FINTECH FLYER

JANUARY – MARCH 2026

PAYMENTS VISION 2028: SHAPING INDIA'S PAYMENT FRONTIER

On 27 March 2026, the Reserve Bank of India (“RBI”) released its 'Payments Vision 2028' (“Vision 2028”), the latest in its series of periodic payments vision that have guided the evolution of India's payment systems since 2001. Anchored in the theme "Shaping India's Payment Frontier", the Vision 2028 follows the successful conclusion of the Payments Vision 2025 period, which was guided by the theme "E-Payments for Everyone, Everywhere, Every time (4Es)" and rested on five goalposts - Integrity, Inclusion, Innovation, Institutionalisation, and Internationalisation.

The Vision 2028 recognises that digital payments continue to make inroads into all population segments and that the challenge before the ecosystem is "no longer one of expansion of reach alone, but of deepening 'trust' in payment systems, reinforcing resilience and expanding their global footprint." The Vision 2028 identifies specific initiatives focusing on operational excellence, strategic innovation, and ensuring that the payment infrastructure remains resilient, inclusive, user-friendly, and technologically advanced:

(a) **User empowerment and safety**

- **Transactional control for remitters**: The switch on/off facility currently available for card transactions shall be extended to all digital payment modes, enabling customers to enable or disable transactions across different payment modes through their issuer channels. This facility would enhance consumer confidence and help curb fraud in digital payments.

- **Shared responsibility framework**: A shared responsibility framework under which both the customer's bank (issuer) and the beneficiary's bank jointly bear the liability arising from unauthorised digital payment transactions shall be explored, in place of the current model where responsibility and liability rests exclusively on the issuer. This approach would strengthen fraud pr

evention, improve coordination, and enhance consumer protection and trust in digital payments.

- **Modernisation of cheque systems**: A comprehensive review of the design and security features of cheques shall be undertaken to enhance uniformity, strengthen fraud prevention, and ensure alignment with emerging processes. The Vision also proposes exploring the introduction of electronic cheques in India to leverage the unique benefits of paper-based instruments and the speed and reliability of electronic payments, and cater to new business use cases.

(b) **Cross-border payments and ease of doing business**

- **Comprehensive cross-border reporting**: RBI shall publish Reports on Cross-Border Payments to present a comprehensive analysis of cross-border payments in India covering key metrics such as volumes, transaction costs, transparency, speed of transactions, and performance of various channels and corridors. The reports shall track global developments related to legal, regulatory, technological, and process advancements in cross-border payments, benchmark India's progress against global trends, and identify areas for improvement.

- **Efficiency review of cross-border ecosystems**: RBI shall undertake a comprehensive review of the existing cross-border payments ecosystem to identify frictions from regulatory, operational, and technological perspectives, with a particular focus on supporting MSME exporters and importers and aligning with G20 work on cross-border payments. The review would seek to strengthen India's cross-border payment landscape, foster innovation and competition, and align India with global best practices and technology while accommodating national requirements.

- **Streamlined authorisation process**: Introducing a single-window application process for entities that require authorisation under both the Payment and Settlement Systems Act, 2007 ("PSS Act") and the Foreign Exchange Management Act, 1999 ("FEMA") shall be examined to enhance the ease of doing business and promote newer use-cases and innovation in cross-border payments.

(c) **Innovation and inclusion**

- **Reimagining the card ecosystem**: To foster competition, spur innovation, and strengthen resilience, building an open and interoperable card ecosystem shall be explored. The initiative is envisaged to empower cardholders and merchants with

choice, introduce secure and smart tokenisation and orchestration, and facilitate transparent pricing that advances customer protection.

- **Payments Switching Service (PaSS)**: Feasibility of implementing a 'Payments Switching Service' shall be explored as a centralised service that would facilitate migration of payment instructions, both incoming and outgoing, from one account to another. This would enable customers to change their bank accounts with minimal friction, provide centralised control over payment instructions, and facilitate orderly transitions during systemic changes like bank mergers.

- **TReDS interoperability and innovation**: The case for introducing (i) full interoperability across Trade Receivables Discounting System ("TReDS") platforms, (ii) factoring with recourse, and (iii) trade receivables discounting of export MSMEs shall be explored, with the aim of creating a more integrated, efficient, and accessible receivables discounting ecosystem for the MSMEs.

