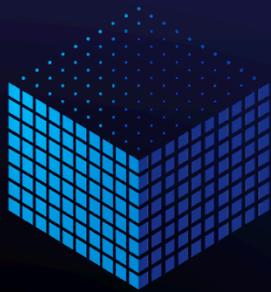




The RBI-recognized Self-Regulatory Organization in the FinTech Sector (SRO-FT)



CU BE

Issue 21 – Jan 2026

Issue 21 CUBE: Your Insight into FinTech Ecosystem

Warm New Year wishes from FACE, the RBI-recognised Self-Regulatory Organisation in the FinTech sector (SRO-FT) and India's largest FinTech association. As we begin the year, we are pleased to present the twenty-first edition of Cube, our continuing effort to curate and contextualise the most relevant developments shaping India's FinTech ecosystem, alongside key global regulatory, policy, and industry trends.

This edition brings together updates, insights, and reference materials that matter to the ecosystem, with direct links to source documents to enable deeper engagement. As always, we value your perspectives and invite you to share your inputs and feedback on Cube at communications@faceofindia.org.

Rulemaking

Reserve Bank of India (RBI)

- [National Strategy for Financial Inclusion \(NSFI\) 2025–30 \(1 Dec 2025\)](#): The RBI released the National NSFI 2025–30. The Strategy sets out five strategic objectives (Panch-Jyoti) and 47 action points focusing on equitable and affordable financial services, gender-sensitive inclusion, livelihood and skill linkages, financial education, and strengthened consumer protection.
- [Amendment Directions on Credit Information Reporting \(4 Dec 2025\)](#): The RBI issued ten Amendment Directions to transition credit information reporting from fortnightly to weekly incremental submissions by Credit Institutions to Credit Information Companies. The amendments apply across banks, NBFCs, cooperative banks, AIFs, ARCs, and CICs.
- [Amendment Directions on Responsible Business Conduct for BSBD accounts \(4 Dec 2025\)](#): The RBI issued seven Amendment Directions to update the Responsible Business Conduct framework governing Basic Savings Bank Deposit (BSBD) accounts across bank. The amendments support financial inclusion across commercial banks, small finance banks, payments banks, and cooperative banks.
- [Amendment Directions on Undertaking of Financial Services \(5 Dec 2025\)](#): The RBI issued five Amendment Directions to update the Reserve Bank of India (Undertaking of Financial Services) Directions, 2025, after reviewing stakeholder feedback on the draft circular on “Forms of Business and Prudential Regulation for Investments” released in October 2024.
- [Master Direction on Rupee Interest Rate Derivatives \(8 Dec 2025\)](#): The RBI issued the Master Direction – Reserve Bank of India (Rupee Interest Rate Derivatives) Directions, 2025, updating the regulatory framework for the IRD market in line with expanded product offerings, increased participation by residents and non-residents, and greater reliance on market-based finance.
- [Draft Circular on disclosure of transaction costs for foreign exchange transactions \(9 Dec 2025\)](#): The RBI released a draft circular proposing mandatory disclosure of transaction costs for foreign exchange cash, tom, and spot contracts offered to retail users. Public comments have been invited from banks and market participants by 9 Jan 2026.

Telecom Regulatory Authority of India (TRAI)

- [Mandated adoption of 1600-series numbers by IRDAI-regulated entities \(17 Dec 2025\)](#): The Telecom Regulatory Authority of India directed all entities regulated by IRDAI to migrate their service and transactional voice calls to the ‘1600’ numbering series by 15 Feb 2026. Issued in consultation with IRDAI, the measure aims to enhance consumer trust, curb spam, and prevent impersonation-based fraud, extending TRAI’s earlier mandates applicable to entities regulated by RBI, SEBI, and PFRDA.

Department of Financial Services, Ministry of Finance (DFS, MoF)

- [DFS strengthens grievance redressal framework across BFSI sectors \(12 Dec 2025\)](#): DFS announced measures to streamline and enhance grievance redressal across BFSI. Key initiatives include senior-level monthly grievance reviews, CPGRAMS workshops with banks

and regulators to address root causes, digital customer feedback mechanisms, performance-based ranking of BFSI entities, and the launch of a Financial Institutions Interaction Programme.

