking matters, customer grievance redressal mechanism and the Right to Information Act. The website also had a section explaining the role and functions of the Bank, interesting aspects of currency, and the Bank's history.

Response to Communication Quality

The users of the Bank's communication included financial institutions (FIs), market participants, media, the public, academics and researchers, among others. Their assessment of quality and coverage of the Bank's monetary policy communication was mixed. There were suggestions and criticisms, which the Bank tried to address. For example, the IMF suggested in 2007 that the 'monetary policy reviews could elaborate further on the inflation and demand–supply outlook, including through eventual publication of the inflation expectations survey, to guide expectations'.¹⁶ Hélène Poirson of the IMF wrote that the review of monetary policy (2006–08) had 'reduced transparency and weakened the policy signals introducing confusion among market participants', suggested a shorter review of under two pages (implemented subsequently), and recommended more efforts to clarify the Bank's approach to associations such as the Fixed Income Money Market and Derivative Association of India (FIMMDA).¹⁷ Market participants, too, sometimes felt that the Bank needed to clarify its approach on exchange rate policy and forex.¹⁸ The assessment of other publications of the Bank, too, was not without adverse observations. On the macroeconomic and monetary development statement, which accompanied monetary policy statements, the IMF noted that 'the discussion ... tends to be backward looking', and recommended inflation forecasts.¹⁹ The language followed in the circulars, notifications and other publications came in for criticism, as we have seen (see the earlier discussion on 'circulars'). Over the years, the Bank took note of the comments and tried to improve its communication.

The Monetary Museum

The Bank set up a monetary museum in Mumbai open to the public. The museum exhibits representative collections of coinage, paper currency, financial instruments and curiosities down the ages across Indian history. The main exhibit sections of the museum relate to concepts, ideas and curiosities; coinage – from coins to bank notes – and the advent of banking in India; the Reserve Bank's functions; and currency management. The monetary museum website was inaugurated on 11 December 1998. The site was the culmination of the Bank's endeavours to document and present India's rich monetary heritage. The site aimed at depicting the evolution of money and banking in India. It includes representative Indian coinage from ancient times

to the present, a retrospect of Indian paper money and other facets of India's financial history, like indigenous banking, financial instruments like *hundi*, share certificates and early general promissory notes. The President of India, A. P. J. Abdul Kalam, inaugurated the museum on 18 November 2004, which was thrown open to the public from 1 January 2005 onwards.

Internal Communication

Governor's Letters

The Governor's New Year Message to the members of staff was a channel of internal communication. For example, Jalan's letters discussed reorientation towards customer service (1998), improvement in work culture and measures taken to improve interaction with staff members (2000), and the need to reduce unproductive paperwork (2002). Reddy's messages reminded staff members of the need to focus on the quality of work, and to ensure clear and comprehensible communication (2004), highlighted work-life balance, teamwork and financial inclusion (2006), and urged more professionalism and team spirit (2007). His last letter of 2008, which stated, '... during the year we may cease to be colleagues but we will continue to be friends', struck an emotional chord.

Handbooks and Manuals

Following a recommendation by an internal group, the Bank issued in 1998 a handbook on usage and style in written communication. The handbook was meant to be followed in all of the Bank's written communication. The internal manuals of the Reserve Bank laid down the rules and regulations of work processes in different departments. The manuals of the Public Debt Office and the Public Accounts Department were revised in 1999 and that of the Deposit Accounts Department in 1998, which were the constituents of the Banking Department. Similarly, the general administration manual, which provides guidelines for accounting, establishment and administrative procedures to be followed by all departments, was revised in 2000. When the Right to Information Act came into force in 2005, a seminar was organised in Mumbai for nodal officers on the need for improving communication protocols to ensure compliance with the provisions of the Act.

Regional Directors' Conference

The Bank organised a Regional Directors' conference every year to achieve an effective interface mechanism between the top management, and the heads of regional offices and of its central office departments. The focus of the conferences in the 1980s used to be the industrial relations climate, discipline in the offices and housekeeping. In the 1990s, the emphasis was on technological upgrade and computerisation of offices. From the mid-1990s, the conferences discussed and debated policy issues, and thus provided regional perspectives and useful inputs for designing policy initiatives. In 2005, the Regional Directors' conference was, for the first time ever, held off-site at Madh Island, Mumbai. Eminent speakers from corporate and academic fields were invited. The informal atmosphere and surroundings aided free and frank discussion.

In November 2006, Governor Reddy, along with the Deputy Governor Mohan, discussed with senior journalist T. C. A. Srinivasa Raghavan issues relating to the Bank's communication policy and the approach to media relations. One of the points discussed was that the Regional Directors could play a greater role in the dissemination of information to the media. To enable the Regional Directors to interact often with the management, Deputy Governor Mohan suggested in this meeting the introduction of video conferencing facility in a few offices of the Bank. All the major offices were linked to a teleconferencing facility subsequently.

