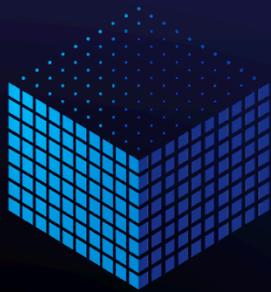




# The RBI-recognized Self-Regulatory Organization in the FinTech Sector (SRO-FT)

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# CU BE

Issue 20 – Dec 2025

## Issue 20 CUBE: Your Insight into FinTech Ecosystem

Hello from FACE, the RBI-recognised Self-Regulatory Organisation in the FinTech sector (SRO-FT). We present the twentieth edition of Cube, a go-to source for the latest and most relevant happenings in India's FinTech ecosystem and beyond. Do let us know your inputs on Cube at [communications@faceofindia.org](mailto:communications@faceofindia.org).

## Rulemaking

### Reserve Bank of India (RBI)

- [Recognition of Self-Regulatory Organisation for Payment System Operators \(11 Nov 2025\)](#): RBI announced the recognition of the Self-Regulated PSO Association (SRPA) as the SRO for Payment System Operators.
- [Trade Relief Measures Directions, 2025 \(14 Nov 2025\)](#): The RBI released these Directions aimed at easing debt-servicing burdens arising from global trade disruptions and ensuring the continuity of viable businesses.
- [RBI updates Alert List of unauthorised forex trading platforms \(19 Nov 2025\)](#): The RBI added seven new entities/websites to its Alert List of unauthorised online forex trading platforms; added platforms include Starnet FX, CapPlace, Mirrox, Fusion Markets, Trive, NXG Markets, and Nord FX.
- [Consolidated Master Directions \(28 Nov 2025\)](#): The RBI released a comprehensive set of consolidated Master Directions, marking a major overhaul of its regulatory communication framework. Over 9,000 regulatory circulars and guidelines were reorganised into 238 function-wise Master Directions across 11 categories of REs.
- [Digital Banking Channels Authorisation Directions, 2025 \(28 Nov 2025\)](#): The RBI released the final Master Directions on Digital Banking Channels Authorisation, 2025, following its draft issued on July 21, 2025. Feedback from banks and stakeholders has been duly examined, with relevant modifications incorporated. A summary of the feedback and RBI's responses has been provided in the Annex.

### National Payments Corporation of India (NPCI)

- [Introduction of New 'RDS' Sub-Product under ACH Debit for Retail Direct Scheme \(6 Nov 2025\)](#): NPCI introduced a new ACH Debit sub-product titled RDS to support processing of transactions under RBI's Retail Direct Scheme, which enables individuals to directly invest in government securities.
- [Revision of TAT for Good Faith Process in NRCS \(7 Nov 2025\)](#): NPCI announced changes to the Good Faith workflow under NRCS to improve processing timelines for member banks. The TAT has been reduced to 90 days from the transaction date; the revised timelines will take effect from 1 Dec 2025.
- [Implementation of ISD-GSTIN Option in URCS Back-Office System \(12 Nov 2025\)](#): NPCI announced the rollout of an ISD/GSTIN configuration option within the URCS back-office system, aligned with the GST Input Service Distributor framework effective from April 1, 2025.

### Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI)

- [DFS Notification Allowing Aadhaar Authentication by CERSAI for CKYC \(6 Nov 2025\)](#): DFS authorised CERSAI, as the Central KYC Records Registry, to conduct voluntary Aadhaar-based authentication for verifying demographic details for RBI-, SEBI-, IRDAI-, IFSCA- and PFRDA-regulated entities under PMLA. The notification requires explicit consent, mandates disclosure of alternative ID options, and prohibits denial of services for opting out. It aims to

streamline CKYC identity verification while preserving choice, privacy and compliance with the Good Governance Rules.

- [SOP for Reporting Cyber-Incidents Related to Unauthorized Access to CKYCRR KYC Data \(19 Nov 2025\)](#): CKYCRR released an SoP outlining a uniform reporting framework for REs to report cyber-incidents involving unauthorized access to KYC information on the CKYCRR platform.

