SEBI

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March 2026

2025-26

भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

SECURITIES AND EXCHANGE BOARD OF INDIA

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CAPITAL MARKET REVIEW

I. Trends in Resource Mobilisation by Corporates (*Annexure Tables 3 to 14*)

- **Main board IPO crossed century mark, record amount mobilised in FY 26:** Primary market activity in FY26 has remained exceptionally strong, as mainboard IPO listings surpassed the milestone of 100 Offerings and mobilized a record **₹1.8 lakh crore**- the highest amount ever raised in a year. With a month remaining in the fiscal, FY 26 has proven to be outstanding for primary markets.
- In February 2026, IPO activity moderated, extending the softening trend observed since October 2025. During the month, **17 IPOs** raised **₹4,650 core**, marking the second-lowest level of monthly resource mobilisation in FY26.
- A divergence in trends across segments was observed as activity in the mainboard segment remained subdued, reflecting cautious participation by larger issuers, the SME segment continued to demonstrate steady momentum. Although, the number of SME issuances moderated, the average issue size continued to increase, indicating a gradual scaling up of fundraising by smaller enterprises. The average SME IPO size has risen consistently over time, from ₹13 crore in FY20 to ₹44 crore in FY25, and further to ₹49 crore in FY26 (so far).
- **Listing Day Performance:** The overall IPO listing performance remained **moderate** with ten issues debuting at or above their issue price. On the listing day, total offer value of ₹5,533 crore translated into a listed market capitalisation of ₹6,233 crore, implying an **average listing-day gain of 12.6 per cent.**

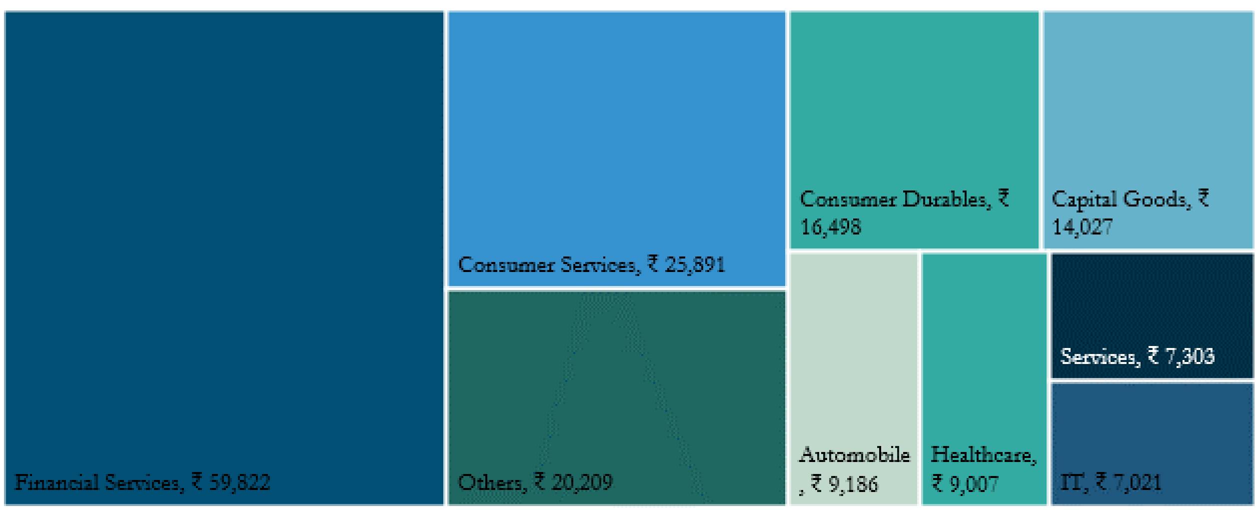
Table 1: Fund Mobilization by Corporates (₹ crore)

Particulars	2025-26 (up to Feb-26)	Feb-26
I. Equity Issues	**4,33,723**	**10,201**
a. IPOs (i+ii)	1,80,110	4,650
i. Main Board	*1,68,974*	4,009
ii. SME Platform	*11,136*	641
b. FPOs	88	0
c. Equity Rights Issues	44,751	299
d. QIPs/IPPs	1,41,103	5,222
e. Preferential Allotments	67,671	30
II. Debt Issues	**8,04,171**	**65,519**
a. Debt Public Issues	9,580	896
b. Private Placement of Debt	7,94,590	64,623
III. REITs/InvITs	**21,239**	**696**
a. REITs	9,300	0
b. InvITs	11,939	696
Total Funds Mobilised (I+II+III)	**12,59,133**	**76,416**

