FIDC

Finance Industry Development Council

(A Self Regulatory Organisation for NBFCs in India)

CIN: U91990MH2004NPL146931

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24th December, 2025

The Chief General Manager-in-Charge
Department of Regulation
Reserve Bank of India
Central Office, Shahid Bhagat Singh Marg
Fort, Mumbai – 400 001

Respected Sir,

Subject: **Prevention of Financial Frauds Perpetrated Using Voice Calls and SMS – Regulatory Prescriptions and Institutional Safeguards**

RBI vide reference No. CEPD.CO.OBD.No.S1270/50-01-001/2024-25 dated January 17, 2025 issued the captioned circular ("RBI Circular"). Through the RBI Circular, RBI has advised all Regulated Entities to ensure compliance with the instructions therein expeditiously.

We at FIDC fully support the initiative taken to prevent/regulate fraudulent/intrusive calls and to protect the interests of consumers. We also welcome the publication of customer care numbers on the Sanchar Saathi website for public knowledge.

One of the requirements in the RBI Circular is that transactional / service calls can be undertaken only using '1600xx' numbering series. Whilst the RBI Circular does not define what constitutes transactional / service calls, the same has been defined under Telecom Commercial Communications Customer Preference Regulations, 2018 as amended through the Telecom Commercial Communications Customer Preference (Second Amendment) Regulations, 2025 ("TRAI Regulations").

TRAI Regulations define transactional / service calls as below:

Service Message or Service Voice Call:

"(bh) "Service Message or Service Voice Call" means a message sent or voice call made by a Sender to–

(i) its Customer or Subscriber to provide information pertaining to any product or service, its warranty, product recall, software upgrade alerts, safety or security of the product used or purchased by the Customer, periodic balance alerts, information regarding delivery of goods or services, and such Messages are not promotional in nature and do not require Explicit Consent; or

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(ii) a Recipient to facilitate or complete a commercial transaction involving the ongoing purchase or the use by the Recipient of the product or services offered by the Sender after obtaining Explicit Consent from the Recipient and such Messages are not promotional in nature:

Provided that such Explicit Consent shall be for seven days or as directed by the Authority from time to time:

Provided further that a transactional Message or transactional Voice Call containing information pertaining to service shall be treated as a Service Message or Service Voice Call;"

Transactional Message or Transactional Voice Call:

"(bt) "Transactional Message or Transactional Voice Call" means a Message sent or Voice Call made by a Sender to its Customer or Subscriber in response to Customer initiated transaction within thirty minutes of the transaction relating to any product or service such as OTP from banks, non-bank-entities like e-commerce, apps login etc., transaction alerts and confirmations, balance alerts post completion of a transaction, refund information, etc. and such Messages or calls are not promotional in nature and does not require Explicit Consent;"

FIDC is of the view that the collection/recovery calls by NBFCs to delinquent/non-delinquent customers to recover the money lent, are not envisaged to be covered under the aforesaid definition of services / transactional calls as they are neither service calls nor calls made in response to a transaction initiated by customers as defined above. The calls covered under the said definition by TRAI, are primarily for providing routine services, information, periodic updates or transactional alerts etc. Whereas the collection related calls made by NBFCs are reminders/ follow up for payments due from the existing customers as per their contractual obligation and are thus not envisaged to be covered under the aforesaid definition.

We would like to highlight that in case the definition of "Transactional call/message" includes calls made for debt servicing and collection, the regulatory mandate for 1600-series outbound calls would pose significant challenges for debt collection, potentially reducing recovery rates and efficiency. We believe that the upfront recognition of the 1600-series number by the customer could lead to unintended/intended refusal to answer such calls. This will further reduce the ability to engage with customers for mutually beneficial repayment solutions.

The implementation of the 1600-series in debt servicing could lead to:
- Reduced customer reach and engagement leading to lower recovery rates.
- Increase in the number of door-knocks resulting in higher discomfort for the customer.
- Increased delinquencies and resultant higher NPAs.
- Disruption of the recovery process and also negatively impacting overall credit discipline.
- Lead to a severe impact on the credit growth in the country.

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Our inability to reach out to the customers (delinquent as well as non-delinquent) might result in lowering the collection efficiency over a period of time. This in turn may impact asset classification, portfolio performance, additional provisioning and could also further have a cascading impact on the financials of the regulated entity. Thus, it will lead to systemic risk in the lending sector, over a period of time.

The absence of a robust and effective way to reach the customers for their contractual obligation of repayments would impact the credit delivery to a large segment of borrowers who are remotely located.

FIDC's Views on the definition of "Service/Transactional Calls"

1. On perusal of the aforesaid definitions, FIDC is of the view that the collection / recovery calls for delinquent or non-delinquent customers to recover the money lent by REs are not envisaged to be covered under aforesaid definition of Service / Transactional Calls as these are just reminders to pay dues/ over-dues and not expected *to facilitate or complete a commercial transaction/ service* as contemplated under TRAI regulations.

2. These reminders and follow up calls also help protect the credit scores of customers from downgrades caused by unintended delays in servicing of loans**.**

3. The underline objective of the above said RBI circular is to prevent potential misuse of borrower's mobile numbers by regulated entities. As a prudent lending practice, it is of prime importance to maintain a regular connect with the borrower to ensure effective two-way communication and timely action. Therefore, debt servicing / collection calls which serve as reminders to the borrower form an integral part of these two-way connect.

Request

1. *We would request a clarification from the Reserve Bank that debt servicing / collection calls are distinct from transactional / service calls under TRAI definitions and hence fall outside the purview of the requirement to route such calls through 1600 series of numbers.*

2. *In case such a clarification is not possible, we propose that:*

- *Regulated entities would make 2 attempts to contact the customer (delinquent or non-delinquent) using the 1600-series number. In case of failure to connect the customers after 2 attempts from 1600 series number, regulated entities may be permitted to make debt servicing / collection calls from numbers other than 1600 series of numbers followed by a message communicating that the company has tried to reach out to the customer twice.*

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- *Additionally, where a customer, having been contacted using 1600-series, still does not repay the dues, the subsequent/follow up calls to the said customer may be made using other numbers. Adherence to the other RBI regulations in relation to the collection / recovery activities and Fair Practices shall of course need to be followed.*

We hope that our request shall be considered favorably. Assuring you of our full cooperation always & thanking you in anticipation.

Yours Sincerely,

For **FINANCE INDUSTRY DEVELOPMENT COUNCIL**

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