Must-Reads

FinTech, Banking, and Credit

- [RBI – Report on Trend and Progress of Banking in India 2024–25](#): The report highlights the continued resilience of India’s banking system during 2024–25. Notably, NBFCs sustained double-digit credit expansion with robust capital buffers and improving asset quality.
- [ICRIER – State of India’s Digital Economy: A Subnational Perspective, 2025](#): This report analyses India’s uneven digital transformation across states using the Connect–Harness–Innovate–Protect–Sustain (CHIPS) framework, highlighting a clear multi-speed digital economy. It classifies states into four tiers: Advanced Digitalisers (Delhi, Kerala, Karnataka, Maharashtra, Haryana); Assured Digitalisers (Tamil Nadu, Telangana, Punjab, Andhra Pradesh, Gujarat); Ascending Digitalisers (e.g., Uttar Pradesh, Rajasthan, Madhya Pradesh, West Bengal); and Aspirational Digitalisers (Odisha, Bihar, Assam, Chhattisgarh, Jharkhand).
- [CGAP – Regulating Financial Innovation: What Does It Take?](#): The working paper highlights how financial innovation can address financial exclusion and emphasizes the regulator’s role in enabling responsible innovation to emerge, be tested, and scaled. It introduces vision-guided regulation as a framework for harnessing innovation for inclusive finance.
- [BIS – Enhancing Cross-Border Payments](#): The bulletin reviews progress under the G20 Roadmap for enhancing cross-border payments, noting significant momentum and the completion of most international policy actions. While the Roadmap provides a solid foundation to address persistent payment challenges and promote a more inclusive global payments ecosystem, end-2027 targets are unlikely to be met, and improvements for end users remain modest.

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

- [Office of the Principal Scientific Adviser, Govt – Democratising Access to AI Infrastructure](#): This white paper positions democratising access to AI infrastructure as a core policy priority for India, arguing that concentration of AI resources among a few global firms and urban hubs risks excluding large sections of innovators and institutions. It maps India’s evolving AI infrastructure landscape across physical (data centres, GPUs, supercomputing) and digital layers (IndiaAI Kosh, Bhashini, TGDEx, IndiaAI Compute).
- [UK – Property \(Digital Assets etc\) Act 2025](#): The Act establishes that digital assets can be recognised as property even if they do not fall within the traditional legal categories of ‘choses in possession’ or ‘choses in action.’ This technical but significant change allows courts to develop rules tailored to the unique characteristics of digital assets within English common law.