Source: SEBI, BSE and NSE

- **Sectoral Analysis of Mainboard IPO** up to Feb 2026 indicates a selective, concentrated and domestically oriented issuance cycle with **financial services (***35 per cent***)** acting as the primary driver of capital mobilization as **six out of top ten** issuances till now has been from this sector. **Consumption-oriented sectors**: **Consumer services** (*15 per cent*) and **Consumer durables** (*10 per cent*) form the second major pillar of issuance activity, underscoring continued investor preference for **domestic demand driven business**. Capital-intensive sectors such as **Capital Goods** (*8 per cent*) and **Automobiles** (*5 per cent*) exhibited moderate and selective fundraising activity. Consistent with its defensive profile **Healthcare** (*five per cent*) showed its steady presence. While **export oriented and globally sensitive sectors** like **Services** (*4 per cent*) and **IT** (*4 per cent*) witnessed muted mobilization indicating a subdued IPO pipeline in these sectors.
- Overall, the sectoral composition of mainboard IPO reflects a market characterized by cautious optimism, as continued market activity co-exists with a measured capital raising amid prevailing global uncertainties.

Chart 1: Mainboard IPO Sectoral Trends FY 2025-26 (up to February 2026)



Source: BSE and NSE

- **Rights issues** remained subdued in February 2026, with **seven** issuances mobilizing **₹299 crore**. As rights issue are typically preferred for maintaining promoter control, the muted activity suggest that issuers may be deferring it amid uncertain market conditions.
- **QIP** witnessed notable contraction with one issuance raising **₹30 crore**, highlighting a significant pullback in institutional capital raising. Given that, QIPs are generally favoured for their speed and flexibility in capital raising, the decline indicates to a weaker institutional risk appetite and a

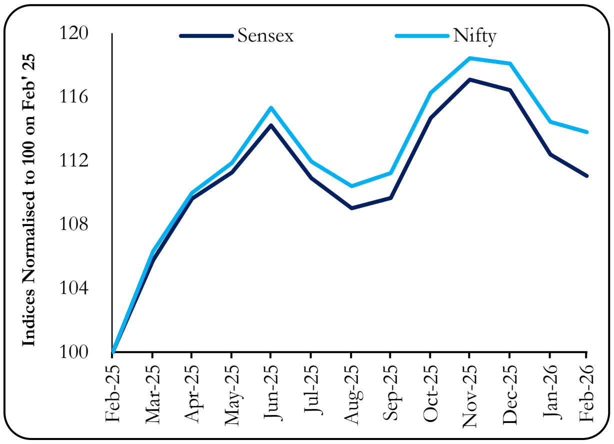
cautious stance by issuers. P**referential allotments** witnessed moderation in funds raised, but had high issuance volume indicating **smaller ticket size**.

- In February 2026, **Debt issuances** amounted to **₹65,519 crore**, registering an increase from previous month, largely driven by **private placement.**
- **Offers closed under SEBI (SAST) Regulations:** During the month, seven offers with offer value of ₹5,402 crore were closed under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011. These transactions were undertaken with the objective of change in control/management.
- Overall, primary market in February 2026 reflected a phase of consolidation, characterized by **reduced large sized issuances**, **continued activity in smaller segments** and selective investor sentiment across fundraising avenues.

