

Microfinance bosses arrested for detaining loan defaulters

KABALE

By Job Namanya

Four employees of BRAC Uganda Limited, a microfinance institution, are being detained at Kabale Central Police Station for allegedly detaining two of their clients in Kabale district over unpaid loans.

The four are: Gloria Kyomukama, the Kabale branch manager; Ruth Niwaturhira, a loans officer; Mellon Kyomukama and Sharon Kanyesigye, both credit officers.

They are accused of detaining Merab Tukamuhabwa and Consalata Kyomukama, who are both residents of Bubaare parish in Bubaare sub-county, Rubanda district. The two were held at the BRAC offices in Kirigime ward, Kabale municipality on November 24, for two days over failure to clear their loans.

Tukamuhabwa said she got a loan of sh800,000 from BRAC in June and she was supposed to pay sh25,000 per week. However, after paying sh600,000, she failed to clear the balance. When she went there to explain to them, they detained her.

"I was given a loan by BRAC and the terms of payment were clear. But as I was still repaying, they detained me at their office where I was exposed to immense suffering without food to eat or anything to drink for two days," she said.

Majid Alituha, the officer in charge of operations Kabale Police Station, said the suspects will be arraigned in court and charged with illegal detention.

"It is unfortunate for this financial institution to claim powers beyond its jurisdiction to arrest people. They should have opted for lawful means in executing their duties," Alituha said.

This is not the first time that BRAC is on the spot for detaining its clients. In March 2017, Ruth Niweturiho, a credit officer with BRAC in Kabale, was arrested over detaining Kesiime Kasaza, a resident of Bushuro in Kitumba sub-county, at their offices. Kesiime was reportedly held for failure to repay a loan of sh570,000. It took the intervention of the Kabale LC5 boss Patrick Besigye Keihwa, for her to be released.