

1. Why should credit at reasonable rates be available for all?

A Credit at reasonable rates be available for all, so that the poor people can benefit from the cheaper loan.

2. Should there be a supervisor; such as RBI, that looks into the loan activities of informal lenders? Why is it difficult?

A Because informal sector constitutes many people who have different kind of business of their own, besides lending. They are not registered with the govt.

3. Why do you think that the share of formal sector credit is higher for richer households compared to poorer households?

A The share of formal sector credit is higher for richer households because richer households are in a better position to provide collateral & other necessary documents which are required by banks & co-operatives. Richer households have means to exert pressure on banks & co-operatives.

to service loans. Richer households have greater capacity to repay loans compared to poor households.