- **Small Payment System Providers (SPSPs)**: The case for recognising a new class of Small Payment System Providers (SPSPs) that would not require to be authorised by RBI before carrying out their activities shall be explored under a perpetual regulatory

sandbox structure. The aim is to gradually shift toward a tailored regulatory oversight mechanism calibrated to the risk profile of entities based on the nature of activities handled by them, promoting ease of doing business while ensuring systemic stability.

(d) **Infrastructure, data and cybersecurity**

- **Cyber Key Risk Indicators (KRI) framework**: A Cyber Key Risk Indicators (KRI) framework for non-bank Payment System Operators (PSOs) shall be developed and implemented to assess and monitor robustness in cyber security of such entities on a continuous basis. It shall enable RBI to systematically identify and monitor key risk indicators across the industry, compare the cyber resilience of different entities, track their security posture over time and provide early warning signals to identify and monitor potential IT and cyber risks.

- **Enhanced payments data access**: Creation of a rich, user-friendly database, and enabling it to be queried through Artificial Intelligence (AI) based channels shall be explored. This shall also serve as a single point of access for cross-border payments data which shall provide a unified and dynamic view of India's cross-border payments ecosystem. The initiative is envisaged to enhance transparency, enable monitoring of efficiency outcomes, and aid in data driven innovation.

- **Expanded regulatory ambit**: Entities playing a critical role in facilitating digital payments shall be brought within the regulatory framework. Rapid developments in payments space have led to several entities playing a critical role in facilitating digital payments, and e-commerce marketplaces and centralised platforms have been assuming significant responsibilities that could have implications on orderly functioning of payments ecosystem. The case for introducing white label solutions in Aadhaar Enabled Payment System ("AePS") and bringing such assisted payment providers within the regulatory fold would also be explored.

- **Uniform Domestic Legal Entity Identifier (DLEI)**: The feasibility of implementing a uniform DLEI shall be studied to enable identification of parties to a transaction, crucial for managing risks in the financial system. The DLEI, if found feasible, could be new or selected from the existing identifiers.

- **Research and training capacity**: There is a need to augment research and training capacity across digital payments, including policymaking, risk management, fraud prevention, cross-border payments, and cybersecurity. Linkages with central banks, international standard-setting bodies, Global South countries, and domestic payment stakeholders should be explored to facilitate knowledge sharing

LEX
TAKEAWAY

Payments Vision 2028 confirms that RBI now views the next phase of India's payments journey less as a story of pure expansion and more as one of consolidation and reform. Proposals such as the shared responsibility framework for unauthorised digital transactions, the extension of transactional controls to all digital payment modes, and the potential expansion of the regulatory perimeter to cover critical e-commerce and AePS facilitators sit squarely with RBI's parallel work on digital payment safeguards and customer liability. These initiatives point towards a regulatory architecture in which trust, security and user protection are treated as foundational design features of the payments ecosystem. For regulated entities, the Vision 2028 is an early indicator of the regulatory and operational expectations that will shape the landscape over the next three years and should be tracked closely as implementing circulars, consultation papers and draft directions are issued.

PAYMENTS VISION 2028

SHAPING INDIA'S PAYMENT FRONTIER

SHARED RESPONSIBILITY FRAMEWORK

TRANSACTIONAL CONTROL

ELECTRONIC CHEQUES

DLEI

CROSS-BORDER PAYMENTS

AEPS, PSS ACT, FEMA.

RBI STATEMENT ON DEVELOPMENTAL AND REGULATORY POLICIES

On 06 February 2026, the RBI issued its Statement on Developmental and Regulatory Policies, announcing sixteen policy proposals spanning regulatory conduct, payments, financial inclusion, and financial markets. Two proposals are of particular relevance to the fintech and digital payments ecosystem:

(a) Discussion Paper on Safeguards in Digital Payments

RBI has proposed to issue a discussion paper exploring the introduction of calibrated safeguards in digital payments to curb fraud. The specific measures under consideration include:

- **Lagged credits:** Introduction of a time delay in crediting funds to the beneficiary for specified transactions, allowing suspicious transfers may be flagged and reversed before settlement.
- **Additional authentication for vulnerable users:** Mandatory enhanced verification for specific user segments, including senior citizens, through additional authentication layers.

India's digital payments infrastructure has been engineered for speed and frictionlessness; the introduction of selective, calibrated friction through lagged credits would, for the first time, trade immediacy for a fraud-reversal opportunity in defined transaction contexts.

