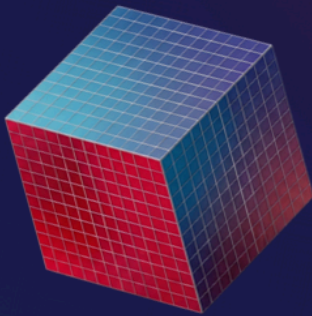




The RBI-recognised Self-Regulatory Organisation
in the FinTech Sector (SRO-FT)



CUBE

Issue 24
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Issue 24 CUBE: Your Insight into FinTech Ecosystem

Hello from FACE, the RBI-recognised Self-Regulatory Organisation in the FinTech sector (SRO-FT) and India's largest FinTech association. We present the twenty-fourth edition of Cube, our continuing effort to curate the most relevant developments shaping India's FinTech ecosystem, alongside key global regulatory, policy, and industry trends.. As always, we invite you to share your inputs and feedback on Cube at communications@faceofindia.org.

Rulemaking

Reserve Bank of India (RBI)

- [Draft Amendment Directions – Customer Liability in Digital Transactions \(6 Mar 2026\)](#): The RBI proposed to revise the existing framework on limiting customer liability in electronic banking transactions, including expanding the scope to cover a wider range of fraudulent transactions, and introducing a compensation mechanism for small-value fraud cases.
- [Amendment Directions – Owned Fund / Tier 1 Capital Computation for NBFCs / ARCs \(10 Mar 2026\)](#): The RBI issued Amendment Directions clarifying the computation of Owned Fund / Tier 1 Capital for NBFCs and ARCs and its applicability to credit and investment concentration norms.
- [Master Direction – Unique Identifiers in Financial Markets \(27 Mar 2026\)](#): The consolidated instructions on the use of Legal Entity Identifier (LEI) and Unique Transaction Identifier (UTI) for financial market transactions, including OTC derivatives.

- [Payments Vision 2028 \(27 Mar 2026\)](#): The RBI released Payments Vision 2028 outlining the strategic direction for the development of India's payment and settlement systems. Key initiatives include the introduction of a shared responsibility framework for fraud liability, exploration of a Payments Switching Service (PaSS), streamlining cross-border payment authorisation, and development of a Cyber Key Risk Indicators framework for payment system operators.

Ministry of Electronics and Information Technology (MeitY)

- [Draft Amendments to IT Rules \(30 Mar 2026\)](#): The Ministry released draft amendments to the Information Technology Rules, 2021 aimed at strengthening intermediary compliance, clarifying obligations under advisories and clarifications, and enhancing oversight of digital-media content. Stakeholder feedback is invited.

National Payments Corporation of India (NPCI)

- [Switching Fee Rebate for UPI URCS \(25 Mar 2026\)](#): The NPCI revised the implementation timeline for automated reversal of switching fee rebates for UPI transactions in the URCS back-office system to May 1, 2026.

Opportunities

International Financial Services Centres Authority (IFSCA)

- [FinTech Sandbox Framework \(16 Mar 2026\)](#): The IFSCA issued its FinTech Sandbox Framework, expanding access to multiple sandbox mechanisms and introducing faster approvals, phased testing, and broader eligibility.

GIFT City

- [Women in FinTech Accelerator](#): The initiative under GIFT International FinTech Innovation Hub (GIFT IFIH) aims to boost participation and growth of women-led FinTech startups within India's IFSC ecosystem. The hybrid programme focuses on investment readiness through an initial in-person immersion at GIFT City followed by virtual investor engagements.

Must-Reads

FinTech, Banking, and Credit

- [Nasdaq Verafin – Global Financial Crime Report 2026](#): The report finds that global illicit financial activity has surged to \$4.4 trillion, driven by rapid growth in AI-enabled fraud and scams.
- [Advertising Standards Council of India – AdLaw Compendium](#): The compendium consolidates India's fragmented advertising regulations across media, sectors, and self-regulatory frameworks into a single reference.
- [UNICEF – Financial Technologies and Children](#): The report highlights how children are increasingly interacting with FinTech both directly and indirectly across products and platforms.

