

Credit card penetration lower in India despite asset quality improvements: Cibi

MUMBAI, JULY 8: Credit card penetration in the country has been low when compared to even developing countries despite a variety of tailwinds like improving delinquency levels, a top official at Transunion Cibil said on Wednesday.

The product's contribution to a wider credit ecosystem has gone down, with only 8 per cent of new additions being new to credit as against 26 per cent in the year-ago period, Bhavesh Jain, the Managing Director and Chief Executive of the company, told reporters.

India has 5.2 crore people having credit cards, which is just 25 per cent of the overall credit active population of about 25 crore people, he said, adding that developed and developing countries have a higher proportion of people using credit cards.

A white paper prepared by the credit information company said the same proportion stands at 62 per cent in Columbia, 98 per cent in Hong Kong, 81 per cent in the USA and 70 per cent in the UK.

Over the years, credit cards -- which are majorly used for consumption purposes -- have



ceased to hold the dominant unsecured product in a customer's wallet, it said, noting that there are alternatives like Unified Payments Interface, personal loans, etc, which it competes with.

It can be noted that at present, there is a merchant discount rate that is charged for every credit card transaction at up to 2 per cent while there are also sweeteners like reward points for transactions which a user enjoys.

Also, at present, a user is not able to add credit cards of other networks like Visa and Mastercard to UPI apps, which restrict usage to the state-promoted Rupay.

The last decade has witnessed growth across many numbers, including outstanding balances up 8.3x to Rs 3.1 lakh crore, consumer holding cards up 3.6x to 5.2 crore and the number of cards being up 5.1x to 10.7 crore cards.

The number of people holding three or more credit cards in their wallet has grown to 22 per cent from 12 per cent a decade ago, it said, adding that live cards' share in consumption loans has decreased to 38 per cent from 56 per cent in the same timeframe.

The younger population is more likely to own

a credit card, but the interesting aspect is that from a geographical spread perspective, such cards have now ceased to be a metro phenomenon to be something, which are also owned by semi-urban and rural population, Jain said.

From a portfolio quality perspective, the white paper said there was a blip during the Covid-19 crisis, which is behind now and the broader quality has shown improvements. Credit card outstandings unpaid for between 91 and 179 days reduced to 1.7 per cent in the year to March 2026 from 2 per cent in the year-ago period, it said.

Govt approves PM SETU's pan-India rollout, investment plans worth Rs 1,237 cr to upgrade ITIs

NEW DELHI, JULY 08: The government on Tuesday approved the pan-India roll-out of the Rs 60,000-crore Pradhan Mantri Skilling and Employability Transformation through Upgraded ITIs (PM-SETU) scheme across 200 Industrial Training Institute (ITI) clusters, while also clearing strategic investment plans worth Rs 1,237.58 crore.

The decision was taken by the 4th National Steering Committee (NSC) chaired by Debashree Mukherjee, Secretary, Ministry of Skill Development and Entrepreneurship. The approved plans include Jindal Naveen Avasar Limited in Odisha and ArcelorMittal Nippon Steel India in Gujarat as anchor industry partners, along with Apollo Medskills and two other approved ITI clusters in Telangana. Geographic Reference

The strategic investment plans, recommended by the respective state steering committees, pave the way for industry-led upgradation of multiple ITI clusters nationwide.



Minister for Skill Development and Entrepreneurship Jayant Chaudhary urged more industry players to come forward and contribute towards the government's vision of transforming ITIs across the country. "I urge more industry leaders to come forward in transforming ITIs into world class institutions," the minister said in a post on X.

In a major decision, the

committee approved the transition of PM-SETU from its pilot phase to a nationwide roll-out across all 200 identified ITI clusters, enabling states and Union Territories to take up implementation based on industry readiness and implementation capacity.

It also approved measures to simplify implementation, enhance industry participation, encourage greater involve-

ment of public sector undertakings (PSUs), and expand the institutional ecosystem supporting PM-SETU implementation.

PM-SETU is one of the government's flagship schemes aimed at modernising India's ITI ecosystem through industry partnerships, upgraded infrastructure, future-ready curricula and improved employability outcomes.