(b) **Review of the Customer Liability Framework in Unauthorised Digital Transactions**

RBI has also announced a revision of the framework for limiting customer liability in unauthorised electronic banking transactions. Draft Directions have since been issued by RBI for public comment (comments invited until 06 April 2026, with a proposed effective date of 1 July 2026 for commercial banks). Key elements include:

- **Updated definitions**: A clearer and more comprehensive definition of 'fraudulent electronic banking transactions', expressly covering payments made using credentials obtained through fraud, approvals obtained under coercion, and social engineering or phishing-based deception.

- **Compensation for small-value fraud losses**: For individual customers suffering fraudulent transaction losses of up to ₹50,000, compensation equivalent to 85% of the net loss or up to ₹25,000 (whichever is lower) may be available once per lifetime subject to the incident being reported to both the customer's bank and the cyber-crime portal or helpline within five days of occurrence.

- **Bank liability**: Banks and card issuers will bear full liability for losses attributable to deficiencies in their own authentication systems or non-compliance with RBI's authentication directions.

- **Third-party breach provisions**: A distinct framework is proposed for fraud attributable

to intermediaries such as payment aggregators, gateways, third-party application providers or telecom service providers rather than to the bank or the customer.

- **Mandatory alert and reporting channels**: Banks to issue real-time SMS and email alerts for all transactions above ₹500, and to establish 24x7 channels for customers to report suspected fraud.

LEX TAKEAWAY

The two proposals signal RBI's intent to rebalance India's digital payments architecture toward a model that treats safety as a co-equal objective alongside scale and speed. The customer liability revision directly addresses the gap that has persisted since the 2017 circular, which existing frameworks did not adequately address. The proposed compensation of up to ₹50,000 would strengthen consumer protection, subject to timely reporting.

DIGITAL PAYMENTS SAFEGUARDS

LAGGED CREDITS

CUSTOMER LIABILITY

UNAUTHORISED DIGITAL TRANSACTIONS

FRAUD COMPENSATION

SENIOR CITIZENS

ADDITIONAL AUTHENTICATION

STATEMENT ON DEVELOPMENTAL

REGULATORY POLICIES

RAZORPAY AND NPCI LAUNCH AGENTIC PAYMENTS ON CLAUDE AI-NATIVE UPI COMMERCE

On 20 February 2026, at the India AI Impact Summit in New Delhi, Razorpay and the National Payments Corporation of India ("**NPCI**") officially unveiled 'Agentic Payments on Claude', an initiative that enables end-to-end transactional commerce from product discovery through to payment settlement to be completed entirely within a single conversation on Anthropic's Claude AI assistant. The pilot is currently live with a limited user group, and integrates Razorpay's Agentic Payments infrastructure, NPCI's UPI Reserve Pay rails, and Claude's conversational intelligence.

Key Highlights

- **How it works**: Users set a one-time, consent-based spending limit per merchant via UPI's Reserve Pay feature. Claude interprets natural language purchase intent, evaluates available options from the relevant platform (Zomato, Swiggy, or Zepto in the current pilot), presents a single confirmation screen, and executes the UPI transaction on the user's behalf without requiring a PIN prompt for each subsequent purchase within the authorised limit. Users retain real-time visibility over all transactions, the ability to adjust spending limits, and the option of instant consent revocation. In a representative interaction, a user may instruct

Claude to order food from Zomato using natural language. Claude identifies available options, presents them for user approval, and on a single confirmation places the order through Razorpay's UPI-powered Agentic Payments via Reserve Pay. The entire journey discovery, selection, and payment occurs within the same conversation.

- **Prior related initiative**: The launch builds on an earlier NPCI–Razorpay–OpenAI agentic commerce pilot announced at the Global Fintech Fest (GFF) 2025. NPCI has indicated its intention to expand agentic payment partnerships with additional AI platforms.

- **Regulatory significance**: This is the first deployment of NPCI's UPI Reserve Pay infrastructure to enable AI-agent-initiated commerce at scale. Existing RBI and NPCI regulatory frameworks govern human-initiated UPI mandates; agent-initiated consent flows where an AI system executes a transaction pursuant to a pre-authorised spending limit rather than a transaction-specific user action raise novel questions regarding the adequacy of existing consent, liability, and KYC/AML frameworks for autonomous transactional agents.

