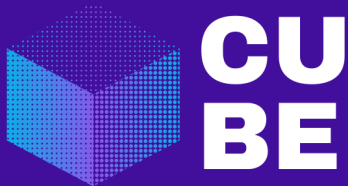




An RBI-recognised Self-Regulatory Organization in the FinTech sector (SRO-FT)



Issue 10, February 2025

Issue 10

CUBE: Your Insight into the Fintech Ecosystem

Hello from FACE, an RBI-recognized Self-Regulatory Organization in the FinTech Sector (SRO-FT). We present the tenth edition of Cube, a go-to source for the latest and relevant happenings in the fintech sector in India and beyond. Got thoughts or ideas? We'd love to hear from you at teamface@faceofindia.org.

Rulemaking

- RBI [released](#) Framework for imposing monetary penalty and compounding of offences under the Payment and Settlement Systems Act, 2007.
- RBI [announced](#) completion of the test phase of the "Regulatory Sandbox: On Tap application on theme Retail Payments."

- RBI [released](#) FAQs on the circular on 'Reset of Floating Interest Rate on Equated Monthly Instalments (EMI) based Personal Loans.'
- RBI issued [Master Direction – Reserve Bank of India \(Credit Information Reporting\) Directions, 2025](#).
- GoI released [The Economic Survey 2024-25](#).
- [released](#) a consultation paper on “promoting financial inclusion through sachetisation of investment in mutual fund scheme” for feedback by 6 Feb 2025.
- MeitY released a [notification](#) that Aadhaar Authentication is expanded to government and private entities for providing various services in the public interest boosting innovation, knowledge, and public service enhancement.
- MeitY [released](#) Digital Personal Data Protection rules 2025 for feedback. The feedback shall be submitted on or before 18 Feb 2024.
- MeitY [announced](#) Entity Locker: A Digital Public Infrastructure for streamlined business document management.
- MeitY organized a [consultation](#) on draft DPDP rules 2025 on 14 Jan 2025.
- MeitY published a [report](#) on AI Governance Guidelines Development for public consultation. The [feedback](#) is to be submitted by 27 Feb 2025.
- NeGD, MeitY held a [consultation meeting](#) to on-board API Service Providers for National Data Highway (API Setu).
- BIS released a working [draft](#) on “E-Commerce- Principles and Guidelines For Self-Governance” for feedback by 20 February 2025.
- IRDAI [published](#) regulatory sandbox regulations 2025.
- IRDAI [published](#) Maintenance of Information by the Regulated Entities and Sharing of Information by the Authority regulations 2025.
- Government [approves](#) Mutual Credit Guarantee Scheme to Strengthen MSME Manufacturing Sector, fulfilling the budget announcement of 2024-25.
- GST council [issued](#) a circular on the subject Regularizing payment of GST on co-insurance premium apportioned by the lead insurer to the co-insurer and on ceding /re-insurance commission deducted from the reinsurance premium paid by the insurer to the reinsurer.
- GST council [issued](#) a circular Clarifications regarding applicability of GST on certain services.

Must-Reads

FinTech and Banking

- Cambridge Centre for Alternative Finance (CCAF) released a report "[MSME access to digital finance.](#)"
- Internet and Mobile Association of India (IAMAI) and Kantar published a report "[Internet in India 2024.](#)"
- Money 2020 published a report "[Future of Fintech in APAC.](#)"
- Consumer Financial Protection Bureau (CFPB) publishes report titled "[Consumer Use of Buy Now, Pay Later and Other Unsecured Debt.](#)"
- Alliance for Financial Inclusion (AFI) and SME Finance jointly published report "[Alternative Data for Credit Scoring.](#)"
- International Monetary Fund released a working paper titled "[Does fintech increase bank risk taking?](#)"
- The commonwealth organization released a report titled "[Commonwealth countries driving fintech innovation.](#)"
- MeitY and Indian Council For Research On International Economic Relations (ICRIER) published a research report titled "[Estimation and Measurement Of India's Digital Economy.](#)"
- Sensor tower released report titled "[State of Mobile Finance Apps 2024 Report.](#)"
- PWC published a report titled "[Viksit banking – A roadmap for the Indian banking sector for 2047.](#)"

Cyber security & Privacy

- Google published [Threat horizons report](#) that provides decision-makers with strategic intelligence about threats to cloud enterprise users.
- [Cyber-security market may reach a \\$2 trillion opportunity.](#)
- UK finance published a [report](#) on opportunities and risk management in financial services.
- Financial Conduct Authority released the [report](#) Assessing and reducing the risk of Money Laundering Through the Markets (MLTM)."
- BIS [released](#) working paper on Privacy-enhancing technologies for digital payments: mapping the landscape."

