

FEBRUARY 2026

NEWSLETTER

REGULATORY

- RBI
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- MCA



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1. Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026

Notification No. FEMA 3(R)(5)/2026-RB
Dated: 9th February, 2026

Effective Date: February 16, 2026

Vide this notification RBI has amended Foreign Exchange Management (Borrowing and Lending) Regulations, 2018.

Key Highlights of the notification are as below:

1. Addition of New Definitions under Regulation 2

New definitions are added in the amended directions:

a. Arm's length basis	b. International Financial Service Centre (IFSC)
c. Authorised Bank	d. Liberalised Remittance Scheme
e. benchmark rate	f. Non-Resident External (NRE) Account
g. Control	h. Non-Resident Ordinary (NRO) Account
i. Cost of borrowing	j. National Housing Bank
k. Designated Authorised Dealer (AD) Category I Bank	l. Net worth
m. Foreign Currency Non-Resident (Bank) (FCNR (B)) account	n. Non-Resident Indian (NRI)
o. Financial sector regulator	p. Related party
q. Foreign currency convertible bond (FCCB)	r. Securities
s. Foreign currency exchangeable bond (FCEB)	t. Special Economic Zone (SEZ)
u. Industrial Park	v. Special Non-Resident Rupee Account (SNRR) account
w. Infrastructure sector	

2. Addition of New Clause as 3A-Restriction on End-Use of Borrowed Funds

Funds borrowed in terms of these Regulations shall not be utilised for the following purposes in India:

- a. Investment in Chit funds;
- b. Investment in Nidhi Companies;
- c. Real estate activities except for permitted categories such as affordable housing, SEZs, industrial parks, or other specifically allowed infrastructure activities;
- d. Agricultural and animal husbandry activities, unless expressly permitted under applicable sectoral regulations.
- e. Trading in Transferable Development Rights (TDR);
- f. Investment in Capital Market including trading in shares, derivatives, or other securities, except for strategic investments or corporate restructuring where specifically allowed;
- g. Repayment of a domestic INR loans particularly where such domestic loans were used for restricted activities;
- h. On-lending for any of the purposes for which funds cannot be borrowed and utilised under this regulation.

3. Amendment of Regulation 6(B) pertaining to Borrowing by persons other than Authorised Dealer

The revised provision specifically permits **an individual resident in India** to borrow in INR from:

- A Non-Resident Indian (NRI), or
- A relative who is an OCI Cardholder

Earlier, any resident person (other than an Indian incorporated company) could avail such borrowing.

The loan must be received through:

- Inward remittance from outside India; or
- Debit to the lender's NRE / NRO / FCNR(B) / SNRR account.

The borrowing shall be on a non-repatriation basis, i.e., payment of interest and repayment of principal shall be made only to the NRO account of the lender.

Under the previous framework, borrowing was allowed subject to terms specified by the Reserve Bank of India in consultation with the Government of India, and borrowers had to ensure compliance with end-use restrictions.

4. Substitution of Schedule 1 pertaining to External Commercial Borrowing (ECB) Framework

The amendment has replaced the earlier External Commercial Borrowing (ECB) provisions under the 2018 Regulations with a detailed, stand-alone framework covering eligibility, borrowing terms, end-use, cost, maturity, security and reporting.

[Notification](#)

2. Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026

RBI/2025-26/221 A.P. (DIR Series) Circular No. 22
Dated: 16th February, 2026

The Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026 dated February 09, 2026 were published in the official gazette on February 16, 2026.

Provisions pertaining to ECB contained in **Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations** and related provisions pertaining to borrowing in Indian Rupees (INR) by persons resident in India contained in **Master Direction – Borrowing and Lending** transactions in Indian Rupee between Persons Resident in India and Non-Resident Indians/ Persons of Indian Origin were reviewed and are now consolidated in the above 2026 amendment regulations.

