



The Economy This Week!

In recent news, we saw our PM respond to a press meet in the US. Modi appeared to have caved in to US pressure, taking questions from the media. This appears to be highly odd, given that he never bothered to appear in front of the media in India during his 9-year reign. Despite using the term 'democracy' 12 times in his translated response, the prime minister managed to dodge the particular problems presented by emphasising that his government's social welfare schemes are available to everybody, regardless of faith, caste, or creed. He said that India could not be one of the world's greatest constitutional democracies if human rights and discrimination were ignored. On the home front, states are struggling to improve basic social welfare systems. And if they do, and they happen to be ruled by opposition parties, they are implored for giving 'freebies.' A federal, democratic country also means a reliable and healthy relationship between the centre and the states. We explore more in [The Money Trail](#) this week.

Meanwhile, the RBI has released a clarification on its recent circular, which allowed wilful defaulters and companies involved in fraud to go for a compromise settlement or technical write-offs by banks and Non-Banking Finance Companies. But does it really move away from what it promised?

- Team CFA



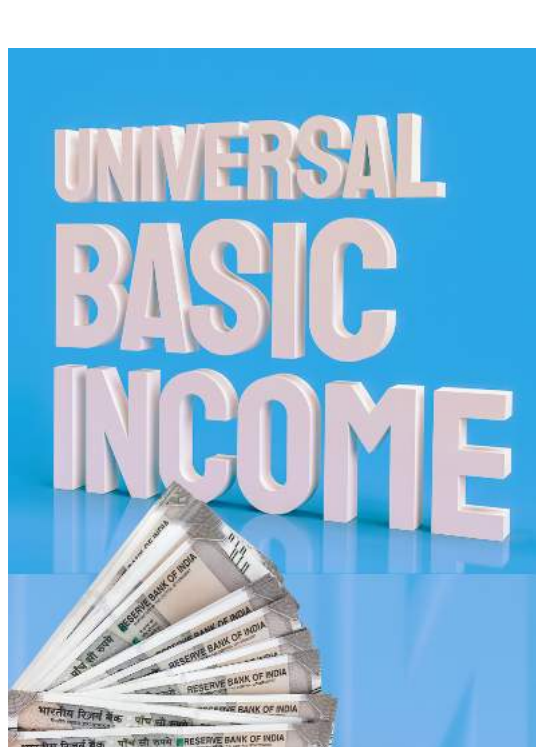
A decent public health system is incompatible with inequality

What Thomas Piketty shows us in A Brief History of Equality, with solid data over time, is that at the beginning of the 20th Century, direct taxes amounted to about 10% of the economy of the UK (and the US and other Western economies). These funds were largely allocated to military expenditure and colonial administration. [Read More.](#)

RBI FAQs – Hiding a pumpkin inside a bowl of Rice!

The RBI circular dated 8th June 2023, permitting public sector banks, private banks, small finance banks, co-operative banks and non-banking finance companies to have compromise settlements with wilful defaulters and frauds generated sharp response from bank trade unions and associations.

[Read more.](#)



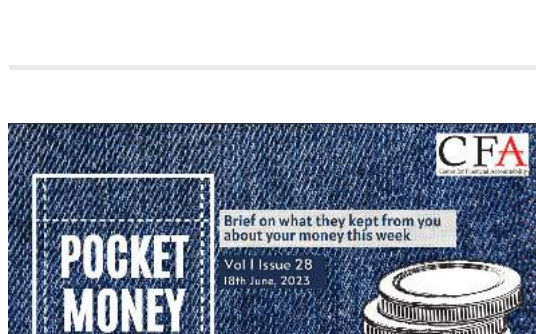
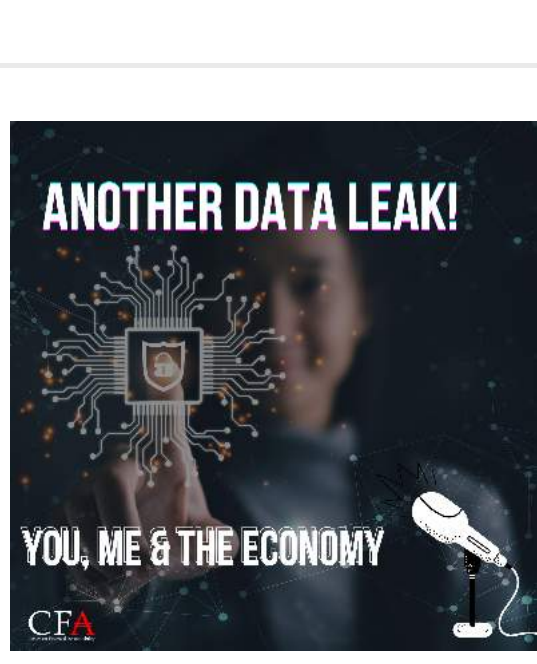
CEA is in a State of Denial