- [Deloitte – FinTech Australia 2026](#): The report finds that Australia’s FinTech sector is poised for rapid growth to \$71 billion in revenue and \$37 billion GDP contribution by 2035, but highlights that limited access to capital remains a key constraint on scaling and innovation.
- [IMF – The “Safe” in the Financial Safety Net: Building Robust Deposit Insurance Systems](#): The paper recommends mandatory membership for all banks, coverage of most retail deposits (including widely used foreign currency deposits), and availability of funds to support bank resolution while ensuring depositor continuity. Key challenges include shortening payout timeframes, addressing FinTech product evolution, and maintaining credible funding arrangements.
- [BIS – Opening Doors to Open Finance: Evidence from the International Experience](#): The paper highlights that open finance is driving innovation, competition, and financial inclusion across jurisdictions. It underscores its role in reducing information asymmetries, breaking data silos, and boosting venture capital activity.
- [Dvara Research – Heterogeneity in India’s Nano-Enterprises](#): The piece highlights that despite ~7.7 crore nano-enterprises forming the bulk of last-mile borrowers in India, access to formal credit remains limited due to thin credit histories and lack of collateral. It underscores significant heterogeneity across enterprises.

Artificial Intelligence, Digital Public Infrastructure (DPI), and New Technologies

- [Central Bank of Ireland – DLT & Tokenisation in Financial Services](#): The paper notes that while DLT and tokenisation can improve innovation in financial services, their benefits depend on legal clarity, interoperability, and resilience, and must be balanced with the continued role of central bank money.
- [IndiaAI – Equitable AI Transitions Playbook](#): The playbook highlights that managing AI-driven labour disruption requires proactive policy action focused on reskilling, labour market forecasting, and targeted support for vulnerable groups.
- [Moody’s – Model Risk Management in the Age of AI](#): The paper highlights that traditional model risk frameworks are inadequate for GenAI and agentic AI systems, requiring a shift to continuous, system-level governance with real-time monitoring, dynamic controls, and stronger oversight of third-party dependencies.
- [Competition and Markets Authority – Agentic AI and Consumers](#): The report finds that agentic AI could shift consumers from making decisions to delegating them, improving convenience and outcomes, but raises significant risks around manipulation, loss of consumer control, errors, and reduced competition.
- [Oradian – The Digital-First Bank’s Guide to AI in 2026](#): The report finds that AI success in banking depends primarily on robust data infrastructure rather than algorithms, requiring real-time data pipelines, system decoupling, and explainable models, while enabling use cases like alternative credit scoring and safer deployment through parallel “shadow mode” testing.
- [Plaid – Rethinking Fraud in the AI Era](#): The report highlights that traditional, point-in-time identity verification is increasingly ineffective against evolving AI-driven fraud, requiring a shift to continuous, behaviour-based monitoring using financial data and cross-network signals to detect risks over the user lifecycle.

- [McKinsey & Company – Sovereign AI Imperative](#): The report notes that 30–40% of all AI spending will soon be influenced by sovereignty requirements, urging technical architects and enterprise leaders to move beyond simple cloud migrations toward resilient, domestically aligned ecosystems; it emphasises “minimum sufficient sovereignty.”
- [BIS – In Data We Trust? Emerging Policy and Supervisory Approaches to AI Data Use in Financial Services](#): The paper highlights that data governance is central to AI adoption in financial services, with key challenges around data privacy, quality, security, and third-party dependencies, especially for generative AI systems.
- [Monetary Authority of Singapore – AI Risk Management & Operationalisation](#): MAS issued guidance on operationalising AI risk management in financial services, emphasising fairness, accountability and transparency. It recommends robust governance frameworks and continuous monitoring to ensure safe AI adoption.

Financial Inclusion & Customer Protection

- [Economic Advisory Council to the Prime Minister – Financial Inclusion as a Path to Equality: Lessons from India](#): The paper highlights that India’s digital public infrastructure (Aadhaar, Jan Dhan, UPI) has enabled large-scale financial inclusion, but raises concerns that rapid credit expansion may not translate into sustainable economic outcomes and could risk over-indebtedness.
- [FCA - Financial Crime Guide](#): This guide analyses evolving global financial-crime trends, highlighting the rapid growth of AI-enabled fraud and scams. It urges development of integrated compliance systems, greater cross-industry collaboration, and continuous monitoring to combat sophisticated threats.