Accordingly, RBI vide this circular has made the following amendments to the aforesaid Master directions and Frequently Asked Questions (FAQs):

- a) Para 1 to 12 of Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations shall be deleted;
- b) Para 2 of Master Direction – Borrowing and Lending transactions in Indian Rupee between Persons Resident in India and Non-Resident Indians/ Persons of Indian Origin shall be deleted; and
- c) Part I of FAQs on External Commercial Borrowings (ECB) and Trade Credits shall be deleted.

[Circular](#)

SEBI

1. Creation/Invocation of pledge of securities through depository system

HO/47/14/12(1)2026-MRD-POD2/I/4229/2026

Dated 5th February, 2026

SEBI vide this circular has modified the existing framework for pledging of shares through the depository system as prescribed in the SEBI **Master Circular for Depositories** dated December 03, 2024. The changes aim to align the framework for pledge of securities through depositories with the statutory requirements under the **Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018**, the **Depositories Act, 1996**, and the **Indian Contract Act, 1872**.

SEBI has inserted new provisions as para 4.13.3 after para 4.13.2 of the Master Circular to ensure statutory compliance. Following are the key changes:

1. Depositories are required to maintain a standardised format of the **Pledge Request Form** to ensure uniform compliance across the system. (4.13.4)
2. Depositories are required to include specific undertakings from both pledger and pledgee in the Pledge Request Form, ensuring all parties agree to comply with the Indian Contract Act, Depositories Act, SEBI regulations, circulars and bye-laws. (4.13.3.2)
3. Before a pledge is invoked (i.e., before the pledgee exercises the right to encash or dispose of pledged securities), the **pledgee must provide reasonable notice** to the pledger. (4.13.3.1)
4. When a pledge is invoked (4.13.5):
 - ✓ Depositories are required to send an intimation/notification to both pledger and pledgee confirming invocation.
 - ✓ The pledgee shall be recorded as “beneficial owner” in terms of Regulation 79(8) of the DP Regulations.

The provisions of the circular shall be implemented **on or before April 6, 2026**.

[Circular](#)

2. Reporting of value of units of Alternative Investment Funds (AIFs) to Depositories

HO/19/34/11(8)2025-AFD-POD1/I/4335/2026

Dated 6th February, 2026

Existing regulations

SEBI (Alternative Investment Funds) Regulations, 2012, prescribes as under:

- AIFs may raise funds from Indian, foreign, and NRI investors through issuance of units (Reg. 10).
- The value of such units is calculated based on the valuation of investment portfolio of AIF / scheme of AIF as under:
 - ✓ Category I & II AIFs are required to undertake valuation of their investments once in every six months through an independent valuer (extendable to one year with 75% investor approval).
 - ✓ Category III AIFs are required to ensure independent NAV calculation (independent from the fund management function of the AIF) and disclose NAV quarterly (close-ended) or monthly (open-ended).
- AIF units are required to be issued in **dematerialised (demat) form** (Reg. 10(aa)).

Amendment

In view of the existing valuation framework and the mandatory dematerialisation of AIF units, and in order to leverage the depository infrastructure for enhancing transparency, operational efficiency and system readiness of AIFs, Registrars and Transfer Agents (RTAs) and Depositories, SEBI has specified the following requirements vide this circular:

- a. Mandatory NAV Reporting:** AIFs must report the NAV of each ISIN to depositories within 30 days from the valuation date (or by May 1, 2026), whichever is later.
- b. Clarity on Valuation Date:** The valuation date shall be considered as under
 - i) In case valuation is carried out by independent valuers –Date of valuation report.
 - ii) In case valuation is carried out by an Internal valuer –Date on which the valuation is documented in the internal records of the fund.
- c. Manager Accountability:** The manager of the AIF shall be responsible for ensuring timely and accurate

uploading of NAV.

d. Depository Systems: Depositories must establish systems to receive, maintain and display NAV information.

[Circular](#)

3. Master Circular for Investment Advisers

HO/38/12/11(2)2026-MIRSD-POD/I/4300/2026

Dated 6th February, 2026

SEBI has been issuing various circulars from time to time on Investment Advisers. In order to enable Investment Advisers and other market stakeholders to have an access to all the applicable circulars at one place, this Master Circular has been issued.

