Guidelines on Default Loan Guarantee (DLG) Disclosure on the LSP website

JUL 2026

Fintech Association for Consumer Empowerment (FACE)
RBI-recognised Self-regulatory Organisation in the FinTech Sector (SRO-FT)

Contents

Context

1. Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 (Chapter 3, Section E, Para 28) requires that:
   - An NBFC shall put in place a mechanism to ensure that LSPs with whom they have a DLG arrangement shall publish on their website the total number of portfolios and the respective amount of each portfolio on which DLG has been offered. The name of the lender(s) may or may not be disclosed as part of disclosure under this provision.
   - Disclosure under sub-paragraph (1) above shall be made on a monthly basis, with the disclosure for any given month to be provided no later than seven (7) working days following the conclusion of that month.

2. FACE has been capturing and aggregating this information for members for a few months. The varying approaches within the industry present a case for standardising disclosure. Given that this is a monthly update involving many LSPs/REs, there is a need to automate the process to sustain the work of aggregating industry-level data and hence the need for standardisation of the disclosure's format and form factor.
3. These guidelines standardise the DLG disclosure by LSPs on their website. In addition to compliance, guidelines will help understand the DLG landscape in digital lending.
4. We have released these guidelines as per our Standards Setting Policy[1] , with input from members and the FACE Standards Committee, and with Board approval on 24.6.2026.
5. We clarify that FACE has issued these disclosure standards in its own capacity for adoption by its members and that they do not carry any approval, endorsement, or mandate from the RBI. Their application and enforceability remain governed solely by the FACE Articles of Association and the membership agreement, or other arrangements, between the FACE and its members.

Applicability

6. All LSPs and REs who are doing digital lending and have DLG.
7. NBFCs to ensure that their LSPs follow these. NBFCs may include their LSPs ' DLG disclosure, where they report their LSPs/DLAs as per Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 (Chapter B-9-4, pg15-16).

Guidelines

Update, placing and form

8. Disclosure under para 1 above shall be made on a monthly basis, with the disclosure for any given month to be provided no later than seven (7) working days following the conclusion of that month.
9. Publish the DLG disclosure on the LSP webpage where the company mention the digital lending partnerships as per Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 (Chapter B-9-4, pg15-16).

[1] https://faceofindia.org/wp-content/uploads/2025/06/FACE-Standards-Policy.pdf

10. Maintain a static URL for the disclosure (PDF preferred; HTML or JavaScript acceptable), and ensure the content is machine-readable.
11. If uploading a PDF, LSPs should follow a standard naming format to ensure automatic scraping of the DLG information: DLG_Disclosure_Month_YYYY.pdf, Example: DLG_Disclosure_January_2026.pdf
12. Maintain month-wise archives on the same static URL so that DLG information is traceable and can be validated.

Content

13. Mention the portfolio amount in Rs Cr and the data in DD.MM.YYYY.
14. Capture DLG RE-wise portfolio if there is more than one RE. The RE name is optional.
15. Add portfolio sum to reflect the total DLG portfolio.
16. Please refer to the format as Annexure for DLG disclosure on the website.
17. If the company does not offer DLG or hasn't offered DLG for a reporting month, make suitable disclosure: "NIL — No DLG offered" or "NIL – No DLG provided during the reporting month."

Governance

18. Assign a designated official to take responsibility for accuracy, timeliness, and consistency with these guidelines. This official should reconcile data with MIS, RE reporting, and website disclosure and conduct periodic internal compliance checks.

Reporting to FACE

19. FACE maintains a dashboard on the DLG disclosures and industry statistics on DLG. LSPs must submit their DLG disclosure URL using this form to FACE. NBFCs can do the same for their LSPs. For static disclosure URLs, one-time submission is fine. However, for dynamic disclosure URLs, please submit the URL no later than ten (10) working days following the conclusion of that month.
20. For any clarificaiton/support you may write to sro@faceofindia.org

Annexure

Sl no	Date: dd.mm.yyyy			
	RE (anonymously or by name[1])	Portfolios	Disbursement amount on which DLG has been offered, Rs Cr	Outstanding amount after deducting the DLG amount settled, Rs Cr
1	A	Portfolio 1	P1	P2
2	A	Portfolio 2	Q1	Q2
3	B	Portfolio 1	R1	R2
4	C	Portfolio 1	S1	S2
	Sum count unique REs (eg here: 3)	Sum count of portfolios (eg here: 4)	Sum of disbursed portfolios (P1+Q1+R1+S1)	Sum of outstanding portfolios (P2+Q2+R2+S2)

[1] Giving name is optional

FACE

Fintech Association for Consumer Empowerment (FACE) is an RBI-recognised Self-regulatory Organisation in the FinTech sector (SRO-FT). FinTech companies of all kinds come together at FACE to build an industry that enables borrower-centric financial services that are safe, suitable, and transparent, delivering positive impacts on society and the economy.