Library

The central library of the Bank in Mumbai, attached to the Department of Economic Analysis and Policy, played an important role in the storage and provision of information services within the Bank. The library provided information support to various departments, training colleges and libraries in the regional offices. The library had a collection of about 64,686 books, 25,938 government publications, 4,425 working papers and 12,633 back volumes of journals at the end of June 2008. It also maintained electronic databases (offline), besides an online database of 29,148 journal articles, and received 368 technical journals. While the number of books and documents in physical form came down almost by half, electronic access to such publications increased manifold from 1997 to 2008.

RBI Newsletter and Without Reserve

The RBI newsletter contained information on various developments taking place in different departments and offices. It started in November 1974 and was published fortnightly. The senior management committee, in a meeting held in August 1998, decided that a column, 'Letters to the Editor', should be introduced in the RBI newsletter to publish letters from individual staff members about their observations relating to work. The first letter to the editor was published in the newsletter on 15 October 1998. *Without Reserve*, an in-house magazine, commenced in 1968, which provided a platform for the staff to share their views, experiences and writings, improved its content and canvas during the period. Some of the regional offices had their own in-house magazines. For example, the Chennai office, under the leadership of Regional Director F. R. Joseph, launched an in-house journal titled *Horizon* in 2005.

Other Channels

Periodic letters called 'monthly demi-official letters' addressed by the Regional Directors to the Governor apprised the top management about the regional issues. Similarly, heads of the departments of the central office wrote monthly letters to their counterparts in the regional offices, explaining the rationale of policy and regulatory measures initiated during the month.

During 2007–08, the Bank initiated a regular interface mechanism in the form of knowledge-sharing lectures wherein leaders from the financial and corporate world were invited to share their knowledge and experience with the Bank's officials on a wide range of critical issues. This knowledge-sharing helped not only broaden the perspective but also enabled the Bank's officers to reinvent themselves to meet the dynamics of new roles and functions. Several interactive lectures were organised by the Bank under the ambit of this series.

Conclusion

The communication policy of the Bank received special impetus during the period covered in the book. The Bank tried to become more transparent and less opaque. Besides, the dissemination policy placed emphasis on quality, clarity and timeliness of information release. The Bank management, being conscious of the crucial role of communication in the conduct of its monetary,

regulatory and supervisory initiatives, focused on enhancing the coverage, quality and format of information dissemination. Both external and internal communication received importance.

Notes

1. Rakesh Mohan, 'Communication in Central Banks: A Perspective', *RBI Bulletin*, October 2005.
2. See <https://www.rbi.org.in/scripts/CommunicationPolicy.aspx>.
3. Reserve Bank of India (RBI), *The Reserve Bank of India, Vol. 4: 1981–1997* (New Delhi: Academic Foundation, 2013) provides a detailed account of communication channels from 1935 to 1997.
4. Under the chairmanship of Deputy Governor, RBI and Secretary, Economic Affairs, Government of India as alternate chairman.
5. International Monetary Fund (IMF), 'India: Report on the Observance of Standards and Codes (ROSC) – Data Module', 2 April 2004, available at <https://www.imf.org/en/Publications/CR/Issues/2016/12/30/India-Report-on-the-Observance-of-Standards-and-Codes-ROSC-Data-Module-17309>.
6. Chairman: Nitin Desai.
7. Mohan, 'Communication in Central Banks'.
8. To assist the SCIFSC, the Advisory Group on Transparency in Monetary and Financial Policies was constituted with M. Narasimham as chairman and S. S. Tarapore as a member.
9. See RBI, *The Reserve Bank of India, Vol. 4*, for details.
10. There were three important lecture series, namely C. D. Deshmukh Memorial Lecture (since 1984), L. K. Jha Memorial Lecture (since 1990) and P. R. Brahmananda Memorial Lecture (since 2004).
11. Reserve Bank of India, *The Reserve Bank of India, Vol. 3: 1967–1981* (Mumbai: Reserve Bank of India, 2005).
12. Chairperson: R. B. Barman.
13. Chairperson: K. S. R. Rao.
14. The current names of these departments are Department of Economic and Policy Research (DEPR), Department of Statistics and Information Management (DSIM) and Department of Communication, respectively.
15. Chairperson: K. J. Udeshi.
16. IMF, 'India: 2007 Article IV Consultation – Staff Report; Staff Statement; Public Information', IMF country Report No. 08/51, February 2008.
17. Hélène K. Poirson, 'Monetary Policy: Communication and Transparency', in *India: Managing Financial Globalisation and Growth*, ed. Kalpana Kochhar and Charles Kramer, 221–43 (New Delhi: BS Books, 2009).

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18. *Money Market Review*, July 2009; EPW Research Foundation, 'Whither Exchange Rate Policy?' Mumbai, 2009.
19. IMF, 'India: Selected Issues', Country Report No.08/52, February 2008.