

PUBLIC CREDIT REGISTRY WILL HELP LENDERS ACCESS RISK: VIRAL ACHARYA

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MUMBAI: A [Public Credit Registry](#) (PCR) could well turn out to be the panacea for the ills of [poor credit flow](#) to numerous individual borrowers without [credit history](#) and to tiny enterprises which depend on money lenders.

"The PCR could supply the missing link, which is the complete '360-degree view'- information of the borrower or prospective borrower," deputy governor [Viral Acharya](#) told an audience at the Indian Institute of Technology in Mumbai. "This will allow lenders to assess the borrower's credit risk keeping in view the viability of cash flows, ask the relevant questions, and price the loan terms without compromising on due diligence."

The Reserve Bank of India has been instrumental in building a PCR for better data collection and make it available to lenders. It would not just house data from financial intermediaries like banks like the [credit information bureaus](#), it would also include data from utilities, other regulators and even from ministries.

"PCR will vastly simplify and reduce the reporting burdens on the lenders," said Acharya. "Other entities including regulators and supervisors will be able to access it for core credit information and supplement it with only the incremental part as per their requirement."

Since the technology has advanced substantially, it would also help quicker credit decision making.

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