



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2004-05/272
DBOD No.DL.BC.56/20.16.002/2004-05

November 6, 2004

All Scheduled Commercial Banks (excluding RRBs) and
Notified All-India Financial Institutions and
State Financial Corporations

Dear Sir,

Mid-term Review of Annual Policy Statement for the year 2004-05 -
Dissemination of credit information by CIBIL

Reserve Bank had issued instructions to banks and financial institutions (FIs) vide
circulars DBOD No.DL.BC.29 and 70/20.16.002/2002-03 dated October 1, 2002 and
February 10, 2003, respectively, to obtain the consent of all their borrowers (and not only
defaulters) to facilitate submission of details of all borrowal accounts to CIBIL for
compilation of credit information data base (performing and non-performing) accessible to
member banks to significantly improve the quality of credit appraisal and decisions. With a
view to giving further impetus to data reporting to CIBIL, banks/FIs were advised that their
Boards should review the measures for furnishing credit information in respect of
borrowers to CIBIL and for reporting compliance to Reserve Bank of India vide our circular
DBOD No.DL.BC.95/20.16.002/2003-04 dated June 17, 2004.

2. Despite the above instructions, the progress of banks/FIs in obtaining consent from
all the borrowers is still unsatisfactory and is hampering the establishment of an efficient
credit information system to enhance the quality of credit decisions, improve the asset
quality of banks/FIs and facilitate faster credit delivery.

Reserve Bank of India, Mumbai - 400005

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Reserve Bank of India



3. In this connection, a reference is invited to paragraph 127 of the Mid-term Review of Annual Policy Statement for the year 2004-05 enclosed to the Governor's letter No.MPD.BC.256/07.01.279/2004-05 dated October 26, 2004 (copy of the paragraph enclosed). As stipulated therein, banks/FIs are once again advised to take immediate steps in this regard and ensure submission of periodical data to CIBIL and progress reports to RBI. If the compliance in this regard remains unsatisfactory, RBI would be constrained to examine other penal measures on the concerned banks.

Yours faithfully,

(C R. Muralidharan)  
Chief General Manager-in-Charge

Encl: As above



## Mid-term Review of Annual Policy Statement for the year 2004-05

### **Para 127 -Dissemination of Credit Information by CIBIL**

Banks are urged to make persistent efforts in obtaining consent from all their borrowers, in order to establish an efficient credit information system, which would help in enhancing the quality of credit decisions and improving the asset quality of banks, apart from facilitating faster credit delivery.