

FEBRUARY 2026

CORPORATE LAW BULLETIN



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A. MINISTRY OF CORPORATE AFFAIRS

DIR-3 KYC Amendment (Effective from 31 March 2026)

Ministry of Corporate Affairs has issued the Companies (Appointment and Qualification of Directors) Amendment Rules, 2025 which shall come into force on the 31st day of March, 2026. The amendment inter-alia provides following:

- KYC shall be every three years instead of annually at present.
- Due date shifted from 30th September to 30th June.
- Any change in the Mobile number, Email address and Residential address must be updated within 30 days through DIR-3-KYC Web, along with payment of applicable fees.

For more details: <https://www.mca.gov.in/bin/dms/getdocument?mids=Vk%252FT5sIBKBare6St1b%252FznQ%253D%253D&type=open>

B. Reserve Bank of India – FEMA

RBI cancels registration of 35 Non-Banking Financial Companies for regulatory non-compliances

The Reserve Bank of India has cancelled the certificates of registration of 35 Non-Banking Financial Companies (NBFCs) for non-compliance with regulatory requirements. The central bank said that these companies are no longer permitted to carry out their NBFC business. RBI has also advised the public to verify the regulatory status of financial entities before undertaking any financial transactions.

For more details: <https://www.newsonair.gov.in/rbi-cancels-registration-of-35-non-banking-financial-companies-for-regulatory-non-compliance/>

Foreign Exchange Management (Guarantees) Regulations, 2026

The Reserve Bank of India has issued the Foreign Exchange Management (Guarantees) Regulations, 2026. Authorised Dealer banks are required to be guided by these regulations while facilitating guarantees involving persons resident outside India. The regulations mandate comprehensive reporting of all guarantees issued, modified or invoked to Authorised Dealer banks in Form GRN, with the manner and format of submission to be notified separately.

For more details: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=13268&Mode=0>

Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

The Reserve Bank of India has issued the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, in supersession of the earlier 2015 regulations. These regulations shall come into force from 1st October, 2026. The regulations, inter alia, provide for provisions relating to declaration of exports, manner of receipt and payment, timelines for realisation of export proceeds, project exports, merchanting trade transactions, and internal policies and standard operating procedures for handling such transactions.

For more details: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=13268&Mode=0>

C. SECURITIES LAWS – SEBI

SEBI Facilitates Seamless Digital Signature Certificate Functionality for FPIs

As part of digitising the FPI on-boarding process, a new Digital Signature Certificate (DSC) functionality has been integrated into the Common Application Form (CAF) portal. This enhancement enables a single, unified process for FPI registration and DSC application, thereby simplifying on-boarding. Earlier, SEBI had permitted FPIs to use digital signatures for CAF and related registration documents. With this development, FPIs can now apply for a DSC directly while submitting the CAF on the portal, further streamlining the registration process.

For more details: https://www.sebi.gov.in/media-and-notifications/press-releases/jan-2026/sebi-facilitates-seamless-digital-signature-certificate-functionality-for-fpis_98996.html

SEBI issues Circular on “Simplification of requirements for grant of accreditation to investor”

SEBI has issued circular on “Simplification of requirements for grant of accreditation to investor”. To ensure ease of doing business, SEBI has permitted investment manager of AIFs to raise commitment, pending receipt of certificate from an accreditation agency, based on investment manager’s assessment of an investor’s eligibility. SEBI has also done away with requirement to give detailed break-up of net worth and made it optional for the certifying chartered accountant to specify the actual net-worth in the net- worth certificate.

For more details: https://www.sebi.gov.in/media-and-notifications/press-releases/jan-2026/sebi-issues-circular-on-simplification-of-requirements-for-grant-of-accreditation-to-investor_99008.html

SEBI (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2026

SEBI has notified the SEBI (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2026. To enhance retail participation and encourage public issuances in the corporate debt market, SEBI has amended the 2021 regulations to permit issuers to offer incentives to specified categories of investors. Earlier, issuers were restricted from offering such incentives, except for fees or commission for services rendered. Pursuant to the amendment, issuers may now offer incentives such as additional interest or a discount to the issue price to eligible investor categories, as may be specified by SEBI.

For more details: https://www.sebi.gov.in/legal/regulations/jan-2026/securities-and-exchange-board-of-india-issue-and-listing-of-non-convertible-securities-amendment-regulations-2026_99233.html

Legal Pronouncements

Examination of inconsistencies in Share transfer Documentation under section 59 of the Companies Act, 2013 Nuventure Connect Private Limited v. Registrar of Companies, Ernakulam NCLT

M/s. Nuventure Connect Private Limited filed an appeal under Sections 59 and 88 of the Companies Act, 2013 seeking rectification of its Register of Members to include Ms. Thankam Ancheri Rappai as the holder of 3,000 equity shares allegedly transferred pursuant to a Share Transfer Deed dated 30 April 2019. The appellant also sought directions to the Registrar of Companies, Kerala, to amend the Register and declare that the omission was due to a bona fide oversight. Upon examination, the Tribunal noted material inconsistencies in the documents submitted, including apparent tampering with the execution date of the share transfer deed and lack of evidence of consideration. The prolonged inaction by both the Company and the alleged transferee further cast serious doubts on the genuineness of the transaction. In view of these discrepancies, the Tribunal held that the appellant failed to establish a credible and legally valid share transfer. Accordingly, the appeal was dismissed, underscoring the importance of clear, authentic documentation and timely compliance for seeking rectification under Section 59 of the Companies Act, 2013.

For more details: https://nclt.gov.in/gen_pdf.php?filepath=/Efile_Document/ncltdoc/casedoc/3214117009312025/04/Order-Challenge/04_order-Challenge_004_1765800344746504078693ff9987baaa.pdf



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