FSSAI notices to Lotte India, Ferns N Petals, Kubera Foods for misleading claims

NEW DELHI, JULY 08: Food regulator FSSAI has issued notices to Lotte India, Ferns N Petals and Kubera Foods for misleading claims and violation of labelling norms on their various food products. Executive Branch

In a social media post on Instagram, FSSAI said these companies have been directed to explain within 7 days as to why action should not be initiated against them under the provisions of the FSS Act, 2006.

Food Safety Standards Authority of India (FSSAI) has issued notice to Lotte India Corporation Pvt Ltd "over utilisation of non-compliant pre-printed labels and misleading labelling claims on various food products."

FSSAI observed several instances of non-compliance by Lotte India.

"The company utilised non-compliant pre-printed labels bearing the old company name 'Lotte India Corporation Ltd' without obtaining prior approval," it added.

Moreover, Lotte Choco Pie with Rich Marshmallow, Lotte Choco Pie Real Orange and Lotte Choco Pie Choco Burst bear the claim '100 per cent vegetarian', which has been found to be misleading. Its products 'PEPERO



Crunchy Biscuit Sticks' and 'PEPERO Original Biscuit Sticks' do not provide nutritional information in the prescribed manner.

Another product Lolly Bliss Lollipop (orange, strawberry & kachcha mango flavours) do not comply with vitamins level under the provisions of the FSS (Advertising & Claims) Regulations. Similarly, Fruitz Eclairs (mango, orange and strawberry flavours) create a misleading impression as the products do not contain fruits.

Further, the mandatory disclaimer for the brand/trade name, as required under the FSS (Advertising & Claims) Regulations, has not been provided on the front of the pack.

In the case of Kubera Foods, FSSAI has issued notice over misleading claims on its product 'Soft and Fresh Cream Bun Pineapple'.

The regulator said the front-of-pack claims "100 per cent natural" and "No preservatives, colours & flavours" while the product label declares preservative, synthetic food colour and added flavouring substances.

The claims 'pure', 'fresh' and 'natural' are in violation with the law.

Regarding Ferns N Petals Pvt Ltd, the FSSAI said it has issued notice over misleading claims and labelling of a product named 'roasted almond chocolate'.

"Notice issued regarding

misleading claims, including 'premium chocolate' on the front of the pack despite the product containing hydrogenated vegetable fat..." the regulator said.

The product was also found to have labelling deficiencies related to per cent RDA (recommended dietary allowance) declaration and ingredient disclosure, the FSSAI said.

Recently, FSSAI issued notice to many companies including Heritage Foods Ltd for misleading claim of its product "fresh paneer" as part of its efforts to safeguard consumers interest.

Of late, the regulator has been posting on social media platforms regarding its actions taken on food business operators (FBOs).

SEBI reintroduces open market share buyback from August 1

NEW DELHI, JULY 8: Markets regulator Sebi has notified rules to reintroduce share buybacks through stock exchanges, allowing companies to repurchase their own shares in the open market starting August 1, while capping the execution period at 66 working days.

The new rules by the Securities and Exchange Board of India (Sebi) allows firms to carry out buybacks through regular trading mechanisms without a dedicated buyback window. South Asians & Diaspora

The move is aimed at improving flexibility and execution efficiency, while potentially enhancing the attractiveness of buybacks as a capital allocation tool for listed companies.

SEBI had phased out

open-market buybacks in 2025, citing concerns over uneven treatment of shareholders and tax-related distortions, as the mechanism was seen as favouring select investors.

The reintroduction is expected to revive a capital management route widely used by corporates to return surplus cash to shareholders and support stock prices, particularly in periods of market weakness.

"With effect from August 1, 2026, the buyback from the open market through the stock exchange shall be less than fifteen per cent of the paid up capital and free reserves of the company, based on both standalone and consolidated financial statements of the company," Sebi said in a notification dated July 1.

This comes after the board of SEBI approved a proposal in this regard in June.

Also, open market buybacks through stock exchanges would be completed within 66 working days from the date of opening of the offer, instead of the earlier framework that allowed a as long as six months duration.

"The buyback offer shall open within four working days from the date of the public announcement and close within 66 working days from the date of opening of the offer," SEBI said.

To reduce costs and ease doing business, Sebi said that appointing a merchant banker for buybacks is now discretionary for the company. If a company decides not to appoint a merchant

banker the activities undertaken by the merchant banker have been assigned to the company, compliance officer, statutory auditor, secretarial auditor and stock exchanges.

To improve shareholder communication, Sebi said there will be dissemination of information about open market buy-backs to shareholders through electronic means in addition to the public announcement being already made through newspaper advertisements.