India's Chief Economic Advisor (CEA) Anantha Nageswaran's assertion last a few days back as reported by newspapers, that the concept of Universal Basic Income (UBI) was not necessary for India and 'it may create ground for "perverse incentives" and dissuade people from seeking income-generating opportunities' is wrong and far from reality in many ways. [Read More.](#)

Another Data leak! | Podcast

The breach of India's vast health data is absolutely shocking, but the govt's response is even more appalling. Instead of trying to reassure the public or improve digital security, the govt is just trying to wash off its hands.

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01 ₹87,032.50 crore missing? RBI refutes claims in late night press release

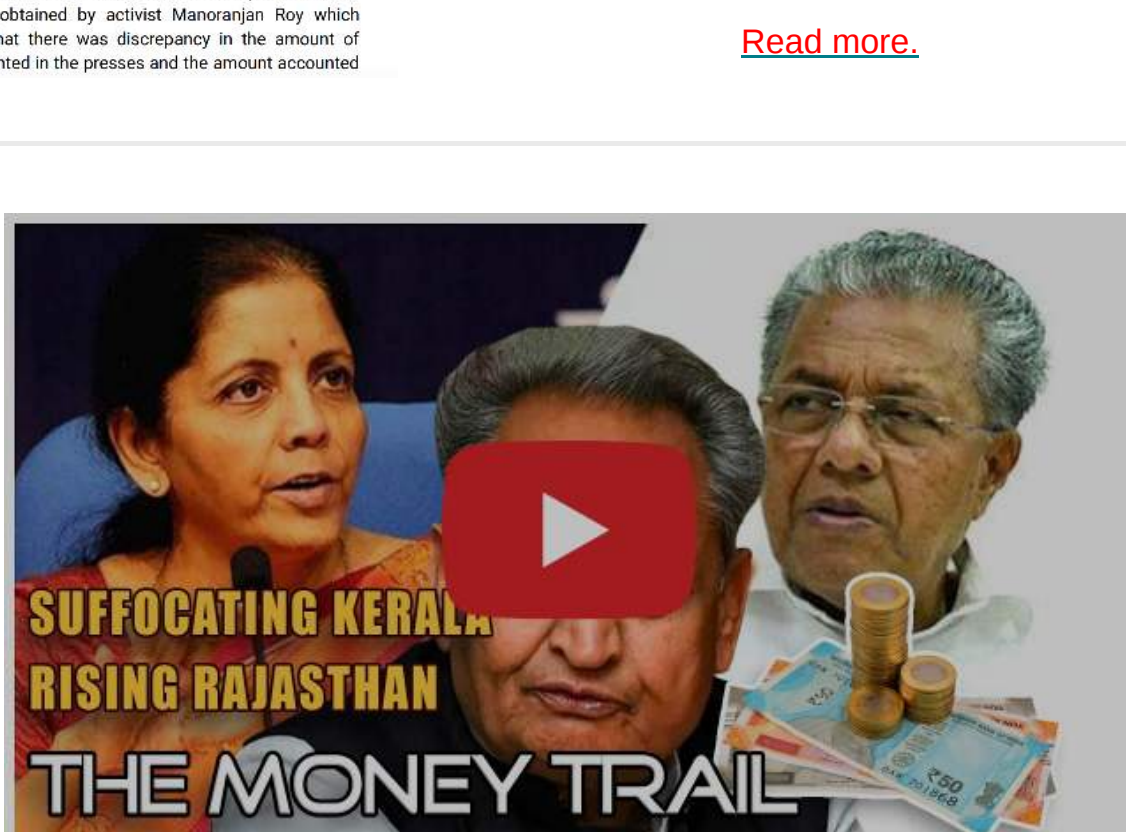
The week ended with serious concerns being raised about missing 500 rupee new notes worth ₹87,032.50 crore in 2016-17. A Free Press Journal report had cited RTI data obtained by activist Manoranjan Roy which claimed that there was discrepancy in the amount of money printed in the presses and the amount accounted