Digital Payments

- RBI publishes [Payment System Report](#), Dec 2024.

- RBI published [digital payments index](#) for Sep 2024.
- Hyperledger foundation [publishes](#) the ebook on central bank digital currencies.

Artificial Intelligence, DPI, and new technologies

- BIS released a report "[Governance of AI adoption in Central Banks.](#)"
- AFI released a report on "[Policy Development and Implementation Guide for Inclusive Open Finance.](#)"
- World Economic Forum published a whitepaper on [AI in financial services.](#)
- The Organisation for Economic Co-operation and Development (OECD) released a [policy paper](#) on "Tokenisation of assets and distributed ledger technologies in financial market."
- UNESCO in [collaboration](#) with the MeitY, IndiaAI Mission, and Ikigai Law as the implementing partner, hosted a two-day consultation on AI Readiness Assessment Methodology (RAM) on 16 and 17 January in India. The consultation aims to craft an India-specific AI policy report that identifies strengths and opportunities for growth within India's thriving AI ecosystem.
- European Banking Authority (EBA) and European Securities and Markets Authority (ESMA) [published](#) a Joint Report on recent developments in crypto-assets, analysing decentralised finance (DeFi) and crypto lending, borrowing and staking.

The World Around

- Australian Securities and Investments Commission (ASIC) [alerts](#) buy now pay later providers to apply for a licence under new laws.
- The Public Sector Fraud Authority of the United Kingdom published guidance for [Enterprise Fraud Risk Assessment](#) (EFRA).
- President Trump issued an [executive order](#) setting out measures to strengthen American leadership in digital assets and digital financial technology.

FACE Forward

- FACE updated [advisory on the credit bureau](#) to reflect fortnightly submission of data to [CICs kicks off on 1 Jan 2025.](#)
- FACE released [Guidance on Pricing.](#)
- FACE published [FinTech Personal Loans Apr 2018- Sep 2024](#) reports.

- FACE organized multiple webinars in Jan 2025 to ensure exchange of information amongst the FinTech industry:
 - Webinar with KPMG on taxation issues for FACE members.
 - Session with GT Bharat on RBI Notification on [Prevention of financial frauds perpetrated using voice calls and SMS – Regulatory prescriptions and Institutional Safeguards](#).
 - Webinar with industry experts on draft BULA.
 - Compliance Q&A session on RBI regulations relevant to digital lending.



- FACE launched two new forums, RegTech and MSME to collaborate on specific issues relevant to companies working in this space.
- FACE launched a [video](#) for consumer protection against fraudulent scams that highlights ways to identify scams and safeguard practices. Please engage and share with your network to ensure a safe environment.

135+ members have joined FACE. [Join FACE to become part of the community and enhance your impact.](#)

Members' Miles

- [Ambak raises \\$7 million in seed and pre-series A round.](#)
- [Bureau Raises \\$30M Series B as Global Fraud Losses Hit \\$486B.](#) The team is also shortlisted by RBIH and Aditya Birla Capital to tackle the problem statement "Credit Underwriting using Alternate Data."

- [Cred, Mobikwik join hands with RBI to fully launch CBDC \(e₹\) for Android, launches e-rupee wallet in partnership with Yes Bank.](#)
- [Groww taps five banks for \\$1 billion IPO, plans draft filing by April.](#)
- [Groww Mutual Fund launches India's first Nifty India Railways PSU ETF.](#)
- Hyperverge and Ignosis won the Best Tech Innovator award for the Year.
- [PhonePe sharpens quick commerce play in first for a payments company.](#)
- Revfin was featured in *India's Green Startups*, a book by Sandiip Bhammer and Jayant Sinha.
- [Roopya Launches Next-Generation AI Agents for Loan Origination and Underwriting.](#)
- [Slice to rebrand as Slice Small Finance Bank, plans expansion.](#)
- [UGRO Capital Reports 32% AUM Growth, 19% Rise In PAT.](#)

Upcoming Events

- 5-6 Feb 2025, Mumbai, [Bharat FinTech Summit](#)
- 7-8 Feb 2025, Bhubaneswar, [International Conference on AI and Financial Innovation](#)
- 13-14 Feb 2025, Mumbai, [IBEX India 2025](#)
- 27 Feb 2025, Mumbai, [MPAI Annual Summit](#)
- 27-28 Feb 2025, Bangaluru, [Entrepreneur Tech and Innovation Summit 2025](#)
- 12-13 Feb 2025, Dubai, [FiNext Conference 2025](#)
- 24-25 Feb 2025, New Orleans, [Future Digital Finance](#)
- 25-26 Feb 2025, London, [Finovate Europe](#)
- 26-28 Feb 2025, Singapore, [Annual Fintech Summit 2025](#)