
HomeIndustryBanking financeDr Urjit Patel checks in at RBI to complete Rajan's 'deep surgery'

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52-year-old Patel's appointment as the 24th RBI Governor is effective today, though his first working day could be September 6, due to today being a Sunday and tomorrow being a holiday for Ganesh Chaturthi. (Source: Reuters)

Urjit Patel, the new Governor of [RBI](#) who has maintained a contrasting low-profile to outspoken and rockstar-like [Raghuram Rajan](#), has his immediate task cut out – finishing the 'unfinished agenda' of his predecessor on completing 'deep surgery' of banks and winning the war on inflation.

Incidentally, it was Patel — often referred to as 'Dr Patel' by Rajan — who scripted a new framework for fighting price rise, which earned him the informal title of 'inflation warrior'.

However, it is the 'deep surgery' ordered by Rajan to cleanse the balance sheets of the banks from bad loans that may pose greater challenges for Patel, as a number of banks,

Unlike Rajan, who took charge at a time when global markets were volatile and concerns were being raised about the rupee, the Gujarati-origin and once Kenyan citizen Patel has come in when financial markets are much more stable and concerns have also subsided about any potential dollar flight due to impending redemption of NRI bonds.

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Urjit Patel Takes Charge At RBI To Complete... *by FinancialExpress*

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A number of corporate leaders and bankers who have previously worked with Patel, including during his tenure as RBI's Deputy Governor and earlier on boards of some companies, said he is expected to show "much better understanding" of the problems the companies and banks are facing due to the central bank's AQR (Asset Quality Review) directive.

Some are even hopeful that the AQR regime may actually see some change, though Rajan kept on repeatedly saying in his last days at RBI that the process should be

With public sector banks accounting for a large portion of the bad loans, the clean-up exercise has raised heckles of many in the government as well, though not many have been public with their views, fearing adverse commentary.