### **Securities and Exchange Board of India (SEBI)**

- [Caution on 'Digital Gold' Investments \(8 Nov 2025\)](#): SEBI cautioned that several online platforms are offering “Digital Gold/E-Gold” products that fall completely outside SEBI’s regulatory purview. These products are neither recognised as securities nor regulated as commodity derivatives, and therefore do not carry any investor-protection safeguards by SEBI.
- [Caution on Unregistered Online Bond Platform Providers \(19 Nov 2025\)](#): SEBI warned that several entities—including some fintechs and stockbrokers—are operating as Online Bond Platform Providers without the mandatory registration required under SEBI’s 2022 circular.

### **Ministry of Electronics and Information Technology (MeitY)**

- [India AI Governance Guidelines, 2025 \(5 Nov 2025\)](#): MeitY released the India AI Governance Guidelines under the IndiaAI Mission, outlining seven ethical principles, six governance pillars, and a phased action plan to ensure safe, inclusive and responsible AI deployment. Centred on the principle of “Do No Harm,” the framework stresses human-centric design, risk mitigation, innovation sandboxes, and practical guidance for industry and regulators. Developed by a high-level expert committee and launched ahead of the India-AI Impact Summit 2026, the guidelines mark a major step in building a robust national approach to trustworthy AI.
- [Startup Common Application Journey on Jan Samarth Portal \(12 Nov 2025\)](#): DFS launched a unified digital loan application journey on the Jan Samarth Portal, enabling startups to apply for and compare credit offers across all Public Sector Banks through a single interface. Developed by IBA and PSB Alliance, the platform supports loans up to ₹20 crore under the Credit Guarantee Scheme for Startups, leveraging integrated data sources for faster, more transparent processing and offering special concessions for women-led enterprises.
- [Digital Personal Data Protection Rules, 2025 \(13 Nov 2025\)](#): MeitY notified the DPDP Rules, 2025 under Section 40 of the DPDP Act, 2023. The rules introduce staggered implementation timelines: Rules 1, 2 and 17–21 take effect immediately; Rule 4 comes into force after one year; and Rules 3, 5–16, 22 and 23 will become effective eighteen months from the date of publication

### **Telecom Regulatory Authority of India (TRAI)**

- [TRAI Direction on 1600-Series Adoption \(19 Nov 2025\)](#): TRAI has mandated a phase-wise shift by BFSI entities regulated by RBI, SEBI and PFRDA to the dedicated 1600 calling series to strengthen consumer trust and curb impersonation-based fraud. The Direction sets clear deadlines: commercial banks by 1 Jan 2026; large NBFCs, payments banks and small finance banks by 1 Feb; all remaining NBFCs and smaller regulated lenders by 1 Mar; mutual funds/AMCs by 15 Feb; qualified stockbrokers by 15 Mar; and CRAs/pension fund managers by 15 Feb. Timelines for insurance entities will be notified separately.

## Must-Reads

### FinTech, Banking, and Credit

- [World Bank – \(India\) Financial Sector Assessment Program \(FSAP\)](#) : The report notes that India’s financial system has become more resilient since 2017, supported by regulatory reforms, stronger supervision of banks/NBFCs, and robust digital public infrastructure. Key recommendations include strengthening credit risk management for banks/NBFCs, enhancing conduct-risk oversight in securities markets, expanding account usage and product access for women and MSMEs, scaling climate-related financial frameworks (including a Sustainable Finance Roadmap and taxonomy), improving MSME credit data systems, and leveraging credit enhancement tools to deepen capital markets.
- [Centre for Financial Inclusion – Who Pays for Instant Payments?](#): This brief analyses the evolving pricing models of instant payment systems and the question of who ultimately bears their costs. It shows that while many modern IPSs mandate free-to-consumer transactions and broad PSP participation, the financial burden largely falls on PSPs, whose ability to subsidise costs depends on market structure and cross-sell potential.
- [NIBM–MSC White Paper on Gender-Intelligent Banking](#): The report finds that women remain significantly underserved across formal financial services despite high account ownership, creating a large untapped market opportunity. It highlights structural and product-level barriers limiting women’s engagement and introduces the RISE framework to help institutions embed gender intelligence through data, product redesign and organisational alignment, positioning gender-intelligent banking as both a commercial opportunity and a driver of inclusive financial sector growth.

