The Reserve Bank of India was established on April 1, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934.

The Central Office of the Reserve Bank was initially established in Kolkata but was permanently moved to Mumbai in 1937. The Central Office is where the Governor sits and where policies are formulated.

Though originally privately owned, since nationalisation in 1949, the Reserve Bank is fully owned by the Government of India.

The Preamble of the Reserve Bank of India describes the basic functions of the Reserve Bank as:
"to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; to have a modern monetary policy framework to meet the challenge of an increasingly complex economy, to maintain price stability while keeping in mind the objective of growth."

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. "to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth."

Consistent with the above, the Reserve Bank's macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country's payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country’s financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. “to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth.”

Consistent with the above, the Reserve Bank’s macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country’s payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country’s financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. “to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and

credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth.”

Consistent with the above, the Reserve Bank’s macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country’s payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country’s financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. “to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth.”

Consistent with the above, the Reserve Bank’s macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country’s payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country's financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. "to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth."

Consistent with the above, the Reserve Bank's macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country's payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country's financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. "to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth.”

Consistent with the above, the Reserve Bank’s macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country’s payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country’s financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. “to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth.”

Consistent with the above, the Reserve Bank’s macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country’s payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country's financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. "to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth."

Consistent with the above, the Reserve Bank's macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country's payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country's financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. "to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth."

Consistent with the above, the Reserve Bank's macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country's payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country's financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. "to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth."

Consistent with the above, the Reserve Bank's macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country’s payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country’s financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. “to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth.”

Consistent with the above, the Reserve Bank’s macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country’s payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country’s financial system and supports inclusive growth.

The framework of central banking policy in India has evolved around its objectives specified under the Reserve Bank of India Act, 1934, viz. "to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage; and to operate a modern monetary policy framework to meet the challenge of an increasingly complex economy, where the primary objective is to maintain price stability while keeping in mind the objective of growth."

Consistent with the above, the Reserve Bank's macroeconomic and monetary policy has focussed on maintaining price stability, ensuring adequate flow of credit to sustain the growth momentum, and securing financial stability. The financial stability objective are enabled by the powers vested with it for regulation and supervision of the Indian financial system and its constituents, the money, debt and foreign exchange segments of the financial markets and the country's payment and settlement system support. These are augmented by the critical functions relating to maintenance of foreign exchange reserves and the role as the lender of last resort. The Reserve Bank pursues its core function of issuance of bank notes and currency management as well as its agency functions such as management of public debt, banker to Government (Centre and States) and banker to the banking system, including regulation of bank reserves. As a full-service central bank, it also propels the development and consolidation of the country's financial system and supports inclusive growth.

History of any institution aims at documenting, collating, compiling and presenting a comprehensive, authentic and objective study of the working of that institution, the events, the policies, the institutional development of the organisation. The institutional history of the central bank reflects, in some ways, the monetary history of the country, bringing down to concrete and human terms the policies, the considerations, the mistakes, the thought processes, the decision making and the broader canvas of political economy of the times.

The history of Reserve Bank of India thus not only traces the evolution of the central banking in India but also serves as a work of reference and an important contribution to the literature on monetary, central banking and development history of India. We have so far published four volumes of our history.

Volume 1

- (1935-1951)

The Reserve Bank of India was set up on April 1, 1935. It is one of the few central banks to document its institutional history. So far, it has brought out four volumes of its history. Volume 1, covering the period from 1935 to 1951, was published in 1970. It details the initiatives taken to put in place a central bank for India and covers the formative years of the Reserve Bank. It highlights the challenges faced by the Reserve Bank and the Government during World War II and the post-independence era.

Volume 2

- (1951-1967)

Volume 2, covering the period from 1951 to 1967 was published in 1998. This period heralded an era of planned economic development in India. This volume captures the initiatives taken to strengthen, modify and develop the economic and financial structure of the country. Apart from the Reserve Bank's role as the monetary authority, it highlights the endeavour to establish an institutional infrastructure for agricultural and long-term industrial credit in India. This volume succinctly covers the external payment problems faced by the country and the rupee devaluation of 1966.

Volume 3

- (1967-1981)

On March 18, 2006, Hon'ble Prime Minister, Dr. Manmohan Singh released the third volume of the Reserve Bank's history covering the period from 1967 to 1981. An important event of this period was nationalisation of fourteen banks in 1969, leading to spread of banking in country's hinterland. The issues of safety and prudence in banking also gained prominence. Internationally, the abandonment of the Bretton Woods system in 1971 posed serious challenges for the developing countries including India. The volume also deals with the matters of co-ordination between the Reserve Bank and the Government.

Volume 4

- (1981-1997)

Volume 4 of the Reserve Bank's history was also released by Dr. Manmohan Singh, Hon'ble Prime Minister of India on August 17, 2013. It covers the eventful 16 years from 1981 to 1997 and is published in two parts, Part A and Part B, which ideally should be read in continuum. Part A focusses on the transformation of the Indian economy from a regime of restrictions to progressive liberalisation. The 1980s were characterised by an expansionary fiscal policy accompanied by automatic monetisation of budgetary deficit that strained the conduct of monetary policy. Similarly, a highly regulated banking system impaired efficiency. The domestic macroeconomic imbalances combined with deteriorating external conditions triggered the balance of payments (BoP) crisis of 1991. Subsequent reforms ushered in far reaching changes not only in the economy but also in central banking. Part B of the volume captures the implementation of structural and financial sector reforms: fiscal correction and phasing out of automatic monetisation; development of government securities market; and greater integration among money, securities and foreign exchange markets. It also covers the transformation in banking with liberalisation and improvement in credit delivery. At the same time, the Reserve Bank had to contend with a securities scam which led to the introduction of better control systems and strengthening of the payment and settlement systems.