

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6948
ANSWERED ON:08.05.2015
MONETARY POLICY PANEL
Charitra Shri Ram

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to amend Reserve Bank of India Act to set up monetary policy panel; and
- (b) if so, the details thereof along with the salient features of the said panel?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) It has been stated in the Budget Speech 2015-16 of the Finance Minister "To ensure that our victory over inflation is institutionalized and hence continues, we have concluded a Monetary Policy Framework Agreement with the Reserve Bank of India (RBI), as I had promised in my Budget Speech for 2014-15. This Framework clearly states the objective of keeping inflation below 6%. We will move to amend the RBI Act this year, to provide for a Monetary Policy Committee." The Monetary Policy Framework Agreement is in public domain at <http://finmin.nic.in/reports/MPFAgreement28022015.pdf>

(b) Details on the Monetary Policy Committee have not been decided.