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

- [IndiaAI Mission – AI Governance Guidelines](#): These guidelines establish a unified national framework for safe, accountable and inclusive AI deployment, outlining core principles, regulatory mechanisms, risk-based oversight, and sector-specific practices to balance innovation with safeguards for citizens and society.
- [World Bank – AI for Financial Sector Supervision: An Emerging Market and Developing Economies Perspective](#): This report assesses how EMDE financial authorities are adopting AI for supervisory functions, highlighting operational challenges, capacity gaps, early approaches to managing AI-related risks, and emerging practices in using SupTech to strengthen consumer protection and market conduct oversight.
- [IOSCO – Tokenisation of Financial Assets](#): This report evaluates the emerging but still nascent adoption of tokenisation in financial markets, highlighting potential efficiencies such as faster settlement and improved collateral mobility, while underscoring continued dependence on traditional infrastructure, rising links with crypto markets, etc.
- [IMF – The Impact of Central Bank Digital Currency on Payments Competition](#): This paper analyses how CBDCs can influence competition by expanding user payment choices and

enabling new intermediary services, finding that competitive effects depend on market structure and CBDC design, with the potential to enhance pricing discipline, quality, contestability, and financial access.

- [BIS – Big Techs, Credit, and Digital Money](#): This paper explores how digital payment ledgers run by BigTechs or central banks can expand uncollateralised credit, outlining a policy trilemma where no system can simultaneously ensure strong credit enforcement, low rent extraction, and high user privacy. It highlights how BigTech platforms enforce repayment through closed ecosystems but extract rents and compromise privacy, how public options like privacy-respecting or programmable CBDCs strengthen user protection but weaken enforcement.
- [BIS – The Use of Artificial Intelligence for Policy Purposes](#): The report outlines how central banks and supervisors are beginning to apply AI across data collection, economic analysis, payments oversight and prudential supervision, improving forecasting, anomaly detection and supervisory efficiency. It notes promising use cases through BIS Innovation Hub projects, but also stresses risks around explainability, data quality, cybersecurity, market concentration in AI models and the need for stronger governance and skills. Overall, it highlights AI's significant potential for policy work while underscoring that careful safeguards are essential for its safe and effective adoption.
- [UCL IIPP – The DigiLocker Story](#): The report traces how DigiLocker evolved between 2015 and 2025 from a small state experiment into a nationwide digital document wallet that now serves over 550 million Indians. It highlights how the platform replaced paper-based verification by enabling citizens to store and share digitally signed, tamper-proof documents, supported by open-source technology, API-based data exchange, and voluntary adoption across central and state agencies. The study underscores key policy tensions—building in-house infrastructure versus licensing an ecosystem, voluntary uptake versus mandates, and agility versus long-term accountability—while noting that uneven issuer capacity, limited governance frameworks, and MeitY's dual role as both operator and regulator remain structural challenges as DigiLocker becomes critical national digital public infrastructure.

## Financial Inclusion

- [CGAP – Gender Norms and Financial Regulation: The Case for Gender Lens Regulatory Analysis](#): This working paper sets out a framework showing how regulatory and supervisory practices can unintentionally reinforce gender-based barriers to financial inclusion. It argues that women and men experience the financial sector differently due to gender-shaped constraints and urges regulators to move from gender-blind to gender-intentional approaches.

## FACE Forward

### Webinars

- FACE hosted a webinar with Leegality on [3 Rules for Loan Agreements under RBI's Digital Lending Directions 2025](#), 13 Nov 2025.
- FACE hosted a webinar with Khaitan and Co.on [DPDP Rules 2025: Taking Stock and Implications](#), 17 Nov 2025.

## Membership

- FACE has reached 290+ members by Nov 2025. We're grateful to our members for their ongoing trust and support.
- You can learn more about FACE's membership, its eligibility, privileges, and fees [here](#).
- **To submit your interest in becoming a member of FACE, kindly fill in the form [here](#).**

## Events

- FACE and International Financial Services Centres Authority (IFSCA) hosted an open house session, [Meet the Regulator](#), 4 Nov 2025, Pune. The session explored the emergence of GIFT city as India's international financial gateway, opportunities for FinTechs, NBFCs, and financial institutions under the IFSC regime, regulatory frameworks, and a direct Q&A with the regulator.