FACE Forward

Industry Standards

- FACE has released [Guidelines on LSP-RE Agreement](#) to support clearer contractual alignment between LSPs and REs under the Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025.
- [FACE – H1 FY 24-25 FinTech Personal Loans Report](#): The report tracks the progress of digital personal loans across 71 FinTech NBFCs in India between Apr 2018 and Sep 2024, highlighting FinTechs’ role in expanding formal credit to underserved markets. Key insights include slowing growth with a 10% reduction in loans outstanding, digital personal loans totaling ~₹49,000 Cr (12% of the personal loan market), average ticket size of ₹9,225, and a focus on young (<35 years), male, and Tier III+ customers. Rising loan ticket sizes and longer bureau vintage indicate growing maturity of FinTech credit offerings, contributing significantly to digital financial inclusion.



FACE Work across FY 25-26

As we close the FY, here are few lines on our work as we work on the annual report

- FACE saw steady growth and impact in FY 25–26 across membership, policy engagement, ecosystem participation, standards and guidance, knowledge outputs, and team strength.
- FACE’s membership base reached 375+, reflecting a large and diverse presence across the FinTech ecosystem.
- FACE remained actively engaged across a wide range of policy and implementation issues during the year, with 50+ engagements in the year.
- FACE developed self-regulatory instruments to support conduct, compliance, consistency, transparency, and accountability, while also undertaking continuous market monitoring and produced 10+ research and knowledge outputs in the year.
- FACE maintained a steady engagement cadence across dialogue, knowledge-sharing, and ecosystem participation, with 85+ touchpoints during the year including, webinars, ecosystem engagement and its own events.
- FACE also became stronger institutionally through governance and organisational developments, including a new Independent Director, new Board members, committee constitution, conversion to a public company, and the opening of its Mumbai office.

Read more here: <https://www.linkedin.com/feed/update/urn:li:activity:7445000651245445121>

Membership

- FACE has over 375 members as of Mar 2026, continuing as **the Largest FinTech Association in the country**. We’re grateful to our members for their ongoing trust and support.
- Members who have joined FACE in March 2026
 1. 42Apeironanta Technologies Pvt Ltd - [SubVerse AI](#)
 2. Accion Technical Advisors India - [Accion](#)
 3. Awaaz.ai - [Awaaz AI](#)
 4. Capfront Technologies Pvt Ltd - [Loanfront](#)
 5. Credifin Ltd - [Credifin](#)
 6. Credilio Financial Technologies Pvt Ltd - [Credilio](#)
 7. CreditAccess Grameen Ltd - [CAGL](#)

8. CUTS International - [CUTS](#)
9. Easebuzz Pvt Ltd - [Easebuzz](#)
10. Google India Pvt Ltd - [Gpay](#)
11. Growthbnk Solutions Pvt Ltd - [Growthbnk](#)
12. Hanoch Financial Technologies Pvt Ltd - [Butter Money](#)
13. Hindon Mercantile Ltd - [Mufinpay](#)
14. I Money Pay Pvt Ltd - [IMoney](#)
15. Ikeda Ltd - [Finkeda](#)
16. Innofin Solutions Pvt Ltd - [Lenden Club](#)
17. Kaunshya Investments Pvt Ltd - [Kaunshya](#)
18. Kilpi Technology And Services Pvt Ltd - [Finayo](#)
19. Monedo Financial Services Pvt Ltd - [Monedo](#)
20. OJCT Digicom Pvt Ltd - [Khatriji](#)
21. PayFX FinTech Solutions Pvt Ltd - [PayFx](#)
22. Pocketly Infotech Pvt Ltd - [Pocketly](#)
23. R2P Capital Pvt Ltd - [R2P](#)
24. Radiant Financial Services Ltd - [Finnup](#)
25. Renaissance Global Marketing And Consulting Pvt Ltd - [FinanceKaart](#)
26. Roctogen Services Pvt Ltd - [Instamoney](#)
27. Rupifi Technology Solutions Pvt Ltd - [Rupifi](#)
28. Sarvdhan FinTech Pvt Ltd - [Sarvdhan](#)
29. Slice Small Finance Bank - [Slice SFB](#)
30. SQ1 Security Technology Pvt Ltd - [SQ1](#)
31. STK Credit Pvt Ltd - [InPrime Finserv](#)
32. Tarisa Technologies Pvt Ltd - [Tarisa](#)
33. Trilegal - [Trilegal](#)
34. Valyria Visions Pvt Ltd - [Phenolens](#)
35. Wayne Secure Digital RTA Pvt Ltd - [Wayne](#)
36. Webfinex TechFusion Pvt Ltd - [bluSwap](#)
37. XeroCode Technology Pvt Ltd - [Xerocode](#)
38. Zerodha Capital Pvt Ltd - [Zerodha](#)

