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## **The Central Bank of India**

The Central Bank of India is one of India's oldest and most significant commercial banks, but it's not the country's central bank in the same way that the Reserve Bank of India (RBI) is the central monetary authority.

Brief overview of the origin, history, and function of the Central Bank of India:

### **Origin of the Central Bank**

- **Establishment:** The Central Bank of India was established on December 21, 1911, by Sir Sorabji Pochkhanawala, an Indian industrialist and visionary who aimed to create a fully Indian-owned bank during the British colonial period.
- **Objective:** It was the first Indian commercial bank wholly owned and managed by Indians. Its mission was to serve the needs of Indian businesses and the public, giving them a reliable, Indian-owned alternative to British banks operating in the country.

### **History:**

- **Early 20th Century:** In its early years, the Central Bank of India provided essential banking services to Indian businesses and individuals, fostering economic development.

- **Nationalisation (1969):** Along with other major Indian banks, the Central Bank of India was nationalised in 1969 by the Government of India. This move aimed to make banking more accessible across the country and to align banks with national development goals.
- **Modern Day:** Today, the Central Bank of India is one of India's largest public sector banks, with a vast network of branches and ATMs across the country. It continues to play a significant role in India's banking sector, supporting government initiatives, rural banking, and financial inclusion.

#### **Functions of the Central Bank**

**1. Commercial Banking:** The Central Bank of India offers a full range of banking services, including savings and current accounts, loans, credit facilities, and investment options.

**2. Financial Inclusion:** The bank participates in various government schemes to promote financial inclusion, such as Pradhan Mantri Jan Dhan Yojana, which provides banking services to the unbanked.

**3. Rural Development:** The bank has branches in rural areas, providing essential banking services, loans, and financial support to farmers and small businesses.

**4. Corporate Banking:** It offers services to businesses, including loans, credit lines, and cash management solutions, supporting industries and trade.

**5. Government Banking:** As a public sector bank, it facilitates government schemes, disburses pensions, and handles tax payments on behalf of the government.

#### **Conclusion**

The Central Bank of India, though a commercial bank rather than a central monetary authority, has been a significant part of India's banking landscape since 1911. Through

nationalisation and modernization, it continues to play a vital role in serving India's financial needs and supporting economic development.