- [UNESCO – Pathways on Capacity Building for AI Supervisory Authorities](#): This report underscores introduces the OBSERVE framework, outlining seven pillars for effective AI supervision: dedicated observatory units, real-time behavioural monitoring, multi-stakeholder expert networks, evidence libraries of past cases, adaptive and risk-responsive regulatory frameworks, integration of ethical values, and early warning systems for emerging risks. It highlights AI sandboxes as critical learning tools that enable regulators to test systems safely, build evidence, and foster trust alongside innovation.
- [AFM & DNB – Digital Dependence of the Financial Sector, 2025](#): The report highlights the financial sector’s growing reliance on external IT providers, including cloud and AI services, for core operations such as customer engagement, risk management, compliance, and transaction processing. This digital dependence creates systemic, concentration, and geopolitical risks, particularly due to a few dominant global “hyperscalers.”
- [World Bank – Digital Progress and Trends Report 2025: Strengthening AI Foundations](#): The report provides a data-driven overview of the global AI landscape, highlighting challenges faced by low- and middle-income countries in adopting and scaling AI. It notes a promising trend of “Small AI” solutions extending AI’s reach. The report emphasizes the “four Cs” as foundational for inclusive AI ecosystems: connectivity, compute, context, and competency.
- [European Commission – Public Consultation on the Digital Fairness Act](#): The consultation aimed to gather stakeholder and citizen feedback to inform the EU’s upcoming Digital Fairness Act, expected by the end of 2026. Topics included dark patterns, addictive design, unfair personalization, influencer marketing, digital contracts, pricing, and simplification measures.
- [FCA – Regulating Cryptoassets](#): The consultation paper introduces two key regimes: the Admission & Disclosure (A&D) regime for public offers and trading of qualifying cryptoassets, and the Market Abuse Regime for Cryptoassets (MARC) to prevent insider dealing and market manipulation. These regimes aim to strengthen consumer protection, enhance market integrity, raise market standards, and support fair competition while enabling innovation.
- [BIS – Project Rialto: Improving Instant Cross-Border Payments Using Central Bank Money Settlement](#): The report presents a technical proof of concept for enhancing low-value cross-border payments, including remittances and person-to-person transfers, which continue to face inefficiencies in FX and settlement. Project Rialto combines payment-versus-payment (PvP), automated FX, and tokenised central bank money settlement within a simulated infrastructure.
- [OECD – An Overview of National Strategies and Policies for Quantum Technologies](#): The paper reviews national strategies and policy instruments aimed at advancing quantum technologies, examining timelines, motivations, scope, goals, assessment, and governance mechanisms. It highlights common policy objectives and instruments, including institutional and project-based funding for public research, business R&D grants, public procurement, and equity financing, providing a comprehensive view of how countries are fostering the development and adoption of quantum technologies.
- [OECD – Artificial Intelligence in Asia’s Financial Sector](#): The policy paper examines the rapid adoption of AI in the financial sector across 15 Asian jurisdictions, highlighting opportunities to enhance market efficiency, foster innovation and financial inclusion, and improve customer outcomes.

Financial Inclusion & Customer Protection

- [RBI – Annual Report of the Ombudsman Scheme 2024–25](#): The report shows a continued rise in consumer grievance volumes under the Integrated Ombudsman framework, with total complaints increasing 13.55% year-on-year to 13.34 lakh in FY25, reflecting growing awareness and usage of the mechanism. Digital channels dominated complaint filing, with loans and advances emerging as the largest complaint category, followed by credit cards, while mobile/electronic banking complaints declined.
- [FIU-India – Annual Report 2024–25: Advancing AML/CFT through Technology and Enforcement](#): The report highlights FIU-India's progress in strengthening India's AML/CFT framework during FY 2024–25, with a focus on the full-scale deployment of FINnet 2.0, AI/ML-driven risk analysis, expanded supervision of reporting entities including VDASPs, and enhanced intelligence sharing with domestic and international agencies. It also documents enforcement actions, strategic and operational analyses on emerging crime typologies, and India's active leadership role within the Egmont Group and FATF-linked forums.
- [UN General Assembly – Updated Resolution on Financial Inclusion for Sustainable Development, 2025](#): The resolution emphasises that financial inclusion goes beyond mere access and must prioritize improving financial health outcomes. It underscores the importance of enabling individuals to manage their finances smoothly, build resilience to shocks, pursue goals, seize opportunities, and feel confident about their financial lives.

FACE Forward

Self-regulation

- FACE has instituted a first-of-its-kind [Grievance and Dispute Resolution \(GDR\) Policy](#) and framework, anchored in its Articles of Association and the RBI SRO-FT Framework, to enable structured and credible resolution of inter-member disputes within the FinTech ecosystem. With the approval of the GDR Policy and the constitution of an independent GDR Committee, FACE is creating a neutral, member-led alternative to judicial or arbitration routes, strengthening self-regulation, trust, and institutional maturity across the sector.

Sector Development

- FACE is in the process of finalising the FACE Risk Intelligence Platform (FRIP), an industry-led, neutral initiative aimed at addressing systemic fraud and over-leveraging risks in digital lending. As credit activity scales, fragmented fraud signals and delayed exposure visibility create ecosystem-wide blind spots that individual institutions cannot address in isolation. FRIP is designed to enable near real-time, privacy-preserving risk intelligence and exposure visibility under SRO governance, strengthening resilience, trust, and regulatory confidence across the sector.

Webinars

- FACE hosted a members-only webinar with BBSR & Associates LLP on Labour Codes 9 Dec 2025.