LEX
TAKEAWAY

For the first time, a consumer-facing AI assistant in India has been equipped with the infrastructure to not merely recommend actions but to execute financial transactions. India's UPI architecture particularly Reserve Pay's consent-ahead, execute-later mandate model provides a structurally compatible foundation for agent-initiated payments that few payment systems globally can replicate at comparable scale. As adoption broadens, RBI and NPCI will need to address whether existing consumer protection norms, fraud liability rules, and mandate-management requirements are adequate for AI-agent-initiated transactional flows, or whether bespoke regulatory guidance will be required. Fintech entities building on or distributing through agentic payment infrastructure should closely monitor forthcoming regulatory guidance in this evolving space.

AGENTIC PAYMENTS

UPI RESERVE PAY

AI COMMERCE

RAZORPAY

NPCI

CLAUDE

CONVERSATIONAL COMMERCE

AI-INITIATED TRANSACTIONS

GLOBAL FINTECH FEST

RBI REGULATORY ACTIONS

Sr. No	Name of Bank	Order Date	Violation & Reason	Penalty
1.	Navi Finserv Limited	10 February 2026	Violation of RBI directions on 'Recovery Agents' (i) the company contacted borrowers for loan recovery purposes outside the permitted hours (before 8:00 AM and after 7:00 PM); and (ii) failed to follow prescribed protocols when sending recovery-related messages to borrowers. Statutory authority: Section 58G(1)(b) read with Section 58B(5)(aa) of the RBI Act, 1934.	₹3,80,000
2.	IIFL Finance Limited	6 February 2026	Violation of RBI directions on 'Asset Classification' the company failed to classify certain restructured loan accounts as non-performing assets (NPAs) upon restructuring. Statutory authority: Section 58G(1)(b) read with Section 58B(5)(aa) of the RBI Act, 1934.	₹5,30,000
3.	Bank of Maharashtra	6 February 2026	Non-compliance with: (a) RBI directions on 'Credit Information Reporting in respect of Self Help Group Members' did not report SHG member-level credit data to Credit Information Companies (CICs); and (b) RBI's KYC Directions failed to identify beneficial owners in certain accounts. Statutory authority: Section 25(1)(iii) read with Section 23(4) of the Credit Information Companies (Regulation) Act, 2005 and Section 47A(1)(c) read with Sections 46(4)(i) and 51(1) of the Banking Regulation Act, 1949.	₹32,50,000
4.	CSB Bank Limited	6 February 2026	Non-compliance with: (a) RBI directions on 'Scope of Activities to be Undertaken by Business Correspondents (BCs)' entered into arrangements with BCs for activities beyond the permitted scope; and (b) RBI directions on 'Customer Service in Banks' levied charges on certain savings bank accounts without informing customers upfront. Statutory authority: Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949.	₹63,60,000

RBI REGULATORY ACTIONS

Sr. No	Name of Bank	Order Date	Violation & Reason	Penalty
5.	DCB Bank Limited	6 February 2026	Non-compliance with RBI directions on 'Loans Extended Against Pledge of Gold Ornaments and Jewellery for Non-Agricultural End Uses' failed to maintain the prescribed Loan-to-Value (LTV) ratio in certain non-agricultural gold loan accounts during the tenure of such loans. Statutory authority: Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949.	₹29,60,000
6.	Belagavi District Central Co-operative Bank Limited, Karnataka	23 February 2026	Contravention of Section 20 read with Section 56 of the Banking Regulation Act, 1949 (loans to directors and related parties) and non-compliance with RBI directions on: (a) 'Gold Loan Bullet Repayment' extended gold loans under bullet repayment scheme beyond prescribed limits; and (b) 'Exposure to Commercial Real Estate' sanctioned a loan to a non-residential commercial real estate project. Inspection conducted by NABARD with reference to financial position as on 31 March 2025.	₹2,00,000
7.	Vita Merchants' Co-operative Bank Limited, Maharashtra	13 February 2026	Non-compliance with: (a) RBI directions on 'Exposure Norms and Statutory / Other Restrictions UCBs' sanctioned loans to certain nominal members in excess of prescribed regulatory limits; and (b) RBI directions on 'Fair Lending Practice Penal Charges in Loan Accounts' failed to communicate the levy of penal charges and the reasons for such charges to certain borrowers.	₹3,10,000