- You can learn more about FACE’s membership, its eligibility, privileges, and fees [here](#) and
- **Submit your interest in becoming a member by filling the form [here](#).**

Webinars

- FACE hosted a webinar with PwC and Dvara Research on [Financial Health Survey: Strategic Insights for FSPs](#), 12 Mar 2026.
- FACE hosted a webinar with Leegality, an [eStamping Masterclass on the 5 Pillars of Compliant, Fail-Proof Digital Stamping](#), 18 Mar 2026.
- FACE hosted a webinar with LIC Pension Fund Ltd. on [Emerging Opportunities for FinTech Platforms to Distribute NPS](#), 24 Mar 2026.

Events

- FACE Board Member Vineet Sukumar (Vivriti Capital), along with FACE members Pranav Pandya, (PayU); Joby CO (KiVi); and Nagachethan SM (NAVANC), participated in an [RBI-organised panel discussion](#) at the RBI Staff College, Chennai. The session was moderated by Sh. Muralidhar Manchala, DGM FinTech Dept., RBI, and was held as part of a training programme for a delegation from the Central Bank of Sri Lanka.



- FACE is participating as the Association Partner for Money20/20 Asia 2026, taking place in Bangkok from 21–23 Apr 2026, supporting regional and global dialogue across the FinTech ecosystem.
- FACE is participating as the FinTech SRO Partner at NexTech BFSI 2026, taking place in Mumbai on 20 May 2026, contributing to conversations on responsible innovation, regulation, and ecosystem development in financial services.
- FACE is participating as the Association Partner for the 3rd Edition Bharat NBFC & FinTech Summit & Awards 2026, taking place in Mumbai on 20 May 2026, engaging with industry stakeholders on the evolving opportunities and priorities across the NBFC and FinTech sectors.

Members’ Miles

- [Cred receives payment aggregator licence from RBI](#)
- [Ecofy Bags USD 42 Mn To Scale Climate-Focused Financing Solutions](#)
- [Finkurve, Godrej Finance partner to offer gold loans under RBI co-lending model](#)
- [Government of Assam Signs MoU with BillMart to Enable Earned Salary Advance and Salary-Linked Credit for Government Employees](#)
- [Navi Finserv posts 14% rise in Q3 revenues, profits up 22%](#)
- [PayU and BharatGPT Creator CoRover.ai partner to enable agentic payments](#)

- [PayU and GoKwik Forge Strategic Partnership to Deliver India's First Integrated Conversion-to-Completion Stack for D2C](#)
- [Perfios net profit jumps 46% in FY25 on strong SaaS growth](#)
- [Piramal Finance Reports USD 10 Bn+ AUM & Expands Retail Lending Share To 82% By FY26](#)
- [Progcap enables USD 1 Bn+ of credit to women entrepreneurs under collateral-free loan programme](#)
- [Razorpay rolls out AI Agent Studio to automate payment ops, built using Anthropic's Claude](#)
- [Razorpay, Sarvam AI partners to bring voice-AI conversational commerce to India](#)
- [Stable Money to raise USD 15 Mn from existing investors](#)
- [True Balance Secures USD 10 Mn Debt Funding To Expand Digital Lending In India](#)

For more event details or partnership queries, connect at communications@faceofindia.org.