

Regarding role of RBI on Loans

SHRI VIJAYAKUMAR ALIAS VIJAY VASANTH (KANYAKUMARI): Hon. Speaker, Sir, I bring to your attention a pressing matter that affects the livelihoods of millions of Indians.

The recent RBI rule change requiring full repayment of gold loans along with interest after 12 months has imposed a significant financial burden on vulnerable sections of our society, including farmers, small business owners, fishermen, and low-income individuals. The gold loans have been a vital source of financing for these individuals, providing quick liquidity during critical times. However, the new rule has taken away the flexibility to renew loans by paying only the interest, forcing them to seek help from informal lenders who charge exorbitant interest rates.

To address this issue, I propose the following: There should be jewel loans with easy interest payment and renewal options; education loans should be given without collateral security as most of the banks are asking for collateral security; and hassle-free loans for MSMEs should also be given without collateral security. The RBI's recent changes to the gold loan rules aim to promote a more transparent and secure gold lending ecosystem. However, we must ensure that these changes do not inadvertently harm the common man.

I request the Government to reconsider the recent RBI rule change and provide relief to the vulnerable section of our society. Thank you.