



POCKET MONEY

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Brief on what they kept from you about your money this week.

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01

RBI Handbook: Concerns & trends in Personal loans

In the Handbook of Statistics on the Indian economy released by RBI we get a glimpse of the dwindling demand situation in country. We can gauge that through the numbers in the Personal Loans segments of the banks. While overall growth in personal loans have slowed down quite a bit from 27.5% the previous year to 11.3%, the fall is starkest in consumer durables where it has moved from 13% to negative 1.3%. Similarly vehicle loans have also slowed from 17.6% to 8.6%. At one level this slow is indicative of a demand crunch at another level, it also shows the banks squeezing credit owing to stricter regulatory oversight leading to NBFCs engaging in unsecured personal lending.

02

RBI Handbook: State of Rural Debt

The Handbook of Statistics on the Indian Economy gives slices of data on the macroeconomic conditions of the economy and the banking landscape. Among other things it gives us a glimpse of what is driving the debt crisis in India's countryside. We often read about the NBFCs and MFIs causing havoc in rural India with usurious rates and horrendous recovery practices. A 12-year-old ailing girl died near Mirgaj village along NH-107 in Bihar's Madhepura district this August after loan recovery agents allegedly confiscated her father's motorcycle, which he had purchased on a loan. They seized the motorcycle despite her father pleading that his daughter needs urgent medical attention. Our newspapers are filled with such instances as these modern day money lenders have mushroomed all across the country. The Handbook for instance shows how rural share of bank branches that was around 52% in 1982 climbed up further to nearly 58% by 1992 and then plummeted to around 34% by 2024. As far as share of rural credit of total outstanding credit is concerned, it has consistently declined from 15.2% in 1996 to 10.4% in 2025. Metropolitan credit share increased from 52.9% in 1996 to 60.7% in 2025, highlighting the concentration of credit in urban centers. The rural-metro gap widened from 37.8pp to 50.3pp over this period. It is this gap that get filled by the usurious NBFCs and MFIs who exploit with their exorbitant rates, all in the name of "financial inclusion."

03

Token hearings, real risks: Citizens protest Keni Port in Ankola

The proposed Keni Port in Uttara Kannada, promoted by Jindal South West Infrastructure, is projected as a greenfield, all weather multipurpose harbor spread over 780 acres, capable of handling coal, steel and other bulk cargo with a draft depth of 18 meters. While framed as development, it represents a classic extractive model prioritising corporate and industrial interests over coastal communities, in a region that already has multiple ports straining its shoreline.

At the mandatory public hearing held on August 22, 2025 in Ankola, organised by the Karnataka State Pollution Control Board and district administration, thousands of citizens voiced sharp opposition. Fisherfolk, environmentalists and local residents pointed out that the Environmental Impact Assessment ran to 600 pages in English, with no Kannada version, effectively excluding large sections from informed participation. They highlighted grave risks to marine livelihoods, fragile ecosystems, and to Ankola's already high eroding coast. The hearing laid bare how consultation is reduced to ritual, while decisions remain tilted towards corporate interests.

04 RBI Bulletin: Global uncertainties

The monthly Bulletin of RBI for the month of August spoke of global uncertainties as nobody was sure what the US would do with its trade policies, and this affected the world economy. Some countries like the EU, South Korea, and Japan made trade agreements with the US. But in August, the US put higher taxes on goods from Brazil, Canada, India, and Switzerland. In July 2025, the International Monetary Fund (IMF) released an update about the world economy. Even though they said global economic growth might be better than expected, they warned that there are more reasons to worry that growth could actually be worse than better. While GST and toll collection remained steady, electricity demand and petrol consumption fell in India. With that fell urban demand and retail sale of passenger vehicles. While the Bulletin doesn't talk about it in details, but experts have raised concerns around the uncertainties brought about by the tariff situation in the leather, garments and fisheries segments that have sizeable exports.

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