Abstract

**Formal and Informal Finance in Contemporary India**

*Heiko Schrader*

Estimates of the share of contemporary informal finance in India are very rough and inconsistent, but scholars agree on a decline during the past decades. Among the informal intermediaries the number of rural merchant lenders, crop dealers, commission agents, hire purchase financiers, pawnbrokers, and so on has increased, while that of traditional indigenous-style bankers, professional moneylenders and landlord-lenders has decreased as a result of both changing requirements of society and economy, as well as state interference with the financial landscape. In the first part of the article I shall reconsider the contemporary urban informal financial agents and institutions. In the second part I take a look at the rural financial landscape.