Pocket Money

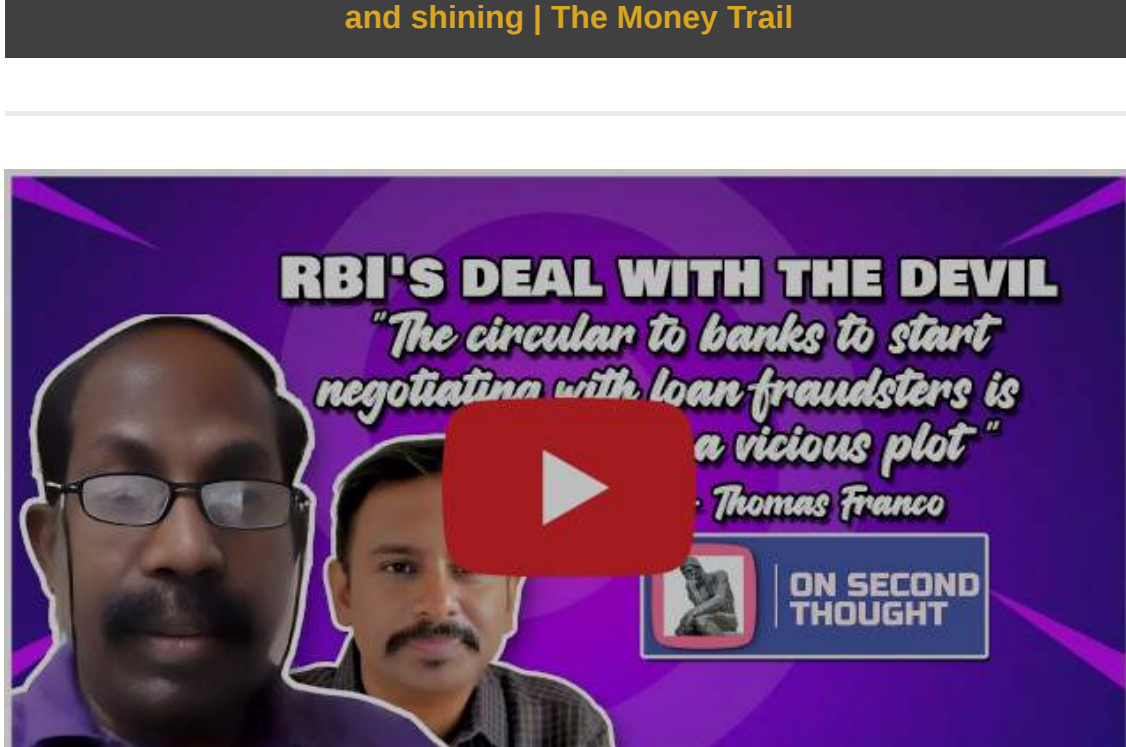
Briefs on what they kept from you about your money this week.

A weekly digest from the National Finance team.

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How the Centre is suffocating Kerala and how Rajasthan is surviving and shining | The Money Trail



RBI's deal with the devil- Now banks mediate with loan fraudsters. What is brewing? | On Second Thought

