

Reserve Bank of India
Policy Statement:
(Framework for Formulation of Regulations)
May 07, 2025

1. Introduction

This Framework for Formulation of Regulations (hereinafter referred to as 'the Framework') lays down the broad principles for formulation and amendment of Regulations by the Reserve Bank of India (hereinafter referred to as "the Bank"). The Framework seeks to standardize the process of making Regulations in a transparent and consultative manner after conducting impact analysis, as may be feasible.

2. Definition:

(1) For the purpose of this Framework, "Regulations" shall include all regulations, directions, guidelines, notifications, orders, policies, specifications, and standards as issued by the Bank in exercise of the powers conferred on it by or under the provisions of the Acts and Rules, given in [Annex](#).

(2) The Bank may also follow the process laid down in the Framework for any other regulation, direction, guideline, notification, order, policy, specification, or standard made pursuant to any other legal provisions, as deemed fit.

3. Public Consultation

(1) Before issuance of a Regulation, the Bank shall publish the draft of such Regulation along with a statement of particulars on the Bank's official website (www.rbi.org.in) and seek public comments.

(2) The statement of particulars shall, among others, include:

- (a) the enabling provision(s) that empower the Bank to issue the Regulation;
- (b) the objective(s) of the Regulation, including an impact analysis, to the extent feasible;

- (c) guidance from the international standard setting bodies and best practices, if any;
- (d) the manner of implementation of the Regulation; and
- (e) the timelines for receiving comments from the public.

(3) The Bank shall provide at least 21 days to the stakeholders and members of public to submit their comments.

(4) The Bank shall consider the public feedback and provide a general statement of its response to the comments received, along with the final Regulation, on its website.

(5) If the Bank decides to issue the final Regulation in a form substantially different from the draft that was issued for public comments, it may choose to repeat the process under this Framework.

(6) The final Regulation shall be published promptly post the receipt of approval from the competent authority and its date of enforcement shall be from the date specified therein.

(7) The Bank may explore additional mechanism(s) for engaging with stakeholder(s), as considered appropriate. In particular, it may, where deemed necessary, issue a discussion paper eliciting response to issues and questions for consultation, before preparing and publishing the draft of the Regulation.

4. Impact Analysis of the Regulation

Before finalizing the Regulation, the Bank shall conduct an impact analysis of the Regulation, to the extent feasible.

5. Amendment to the Regulation

Any significant amendments to the Regulation shall be subject to the process laid down in paragraphs 3 and 4 above.

6. Review of the Regulation

While the Bank shall update, amend or repeal the existing Regulations, as deemed necessary, it shall periodically undertake a review of the Regulations in force, keeping in view:

- (a) the stated objective(s);
- (b) experience gained through surveillance, supervision and enforcement actions;
- (c) relevant orders passed by courts or tribunals;
- (d) global best practices or standards prescribed by international standard setting bodies;
- (e) its relevance in a changed environment;
- (f) the scope for reducing redundancies; and
- (g) any other factor considered relevant by the Bank.

7. Non-applicability on certain matters

(1) The provisions of this Framework shall not be applicable to any Regulation made or amended which pertain to:

- (a) an internal, administrative or organizational matter as determined by the Bank, including those governing the conduct of its meetings, administration and service conditions of its officers and employees;
- (b) a procedural matter which does not result in any substantive change or impact on any existing Regulation; and
- (c) any Regulation issued to a specific entity or entities and is not general in nature.

(2) The Bank may, after recording reasons, dispense with or suitably modify any or all provisions of this Framework in matters where -

- (a) in the opinion of the Bank, confidentiality is to be maintained; or,
- (b) following the procedure under this Framework would defeat the objective(s) or purpose of the proposed Regulation;
- (c) for reasons of public interest, the Bank considers it expedient to do so; and
- (d) any urgent intervention required.

8. Savings

(1) Notwithstanding anything contained in this Framework, a Regulation which is in force as on the date of issuance of this Framework shall continue remain valid, though future changes would be subject to the procedure envisaged herein.

(2) No Regulation issued by the Bank, or any action taken under this Framework shall be invalid merely by reason of non-adherence to any provision specified herein.

Annex

Act	Sections/Rules
The Reserve Bank of India Act, 1934	28, 28A, 42(2), 45C, 45J, 45JA, 45K, 45L, 45MA, 45W, 58
The Banking Regulation Act, 1949	21, 24(2A), 26A, 35A, 35AA, 35AB
The National Housing Bank Act, 1987	30, 30A, 32, 33
The Payment and Settlement Systems Act, 2007	10, 18, 38
The Credit Information Companies (Regulation) Act, 2005	10,11,13, 37
The Factoring Regulation Act, 2011	6, 31A
The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002	12, 12A
The Foreign Exchange Management Act, 1999	10(4), 11, 47
Government Securities Act, 2006	29, 32
The Prevention of Money-laundering (Maintenance of Records) Rules 2005	9(14)
The Special Economic Zones Act, 2005	17(3)