



# POCKET MONEY

**Vol III Issue 30**  
**22nd September 2025**

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

[Click here](#)



For all previous editions



## 01 **RBI Watch: At long last steps on anti-poor bank charges?**

There was recently wide uproar when the RBI said it can do nothing when ICICI decided to increase its minimum balance requirement to 50,000 rupees. Finally, after years of agitation and complaints the RBI is considering to take a few steps in this regard. The RBI has asked banks to cut retail service charges on things like debit-card fees, late payment penalties, and penalties for not maintaining minimum balances, especially since these fees impact low-income customers. These service charges bring in a large chunk of “non-interest income” for banks: in just the latest financial year, Indian banks earned about 50,000 crore rupees from fee income which is increasing. We have been calling such charges ethically unfair and a penalty on the poor for being poor. Will the RBI actually take steps towards effectively curbing these policies in the banking ecosystem?

# 02

## Historic Again? GST Slab Cuts Vindicate Critics and Opposition

When the Goods and Services Tax (GST) was launched in 2017, the Modi government celebrated it as a “historic reform.” Yet the tax was anything but simple, with multiple tiers and a punishing 28% slab that hurt small traders and ordinary consumers. Opposition parties had warned that such high rates would dent consumption and employment, but their concerns were brushed aside while godi media cheered the launch. Now, eight years later, the government is again celebrating—this time for lowering the highest slab to 18%, and restricting GST rates to two slabs, the other being 5%. The very correction long demanded by critics is being projected as another “historic” step. Instead of acknowledging the flawed design of 2017, the government is packaging its U-turn as success. And has ironically declared September 22, when the revised GST regime kicks in, as thye bachat utsav or ‘savings festival’The opposition stands vindicated, while citizens endured nearly a decade of avoidable hardship in the name of reform.

# 03

## RBI Watch: At long last regulation of payment aggregators?

The RBI in its new Master Directions for Payment Aggregators (PAs) have mandated that while banks are exempt, non-bank PAs must obtain RBI authorisation. Applicants must have a minimum net worth of ₹15 crore at the time of application, rising to ₹25 crore within three years. The rules also require strict segregation of customer funds into escrow accounts with regulated banks, enhanced merchant KYC and due diligence, stronger cybersecurity and fraud prevention mechanisms, and clear grievance redressal systems. Question remains as to how was the digital fintech space allowed to expand, operate and play with our money for nearly a decade without any such regulations in place. Be it Dream 11 or the Blu Smart that sank with customer money, or be it the Phone Pe that got RBI authorisation now after operating from 2016 - it is concerning how are regulatory apparatus is still catching up after allowing these companies a decade long head start.

# 04

## Modi and Trump: A Friendship That Comes at India's Expense

PM Modi and Trump have repeatedly claimed to be close friends. Yet Trump openly imposed sanctions on India for buying Russian oil, making it clear that the relationship is conditional on India serving US interests. The impact is not on governments, it is on ordinary people. Tariffs have already hit exports, destroying jobs and crippling small businesses, while the new \$100,000 fee on H1B visas makes US opportunities far more costly for Indian professionals. Economists have long argued that India needed stronger manufacturing, steady job creation, and financial buffers to withstand such external shocks. The government has failed on all these fronts. What Trump calls toughness only exposes how fragile and unequal this partnership is. In the end the costs of foreign policy are borne not by leaders, but by the people of India.

# 05

## Night light from space maps inequality in India

When you see India from space at night, the bright and dark spots tell a story of inequality. A study by IIT Kanpur and IIT Kharagpur, titled “Economic Inequality and Crime across Cities in India: Evidence using Nighttime Lights Data”, shows how satellite images of lights can reveal patterns of inequality and even predict crime rates. The researchers used the Gini coefficient, which measures inequality, to create a new tool called light-based inequality. Simply put, if some areas of a city glow brightly while others remain dim, it reflects unequal access to resources and opportunities. Studying 49 Indian cities between 2016 and 2021, the team discovered a clear link: for every 1% increase in light-based inequality, crime rose by 0.5%. This pattern was true for both violent crimes and property crimes, showing how inequality and insecurity are closely connected in India’s urban centres.

A weekly In-Digest from CFA

[Click here](#) to find the earlier issues of Pocket Money

Centre for Financial Accountability, New Delhi  
<https://www.cenfa.org>