Membership

- FACE has reached 300+ members by Dec 2025, making it the **Largest FinTech Association in the country**. 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](#).**

Collaborations

- MoU with FinTech Centre of Excellence (NSRCEL), IIM Bangalore: FACE entered into a MoU with the FinTech Centre of Excellence (NSRCEL), IIM Bangalore, to work collaboratively on strengthening ecosystem-level interventions. The partnership is aimed at jointly supporting programmes and initiatives that enable the growth of young and emerging FinTech start-ups.
- FACE is the FinTech SRO partner for Pulse: AI for FinTech, a FinTech-focused accelerator programme led by Sanchi Connect, supporting innovation and responsible adoption of AI in financial services.
- MoU with IIMA Ventures: FACE signed a MoU with IIMA Ventures to formalise strategic cooperation between the two institutions. The MoU enables mutual support across identified interventions, with a specific emphasis on nurturing and scaling early-stage and emerging FinTech start-ups.
- FACE is supporting Cambridge's AI in Financial Services 2030 global study: a landmark, worldwide initiative capturing the intersecting perspectives of financial regulators, industry and AI vendors. Together, the insights from the study will provide a comprehensive view of AI adoption, impact, oversight, and expectations for the years ahead.

Industry Events supported by FACE (upcoming)

- FACE is supporting the IIMA Ventures Summit 2026 as an ecosystem partner, taking place on 12–13 Jan 2026 at the IIM Ahmedabad campus, contributing to industry–startup engagement and ecosystem dialogue.
- FACE is the FinTech SRO partner for the Bharat Credit Risk, Fraud & Compliance Summit 2026, scheduled for 22 Jan 2026 in Mumbai, reinforcing sector-wide discussions on risk, fraud prevention, and compliance.
- FACE is associated as an Official Partner for the Black Swan Summit India, to be held on 5–6 Feb 2026, supporting strategic conversations on emerging risks, innovation, and resilience.
- FACE is the FinTech SRO partner for the 3rd Edition of the Bharat Collection Summit & Awards 2026, on 18 Feb 2026 in Mumbai, focusing on responsible collections and sector best practices.
- FACE is supporting Convergence India Expo 2026 as the FinTech SRO partner, to be held in Delhi from 23–25 Mar 2026, engaging with stakeholders across digital infrastructure, innovation, and policy.
- FACE is an Official Partner for the Black Swan Summit Australia, scheduled from 23–25 Mar 2026, extending ecosystem collaboration and global FinTech engagement.
- 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.

Members' Miles

- [Ambak starts Series A round with INR 69 Cr funding led by Peak XV and Z47](#)
- [Ayekart raises USD 6.5 Mn in debt from Swiss Impact investor Symbiotics Investment](#)
- [Balancehero India secures USD 75 Mn debt from CIM to fuel its expansion](#)
- [DPDzero reimagines debt recovery at TechSparks: When AI meets empathy](#)
- [Fibe raises USD 35 Mn led by International Finance Corporation](#)
- [FinBox launches Journey Studio to enable lenders to launch digital credit products in 3 days](#)
- [Finfactor Raises USD 15 Mn To Offer B2B Account Aggregator Solutions](#)
- [Northern Arc targets 30% growth, ROA of 3.8% as retail lending, fee income expand, says CEO Ashish Mehrotra](#)
- [NPST secures INR 300 Cr investment from Tata Mutual Fund to fuel global expansion and AI-first strategy](#)
- [OneCard posts INR 1,878 Cr revenue in FY25](#)
- [PayNearby receives TPAP license from NPCI](#)
- [Paytm Payments Services receives RBI authorisation for offline and cross-border payments](#)
- [Perfios Launches AI-Powered Operating System for BFSI](#)
- [PhonePe Wealth launches 'Daily SIP' feature with minimum investment of INR 10](#)
- [Razorpay gets RBI's cross-border licence to boost global payments from India](#)
- [Stashfin eyes IPO in 12-18 months](#)
- [UGRO Completes INR 1,400 Cr Acquisition Of Profectus](#)

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