The Centralised Information Management System (CIMS)

***Prelims**: Current events of national and international importance| Economic and Social Development | Governance*

Why in news?

Recently RBI has mandated all Regulated Entities (REs) to report details of their Digital Lending Apps (DLAs) through RBI's Centralised Information Management System (CIMS) portal.

- **The Centralised Information Management System (CIMS)** – It is a portal designed to collect and manage information about digital lending applications in India.
- **Developed by** – ***Reserve Bank of India (RBI)***
- **Key features of CIMS –** It serves as the official reporting platform for Regulated Entities (REs) like banks, NBFC to submit details about their Digital Lending Apps (DLAs).
- It collects standardized information about digital lending applications operating in the Indian financial ecosystem.
- It acts as the ***central database*** that will power the public directory of legitimate lending apps.
- The RBI will publish this public directory of DLAs by July 1 on its website.
- The database will update automatically whenever REs adds or remove apps from their submissions.

Significance

- To create ***enhanced transparency for borrowers*** in the digital lending sector.
- To establish a *verification system for borrowers* to identify legitimate lending apps.
- To support RBI's broader regulatory framework for digital lending.
- It will help RBI by improved communication with banks and other regulated companies.
- To bring greater oversight and accountability to the rapidly growing digital lending space in India.

Reference

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