With the issuance of this Master Circular, all directions/instructions contained in the circulars listed out in the Appendix to this Master Circular shall stand rescinded to the extent they relate to Investment Advisers.

Notwithstanding such rescission,

- a. anything done or any action taken or purported to have been done or taken under the rescinded circulars shall be deemed to have been done or taken under the corresponding provisions of this Master Circular.
- b. any application made to Board under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular.
- c. the previous operation of the rescinded circulars or anything duly done or suffered thereunder shall remain unaffected as if the rescinded circulars have never been rescinded.

[Master Circular](#)

4. Master Circular for Research Analysts

HO/38/12/11(1)2026-MIRSD-POD/I/4360/2026

Dated 6th February, 2026

SEBI has been issuing various circulars from time to time on Research Analysts. In order to enable Research Analysts and other market stakeholders to have an access to all the applicable circulars at one place, this Master Circular has been issued.

With the issuance of this Master Circular, all directions/instructions contained in the circulars listed out in the Appendix to this Master Circular shall stand rescinded to the extent they relate to Research Analysts.

Notwithstanding such rescission,

- a. anything done or any action taken or purported to have been done or taken under the rescinded circulars shall be deemed to have been done or taken under the corresponding provisions of this Master Circular.
- b. any application made to Board under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular.
- c. the previous operation of the rescinded circulars or anything duly done or suffered thereunder shall remain unaffected as if the rescinded circulars have never been rescinded.

[Master Circular](#)

5. Master Circular for Issue of Capital and Disclosure Requirements (ICDR)

HO/49/14/14(2)2026-CFD-POD2/I/4518/2026

Dated 9th February, 2026

SEBI has been from time to time issuing various circulars/direction under the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('ICDR Regulations). In order to enable users to have an access to all the applicable circulars at one place, the provisions of the circulars issued till December 31, 2025 are incorporated in this Master Circular.

With the issuance of this Master Circular, all directions/instructions contained in the circulars listed out in the Appendix to this Master Circular shall stand rescinded to the extent they relate to ICDR Regulations.

Notwithstanding such rescission,

- a. anything done or any action taken or purported to have been done or taken under the rescinded circulars shall be deemed to have been done or taken under the corresponding provisions of this Master Circular.
- b. any application made to Board under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular.
- c. the previous operation of the rescinded circulars or anything duly done or suffered thereunder shall remain unaffected as if the rescinded circulars have never been rescinded.

[Master Circular](#)

MCA**1. Updated List of Registrar of Companies**Notification No. S.O. 698(E)
Dated 10th February 2026

The Central Government hereby appoints following Registrars of Companies as adjudicating officers for the purposes of the Companies act, 2013 in respect of jurisdictions indicated against each Registrar.