SEBI MANDATES REGISTRATION DISCLOSURE ON SOCIAL MEDIA PLATFORMS FOR ALL SEBI-REGULATED ENTITIES (EoDI CIRCULAR)

On 26 February 2026, the Securities and Exchange Board of India ("**SEBI**") issued Circular No. HO/(79)2026-MIRSD-PODMMC ("**Circular**") under its 'Ease of Doing Investment' ("**EoDI**") initiative, mandating all SEBI-regulated entities and their agents to prominently disclose their SEBI registered name and registration number on social media platforms ("**SMPs**") when posting securities market-related content. The Circular takes effect for all content uploaded on or after 1 May 2026. SEBI first proposed these disclosures in a November 2025 consultation paper in response to the growth of fraudulent and misleading 'finfluencer' content on social media.

Key Highlights

- **Who it applies to**: All intermediaries registered under Section 12 of the SEBI Act, 1992 and regulated under the SEBI (Intermediaries) Regulations, 2008, including stock brokers, depository participants (DPs), registrars to an issue and share transfer agents (RTAs), investment advisers (IAs), research analysts (RAs), alternative investment funds (AIFs), portfolio managers, collective investment schemes, infrastructure investment trusts (InvITs), real estate investment trusts (REITs) including SM REITs, and mutual funds and their asset management companies (AMCs). The Circular also expressly covers their agents, including mutual fund distributors, PMS distributors, and authorized participants

- **Compliance requirements:**

  - *Single registration entities*: Must display their SEBI registered name and registration number on the home page of all SMP handles and at the beginning of each video or post relating to the securities market;

  - *Multiple registration entities*: Must provide a web link on their SMP home page listing all SEBI-registered names and registration numbers; in each specific post, only the registration relevant to that content needs to be disclosed;

  - *Agents*: Must disclose both the principal entity's registration details and their own registration credentials at the beginning of each piece of content.

- **Scope**: The Circular expressly covers all SMPs YouTube, Instagram, Facebook, WhatsApp, X (formerly Twitter), LinkedIn, Threads, Telegram, Reddit, and others, including closed or semi-closed groups on those platforms. Content posted prior to 1 May 2026 is not subject to retroactive compliance, though content re-shared or re-posted on or after that date must comply. The Circular does not prohibit unregistered persons from posting securities-related content; it applies only to SEBI-regulated entities and their agents.

LEX
TAKEAWAY

The Circular operationalises SEBI's intent to bring social media within the regulated perimeter of securities market communication by making every piece of regulated content identifiably attributable to a specific SEBI registration. By extending the identification standards applicable to offline and formal communications to digital platforms, SEBI seeks to enable investors to distinguish regulated intermediaries from unregistered actors at the point of content consumption. For regulated entities and their agents, compliance will require systematic review of social media handles, content production workflows, agent oversight protocols, and in particular WhatsApp and Telegram-based distribution channels where the volume and informality of content creates compliance challenges. Given the May 1, 2026 effective date, preparatory work should begin without delay.

SEBI EoDI CIRCULAR

SOCIAL MEDIA PLATFORMS

REGISTRATION DISCLOSURE

FINFLUENCER

INVESTOR PROTECTION

REGULATED ENTITIES

SECURITIES MARKET CONTENT

FINTECH
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JAN – MAR 26

SEBI CONSULTATION PAPER ON KYC SIMPLIFICATION

On 16 January 2026, SEBI issued a consultation paper proposing amendments to the KYC Master Circular dated 12 October 2023. The proposals seek to simplify client onboarding, enhance portability of KYC data across intermediaries, and rationalise the risk management framework at KYC Registration Agencies ("KRAs"). SEBI frames the proposals as an ease-of-doing-business package while preserving AML/CFT controls, aligned with the Prevention of Money Laundering Act, 2002 and the Prevention of Money Laundering (Maintenance of Records) Rules, 2005. Public comments have been invited until 6 February 2026.

The consultation distinguishes between the Client Identification Process ("CIP" – Part I of the Account Opening Form) and supplementary Client Due Diligence ("CDD" – Part II) and proposes centralising specified Part II attributes at the KRA level. It also introduces a defined KRA-driven periodic review mechanism and targeted documentation relaxations to reduce duplication and stale records in the system.

