

Regarding alleged harassment meted out to loanees especially women in Bihar by agents of Micro Finance Institutions- Laid

SHRI SUDAMA PRASAD (ARRAH): The crisis caused by Micro Finance Institutions (MFIs) in Bihar, which have become a scourge, particularly for women. Despite RBI's regulatory framework, these institutions continue to operate with impunity, subjecting the poor to high-interest loans and severe harassment. Many women have even been driven to commit suicide due to the relentless pressure from MFI agents. The RBI's failure to monitor and regulate these entities effectively has allowed them to exploit vulnerable populations, with no real action taken against the erring institutions. I urge the Government to clarify what specific regulations and policy changes have been made since 2014 to address these abuses. I would like to seek clarification from the Minister of Finance as to what regulations RBI has placed on MFIs from 2014 onward and whether there is any change in RBI's policy regarding interest rate regulation and other related aspects. I would also like to know whether Government has formulated any policy to check the rising instances of harassment at hands of MFI and improve the existing financial assistance schemes to aid the poor and lower middle class in need of financing.