SL. No.	Designation	States/Union Territories/Districts under Jurisdiction
1	Registrar of Companies, NCT of Delhi-I	South Delhi, Southwest Delhi, New Delhi, Southeast Delhi, East Delhi
2	Registrar of Companies, NCT of Delhi-II	Central Delhi, West Delhi, North Delhi, Northwest Delhi, Northeast Delhi, Shahdara
3	Registrar of Companies, Haryana	State of Haryana
4	Registrar of Companies, Chandigarh	State of Punjab and UT of Chandigarh
5	Registrar of Companies, Uttar Pradesh-I	Ambedkar Nagar, Amethi, Amroha, Auraiya, Ayodhya, Azamgarh, Badaun, Bahraich, Ballia, Balarampur, Banda, Barabanki, Bareilly, Basti, Bhadohi, Bijnor, Chandauli, Chitrakoot, Deoria, Etawah, Farrukhabad, Fatehpur, Ghazipur, Gonda, Gorakhpur, Hamirpur, Hardoi, Jaunpur, Jalaun, Jhansi, Kaushambi, Kannauj, Kanpur Dehat, Kanpur Nagar, Kushinagar, Lakhimpur Kheri, Lalitpur, Lucknow, Maharajganj, Mahoba, Mau, Mirzapur, Moradabad, Pilibhit, Pratapgarh, Prayagraj, Raebareli, Rampur, Sambhal, Sant Kabir Nagar, Shahjahanpur, Shravasti, Siddharth Nagar, Sitapur, Sonbhadra, Sultanpur, Unnao, Varanasi
6	Registrar of Companies, Uttar Pradesh-II	Agra, Aligarh, Baghpat, Bulandshahr, Etah, Firozabad, Gautam Buddha Nagar, Ghaziabad, Hapur, Hathras, Kasganj, Mainpuri, Mathura, Meerut, Muzaffarnagar, Saharanpur, Shamli
7	Registrar of Companies-cum-Official Liquidator, Dehradun	State of Uttarakhand
8	Registrar of Companies-cum-Official Liquidator, Jammu	UT of Jammu & Kashmir and UT of Ladakh
9	Registrar of Companies-cum-Official Liquidator, Shimla	State of Himachal Pradesh
10	Registrar of Companies, Kolkata-I	District of Kolkata (West Bengal)
11	Registrar of Companies, Kolkata-II	State of West Bengal except Kolkata district
12	Registrar of Companies-cum-Official Liquidator, Patna	State of Bihar
13	Registrar of Companies-cum-Official Liquidator, Cuttack	State of Odisha
14	Registrar of Companies-cum-Official Liquidator, Ranchi	State of Jharkhand
15	Registrar of Companies, Guwahati	Assam, Meghalaya, Manipur, Tripura, Mizoram, Nagaland, Arunachal Pradesh
16	Registrar of Companies, Chennai	Tamil Nadu (except Coimbatore, Dharmapuri, Dindigul, Erode, Krishnagiri, Namakkal, Salem, Nilgiris, Tiruppur) and UT of Andaman & Nicobar Islands
17	Registrar of Companies, Coimbatore	Coimbatore, Dharmapuri, Dindigul, Erode, Krishnagiri, Namakkal, Nilgiris, Salem, Tiruppur (Tamil Nadu)
18	Registrar of Companies, Puducherry	UT of Puducherry
19	Registrar of Companies, Ernakulam	State of Kerala and UT of Lakshadweep
20	Registrar of Companies, Hyderabad	State of Telangana
21	Registrar of Companies, Bangalore	State of Karnataka

22	Registrar of Companies, Mumbai-I	Mumbai and Mumbai Suburban (Maharashtra)
23	Registrar of Companies, Mumbai-II	Aurangabad, Dhule, Jalgaon, Nandurbar, Nashik, Palghar, Raigad, Thane (Maharashtra)
24	Registrar of Companies, Nagpur	Akola, Amravati, Beed, Bhandara, Buldhana, Chandrapur, Gadchiroli, Gondia, Hingoli, Jalna, Latur, Nagpur, Nanded, Osmanabad, Parbhani, Wardha, Washim, Yavatmal (Maharashtra)
25	Registrar of Companies, Pune	Pune, Ahmednagar, Kolhapur, Solapur, Satara, Sangli, Ratnagiri, Sindhudurg (Maharashtra)
26	Registrar of Companies-cum-Official Liquidator, Goa	State of Goa and UT of Daman & Diu
27	Registrar of Companies, Ahmedabad	State of Gujarat and UT of Dadra & Nagar Haveli
28	Registrar of Companies, Gwalior	State of Madhya Pradesh
29	Registrar of Companies-cum-Official Liquidator, Bilaspur	State of Chhattisgarh
30	Registrar of Companies-cum-Official Liquidator, Jaipur	State of Rajasthan
31	Registrar of Companies, Vijayawada	State of Andhra Pradesh

The appeals, if any, filed against the orders passed by the adjudicating officers shall lie before the respective jurisdictional Regional Director. The above list also applied for jurisdiction of LLP.

[Notification](#)

Disclaimer:

This is not a complete listing of all circulars/notifications issued during the month. Instead, it is only a listing of some of the circulars/notifications that we considered important.



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