Key Proposals

- **Centralised Supplementary CDD at KRAs**: Intermediaries would be required to upload specified Part II information to KRAs within three working days of completion of KYC, including income slab, optional net worth (with date), place or country of birth, Foreign Account Tax Compliance Act ("FATCA") details, PEP status, occupation, CKYC ID (where available), DIGIPIN (where available), Officially Valid Document ("OVD") expiry date and optional alternate

contact details. KRAs may independently validate such information and appropriately tag KYC records, thereby enabling portability of supplementary CDD data across intermediaries.

- **Portability and Five-Year Review Cycle**: KRAs will be required to review all KYC records at least once every five years from account creation or last update. Automated alerts must be issued in advance of review due dates (including for expired OVDs and minors attaining majority). Records may lose "validated" status if clients fail to update information within prescribed timelines.

- **Alternate Contact Details and Aadhaar-Seeded Verification**: Clients may provide optional alternate mobile numbers and email IDs. Where a mobile number is Aadhaar-seeded and verified, further verification by intermediaries accessing the KRA record would be optional.

- **Formal Delinking Mechanism**: Intermediaries must intimate KRAs of account closure within three working days; KRAs must update or delink the record within two working days, ensuring information is not shared with intermediaries where the relationship has ceased.

- **Overseas Citizen of India ("OCI") and Name-Change Relaxations**: For OCI cardholders' resident in India, overseas address proof would be optional if Indian address is verified and residency exceeds 182 days. Where name changes are already reflected in PAN and Aadhaar databases, additional documentary proof would not be mandatory.

- **Current Address Validation Flexibility**: A KYC record may be tagged as “validated” even if the current address is not independently source-verified, provided the proof-of-address attribute itself is source-verified in line with the KYC Master Circular.

LEX TAKEAWAY

The consultation marks a structural shift toward positioning KRAs as central stewards of KYC lifecycle management rather than passive repositories. By centralising supplementary CDD data, formalising portability of validated records and introducing a mandatory five-year review cycle, SEBI seeks to reduce repetitive onboarding while strengthening data integrity and monitoring discipline. Targeted relaxations including OCI address flexibility, PAN/Aadhaar-linked name-change acceptance and Aadhaar-seeded mobile recognition address recurring friction points without diluting AML/CFT safeguards.

KYC MASTER CIRCULAR

KYC REGISTRATION AGENCY (KRA)

CLIENT IDENTIFICATION PROCESS (CIP)

CLIENT DUE DILIGENCE (CDD)

FIVE-YEAR KYC REVIEW

DELINKING MECHANISM

OCI RELAXATION

DATA PORTABILITY

FINTECH
FLYER

JAN – MAR 26

DELHI HIGH COURT - PIL ON DATA PROTECTION VIOLATIONS BY DIGITAL LENDING APPS

By order dated 07 January 2026 in Himakshi Bhargav v. Union of India & Ors (W.P.(C) 118/2026), a Division Bench of the Delhi High Court (Chief Justice Devendra Kumar Upadhyaya and Justice Tejas Karia) issued notice in a public interest litigation raising concerns regarding alleged violations of borrowers' privacy and data protection rights by Digital Lending Applications (DLAs). The Court recorded that the petition "raises a serious concern regarding violation of right of protection of data of the borrowers through Digital Lending Applications (DLAs)."

Regulatory Background – RBI (Digital Lending) Directions, 2025: The order notes that RBI, in exercise of statutory powers under the Banking Regulation Act, 1949, the Reserve Bank of India Act, 1934 and the National Housing Bank Act, 1987, has issued the Reserve Bank of India (Digital Lending) Directions, 2025. These Directions apply to digital lending activities of commercial banks, cooperative banks, non-banking financial companies and all-India financial institutions. The Court observed that the Directions are regulatory in nature, contain measures to check abuse of borrower data, and provide for a grievance redressal mechanism. The petition, however, alleges that certain digital lending applications continue to engage in intrusive or disproportionate data-access

practices including access to contacts, photographs and other personal data, notwithstanding the extant regulatory framework.

Court's Directions to RBI: The Bench issued notice to the Union of India and RBI, with counsel accepting notice. Recognising the seriousness of the issue, the Court directed the RBI to file a counter-affidavit addressing the averments in the writ petition and to bring on record the action taken for enforcement of the Digital Lending Directions, 2025. RBI has also been required to disclose what action has been taken where violations of the Directions are found. Six weeks have been granted for filing the counter-affidavit, followed by two weeks for rejoinder, if any.

FINTECH FLYER

JANUARY – MARCH 2026

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