

Spocto X and FACE Pioneer AI-Driven Compliance Framework for Collections at 6th Collect CoLabs

Category: Business

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- Collect CoLabs is Spocto X's flagship invite only forum, bringing together lenders, regulators and technology leaders to exchange ideas, address systemic challenges and co-create solutions for the future of collections.
- Partnering with FACE, the RBI-recognised Self-Regulatory Organisation in the FinTech sector, brought additional depth and credibility to this edition of Collect CoLabs. FACE's role ensured that discussions on AI-driven collections were anchored in compliance, borrower protection, and regulatory alignment.
- Themed **"Building Tomorrow's Collections: AI Technology with Compliant Foundations"**, the forum focused on

balancing innovation with compliance as a foundation for trust and systemic resilience.

- Five core themes emerged – usage of agentic AI, contextual bots, regulatory alignment, governance, and shared industry frameworks – signaling a shift from recovery-led to proactive, trust-led collections.

Collect CoLabs – a Spocto X initiative hosted its sixth edition in partnership with Fintech Association for Consumer Empowerment (FACE). Being India's most exclusive forum for collection leaders, it brought together over 20 senior leaders from banks, NBFCs, fintechs, and regulatory bodies to chart the next phase of debt collections in India.



Collection leaders gathered for Collect CoLabs in New Delhi

When Spocto X first conceived Collect CoLabs, the intent was clear, to create a neutral, high-trust forum where CXOs and regulators could exchange candid views on the future of collections. With six successful editions and insights from over 80 industry experts over time, the initiative has evolved into a premier thought-leadership platform for the collections ecosystem.

The Collect CoLabs forum, co-hosted by FACE, served a combined role of knowledge sharing and highlighted the strategic shift towards Agentic AI as a dynamic orchestrator of collections, capable of real-time campaign adaptation. With participation from leading institutions such as ICICI Bank, Kotak Mahindra Bank, RBL Bank, Paytm, Muthoot Finance, etc, the discussions underscored how this technical advancement demands rigorous model risk management, emphasizing the need for AI that is not only powerful but also explainable, auditable, and regulator-ready. As an industry expert noted, *"The real key lies in model risk management: it's not enough to simply deploy AI; we must also understand exactly what the model is designed to do."* This sentiment was echoed in discussions on **contextual conversational AI**, where the focus moved beyond scripts to creating intelligent, personalized interactions that maintain borrower trust, especially in early-stage collections.

A critical technical hurdle addressed was the lack of **regulatory clarity and standardization**. Leaders called for a centralized, regulator-validated repository to ensure consistent interpretation of RBI guidelines across banks, NBFCs, and fintechs. This initiative is seen as foundational for scaling technology responsibly, as it removes ambiguity and enables the development of shared compliance frameworks. **Sugandh Saxena, CEO of FACE**, noted the value of the forum in this endeavor, stating, *"For FACE, Collect co labs is an effort to bring collections into the mainstream conversation and ensure that borrower protection, compliance, and innovation move forward hand in hand. As the RBI-recognised SRO in the FinTech sector, FACE believes forums like these can elevate collections from a backroom function to a boardroom priority, creating the collaborative bridges between lenders, fintechs, and regulators that will define the industry's future."*

The dialogue culminated in a move from theory to actionable technical frameworks. Proposals included embedding compliance

directly into engagement systems through features like multilingual disclosure and seamless human escalation mechanisms. This aligns with the vision of AI as a collaborative tool, a point elaborated on by **Himanshu Kateja, Product Head at Spocto X**, who defined the next evolution as “**a deep collaboration where the system can take inputs, reason, and make cognitive decisions.**” The collective outcome was a clear roadmap positioning collections as a function driven by accountable technology and fortified by industry-wide cooperation, set to advance further in the future editions of the series.

About Spocto X – A Yubi Company

Spocto X, a [Yubi](#) Group company, is a leading end-to-end debt collections platform, revolutionizing collection mechanisms for banks and consumers worldwide. Spocto X has prevented over 9 Crore accounts from becoming non-performing assets, saving INR 50,000 Crores+ in expected credit losses. With 50+ top financial institutions as clients and a MENA presence headquartered in Dubai International Financial Centre (DIFC), Spocto X is at the forefront of innovation. Acquired in 2022, Spocto is part of the Yubi Group of Companies led by Founder & CEO Gaurav Kumar. Yubi is the world's only technology company powering the end-to-end debt lifecycle, facilitating over ₹1,40,000 Cr in debt volumes, reducing collections costs by 57%, and fostering inclusivity and transparency in the financial ecosystem. Together, Yubi and Spocto X are democratizing capital flow and reshaping the future of finance. Learn more at www.spocto.com.

About FACE

The Fintech Association for Consumer Empowerment (FACE) is the RBI Recognised Self-Regulatory Organisation in the FinTech Sector (SRO-FT). FACE brings together over 240 FinTech companies to advance customer-centric financial services that are safe, suitable, and transparent, delivering positive outcomes for society and the economy.

Website: faceofindia.org.

