

**ALL INDIA
RESERVE BANK
EMPLOYEES ASSOCIATION**

13, NETAJI SUBHAS ROAD, KOLKATA-700 001

No. GS.Spl./ 74 / 2015

Sri Arun Jaitleyji
Hon'ble Finance Minister
Government of India
New Delhi

Hon'ble Sir,

Monetary Policy Committee(MPC) – Proposed Composition

On the captioned matter wide ranging discussions and discourses are taking place in the media and among those concerned, you are kindly aware. The proposed composition of the Committee, as has been placed in the public domain recently, has been almost universally disapproved by various authorities and eminent personalities, alleging diminution of RBI's authority, independence and jurisdiction. It is universally acknowledged that RBI have guided the Monetary Policy of our country for almost eight decades with commendable finesse, alacrity and success. Basing on that experience many have reasonably argued that in the best interest of the country there should be no interference or dilution in exercise of RBI authority in regard to framing the Monetary Policy.

In this context we enclose for your kind perusal and consideration an article in today's "The Hindu" (August 12, 2015) in the editorial page by Dr. C. Rangarajan, an authority on central banking, who is globally acclaimed as one of the best central bankers, and who has been associated with the policies and praxis of Reserve Bank of India for long, till recently. He has strongly argued for RBI's "accountability with autonomy" and stressed that RBI can be made accountable on its mandates only if its autonomy is fully ensured, and that "any mechanism that we create such as a Monetary Policy Committee should not weaken but, on the other hand, strengthen the hands of Reserve Bank of India to deal effectively with inflation."

The considered views of Dr. Rangarajan should be seriously noted and acted upon, we very sincerely feel, and we hope you will also kindly agree with us. We request you to guide the Finance Ministry officials accordingly.

With regards,

Yours faithfully,

Sd/-

(Samir Ghosh)

**General Secretary &
Convener, United Forum of
RBI Officers & Employees**

Encl: As stated

No.GS. Spl./ 75 /2015 of date.

Copy forwarded for information to Dr. C. Rangarajan, Chairman, Madras School of Economics, Chennai with profuse thanks and gratitude from RBI Staff for his forthright advocacy of autonomy and accountability of RBI.

Sd/-

(Samir Ghosh)

General Secretary

No. GS. Spl./ 76 /2015 of date.

Copy forwarded for information and necessary action to Dr. Raghuram Rajan, Governor, Reserve Bank of India, Central Office, Mumbai.

Sd/-

(Samir Ghosh)

General Secretary

Encl: As stated



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12th August 2015

Copy forwarded for information to:

- 1) Sri H. R. Khan, Deputy Governor, Reserve Bank of India, Central Office, Mumbai.
- 2) Dr. Ujjit Patel, Deputy Governor, Reserve Bank of India, Central Office, Mumbai.
- 3) Sri R. Gandhi, Deputy Governor, Reserve Bank of India, Central Office, Mumbai.
- 4) Sri S. S. Mundra, Deputy Governor, Reserve Bank of India, Central Office, Mumbai.

Sd/-

(Samir Ghosh)
General Secretary

Encl: As stated

Copy with enclosure forwarded to:

- a) Sri S. V. Mahadik, General Secretary, All India Reserve Bank Workers' Federation, Mumbai.
- b) Sri Paulsil Mathai, General Secretary, All India Reserve Bank Officers' Association, Mumbai.
- c) Sri R. N. Vatsa, General Secretary, Reserve Bank of India Officers' Association, Mumbai.
- d) Sri A. N. Subhedar, President, All India Reserve Bank Employees Association, Mumbai.

Sd/-

(Samir Ghosh)
General Secretary

Encl: As stated

Copy forwarded for information to all units.



(Samir Ghosh)
General Secretary

Encl: As stated