- FACE and SpoctoX hosted the latest edition of Collect CoLabs on [Beyond Recovery Strategies: Building Intelligent Collections Ecosystems](#), 18 Nov 2025, Jaipur.



- FACE and GT Bharat hosted a roundtable on [Reining in Risks in Digital Lending: Driving Trust and Growth](#), 19 Nov 2025, Mumbai.



- The [National Seminar on Digital Lending in India, hosted by the Gokhale Institute of Politics and Economics \(GIPE\) in collaboration with FACE and supported by Fibe](#), was very well attended and well received, drawing participation from a wide cross-section of the digital finance ecosystem. Speakers included senior leaders from the Reserve Bank of India — Sh. Vaibhav Chaturvedi, CGM, DOR, and Sh. Suvendu Patil, CGM, FinTech Department — followed by representatives from major banks such as Sandeep Ubale, CGM and Dy. CDO, SBI; Anjani Rathor, Head Digital Banking and Customer Experience, HDFC; and Sidharth Mishra, Head Digital Channels, ICICI Bank. The seminar also featured prominent industry voices including Ashish Goyal and Akshay Mehrotra of Fibe; Anurag Sinha of OneCard; Satyam Kumar of LoanTap; Ram Iyer of Vayana; Nikhil Kurhe of Finarkein; Vivek Belgavi of PwC; Vamsi Madhav of Finvu; Ganesh Gopalan of Gnan.ai; Prashanth Ramdas of Khaitan & Co; K. V. Srinivasan of Profectus Capital; and Srinath Sridharan, Independent Director, FACE. The strong turnout and depth of discussion reflected the sector’s commitment to advancing responsible and innovation-led digital lending in India.



- FACE is Fintech SRO partner with the Fintech Premier League (FPL) 2025, hosted by Signzy: The multi-city corporate box-cricket league brings together leading fintech companies, including Razorpay, Pine Labs, PayU, BharatPe, MobiKwik, PhonePe, and PaisaBazaar. FPL is a platform to



strengthen ecosystem connections, amplify industry voices, and foster collaboration across the fintech landscape.

- FACE is participating as Industry Partner at the [4th MENA FinTech Festival](#), 2–3 Dec 2025, Doha.

### Members' Miles

- [Achiievers Finance India standalone net profit rises 329.73% in the September 2025 quarter](#)
- [Fintech Unicorn Moneyview's FY25 Profit Surges 40% To INR 240 Cr](#)
- [IPO-Bound Pine Labs Nets INR 1,754 Cr From Anchor Investors](#)
- [Navi UPI enables metro QR ticketing via ONDC](#)
- [NPST & Cosmos Bank partner to expand QR-based UPI payments](#)
- [Paisabazaar survey shows borrowers' changing priorities in festive loan choices](#)
- [Paytm Payments Services gets RBI nod to function as payment aggregator](#)
- [Paytm posts second straight quarterly profit; Q2 revenue rises 24% to Rs 2,061 crore](#)
- [PayU Receives RBI Approval to Operate as Online, Offline and Cross-Border Payment Aggregator](#)
- [PhonePe collaborates with OpenAI to roll out ChatGPT features for Indian users](#)
- [PhonePe rolls out 'PhonePe Protect' tool to block payments to government-flagged fraud numbers](#)
- [Pine Labs IPO listing: Fintech firm debuts at 9.5% premium over issue price, beats estimates](#)
- [Progcap aims to be 'IPO-ready' in 2.5 years; to go deeper into small-town MSME credit: Co-founder Pallavi Shrivastava](#)
- [Riverline AI raises \\$825,000 in pre-seed funding led by South Park Commons](#)
- [SalarySe raises \\$11.3 million Series A funds to expand financial solutions for India's salaried workforce](#)
- [Strong market debut: Groww shares surge 31% on listing day](#)

For more event details or partnership queries, connect at [communications@faceofindia.org](mailto:communications@faceofindia.org).