Under the new buy-back taxation framework (i.e. Capital Gain), public shareholders would be taxed on their actual capital gains when the shares are tendered in buyback, which would be similar to selling the shares in the normal course on the stock ex-

Interest on provident fund for FY26 being credited; members can see updates by next week

NEW DELHI, JULY 8: Retirement fund body EPFO is processing the interest payment on provident funds for FY26, and members can check the updated amount online by July 15, Labour Minister Mansukh Mandaviya said on Wednesday.

The online access of provident fund accounts has been enabled with the implementation of 2.01 CITES (centralised IT-enabled services) by the Employees' Provident Fund Organisation (EPFO), the minister told reporters here.

CITES project is designed to enhance convenience, improve EPFO's operational efficiency, and deliver transparent and seamless services to members. "Annual interest for FY26 at the rate of 8.25 per cent to 34 crore member accounts, estimated at over Rs 1.44 lakh crore, will be auto-processed and then verified by Field Authorities before being credited to the member account balances. Members will be able to view the interest credit in their passbook by July 15," the minister said.

Last month, the government approved the 8.25 per cent interest payment on provident funds.



According to the minister, interest payments were previously processed in October–November after government approval.

He explained that before CITES, the EPFO had a decentralised architecture with separate databases at each field office. Now, the EPFO has migrated its entire database of member records to the new centralised database.

With the updated systems, members will be able to avail services from any authorised location across the country, similar to banking services where customers do not have to visit a particular bank

branch.

Now, members will have access to a unified digital interface to view their details, PF balances, claim status, pensionable service records, and benefits availed, thereby ensuring transparency and access to information about their PF accounts and the submission of claims.

Claim payments will be processed through the centralised architecture and routed through faster electronic payment channels, ensuring secure, efficient, and timely credit of settlement amounts directly into members' bank accounts.

Under the revised sys-

tem, interest in final PF settlements will now be calculated up to the date of payment authorisation. Earlier, interest was calculated only up to the last day of the previous month.

Also, the 13 categories for partial withdrawals have been streamlined into three - essential needs (such as illness, education, and marriage), housing needs, and special circumstances, making the withdrawal process simpler and easier for members to understand.

Members will now be able to withdraw up to 75 per cent of their total PF balance.

India to supply BrahMos missiles to Indonesia

JAKARTA, JUL 78: Supplying BrahMos missiles to the Indonesian military, boosting maritime security, and strengthening critical mineral supply chains emerged as key outcomes from talks between Prime Minister Narendra Modi and Indonesian President Prabowo Subianto on Tuesday.

The two sides inked nearly a dozen agreements to significantly bolster two-way cooperation in several areas, including critical minerals, technology, food security, medicines and maritime security.

Modi landed in Jakarta on Monday to a red-carpet welcome in the first leg of his three-nation tour to shore up trade and security cooperation under the framework of the India-Indonesia Comprehensive Strategic Partnership of 2018.

With the two sides aiming to bolster their defence ties, Indonesia has decided to import India's air-to-air Astra missiles following the weapon's success during Operation Sindoer, it is learnt.



To strengthen the critical mineral supply chain, India decided to invest in the manufacturing of steel, nickel and rare earth permanent magnets in Indonesia.

India and Indonesia also agreed to jointly develop the strategically located Sabang port, which overlooks the Strait of Malacca and is 100 miles from India's Great Nicobar port project.

"The Comprehensive Strategic Partnership we forged in 2018 is taking a new flight today. We are taking important steps forward in every sector -- development, security, technology,

culture, and education," Modi said in his media statement following the talks.

"I am confident that a golden chapter of India-Indonesia partnership begins today," he said.

The prime minister said growing trust between India and Indonesia is strengthening the bilateral defence, security, and maritime cooperation.

Today, India and Indonesia reached an agreement to enhance defence exchanges, disaster management, and industrial cooperation, he said.

Modi also announced a de-

cision to set up a campus of the Indian Institute of Management-Bangalore in Indonesia.

"We are delighted that India's UPI is set to integrate with Indonesia's payment system. This will boost both ease of doing business and ease of travel," he said.

The two sides also decided to enhance cooperation in areas of the blue economy, maritime trade and port development.

The prime minister and the Indonesian president also discussed various global challenges, including the situation in West Asia.