

India pitches for a credit rating agency

Prime Minister Narendra Modi on Monday strongly pitched for the setting up of a BRICS credit rating agency to counter western rating institutions and cater to the financial needs of sovereign and corporate entities of developing nations.

In an address at the plenary session of the BRICS Summit here, Mr. Modi said a separate rating agency would help the economies of the member countries and other developing nations.

“Our Central Banks must further strengthen their capabilities and promote cooperation between the Contingent Reserve Arrangement and the IMF [International Monetary Fund],” the Prime Minister said, urging early creation of the BRICS rating agency.

Three western agencies hold over 90% of the sovereign ratings market.

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