



# Regulations Review Authority

## Why in News?

The [Regulations Review Authority](#) of the [Reserve Bank of India \(RBI\)](#) has recommended **withdrawal of 714 regulatory instructions which have either become obsolete or redundant.**

- This is part of the **RRA 2.0 recommendations on issues** such as,
  - Ease of compliance,
  - Reduction of regulatory burden
  - Rationalization of reporting mechanism,
  - Streamlining instructions and communication.

## What are the Recommendations of the RRA?

- Complete elimination of paper-based returns and **has identified 65 regulatory returns which should either be discontinued or merged with other returns** or should be converted into online returns.
- The Review and **revocation of time-barred and old regulations may be taken up for alignment with the recent circulars** and this exercise can be institutionalised in such a manner that **only the current and updated instructions are available in public domain.**
- It has proposed **a periodic review of regulatory or supervisory returns at least once in three years.**
- A separate web page, namely, 'Regulatory Reporting' in the RBI website so that all the information relating to regulatory, supervisory and statutory **returns would be consolidated at a single source on the RBI website.**

## What is the Regulations Review Authority?

- **Background:**
  - The RBI earlier set up the first RRA for a period of one year from 1<sup>st</sup> April, 1999.
  - This is for reviewing the regulations, circulars, reporting systems, based on the feedback from the public, banks and financial institutions.
- **RRA 2.0:**
  - RRA 2.0 seeks to streamline the **regulatory instructions, reducing the compliance burden of the entities under regulations.** The RRA 2.0 will achieve this by **simplifying procedures and reducing reporting requirements** wherever possible.
  - The RBI had set up RRA 2.0 in 2021 year to **reduce the compliance burden on the regulated entities** and streamline regulatory instructions.
- **Terms of Reference of RRA 2.0:**
  - Making **regulatory and supervisory instructions more effective** by removing redundancies and duplications.
  - To **obtain feedback from regulated entities** on simplification of procedures and enhancement of ease of compliance.
  - RRA **will reduce the compliance burden on regulated entities** by streamlining the reporting mechanism; revoking obsolete instructions if necessary.
  - To examine and suggest the changes required in the dissemination process of RBI circulars/ instructions.

- To **engage internally as well as externally with all regulated entities** and other stakeholders to facilitate the process.

**Source: IE**

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