II. Trends in Secondary Market *(Annexure Tables 1, 15 to 17, 30, 31, 37 to 39, 47, 61 to 66)*

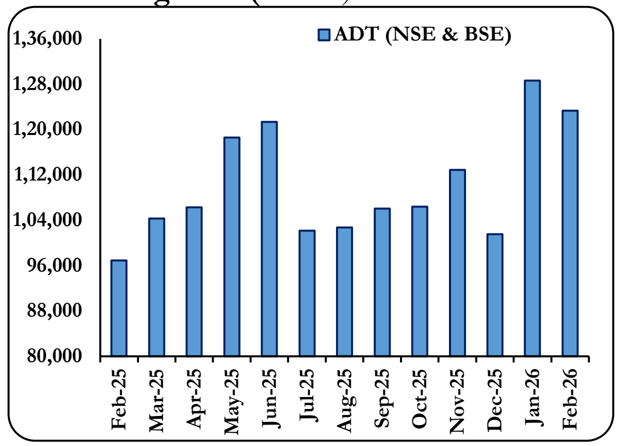
- **Broad Market Indices:** During February 2026, the Indian equity markets experienced significant volatility events, including a sharp Budget-Day correction (on account of STT hike on F&O contracts, and fiscal tightening cues) and a strong recovery post announcement of interim India-US trade deal among others. The benchmark indices Nifty and Sensex declined marginally by 0.6 per cent and 1.2 per cent respectively by the end of the month. Nifty Midcap 50 and Smallcap 100 indices rose marginally by 0.4 per cent and 0.3 per cent respectively during the month.
- **Sectoral Indices:** Nifty Consumer Durables (at 9.3 per cent M-o-M returns) was the top performer among the selected sectoral indices. Nifty PSU Bank posted 8.9 per cent returns, driven by strong Q3 earnings, robust credit growth and improved asset quality. Nifty Pharma (5.7 per cent) and Auto (5.3 per cent) indices followed. Nifty IT index plunged by a whopping 19.5 per cent M-o-M, amid AI disruption concerns.
- **Market Turnover**: The total turnover in the equity cash segment almost remained unchanged during the month at ₹25.9 lakh crore. The combined Average Daily Turnover (ADT) at BSE and NSE for the month was ₹1.23 lakh crore, 27.3 per cent more than the ADT during February 2025.

Chart 2: Movement of Sensex & Nifty 50



Source: BSE and NSE

Chart 3: Trends in ADT in Equity Cash Segment (₹crore)



Source: BSE and NSE

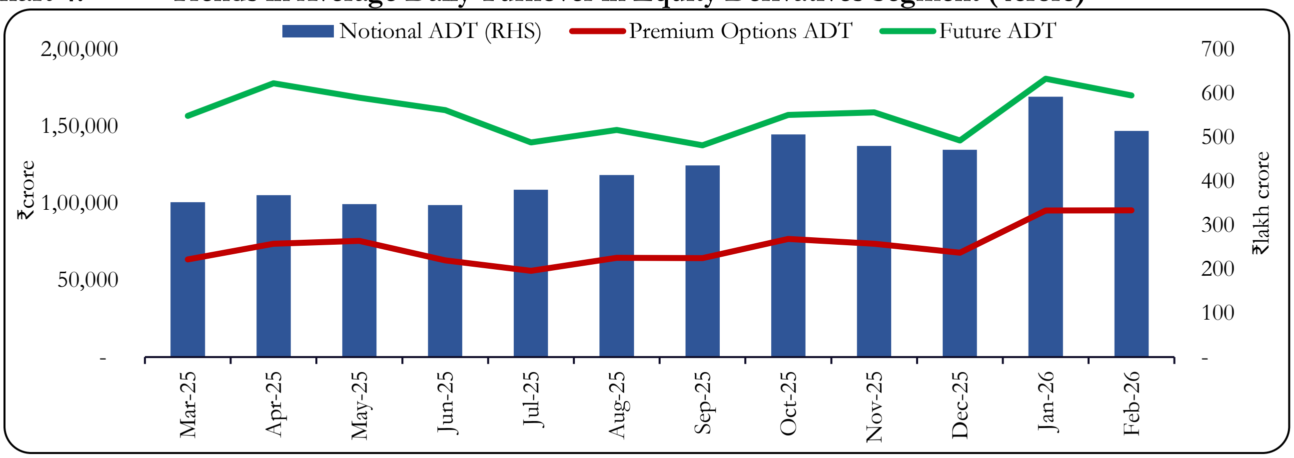
Table 2: Trends of BSE and NSE Sectoral Indices during February 2026 (per cent)

Sectoral Indices	Monthly Return	Annualized Volatility
NIFTY Consumer Durables	9.3	20.1
BSE Power	9.0	24.8
NIFTY PSU Bank	8.9	28.2
BSE Utilities	7.4	25.5
NIFTY Healthcare	7.0	15.8
BSE Industrials	5.9	20.5
NIFTY Pharma	5.7	16.0
BSE Capital Goods	5.7	22.1
NIFTY Auto	5.3	21.0
NIFTY Oil & Gas	4.0	18.7
NIFTY Metal	3.5	27.4
BSE Energy	3.0	19.2
NIFTY Media	2.2	22.4
NIFTY Financial Services	2.0	17.5
NIFTY Bank	1.5	14.5
BSE Commodities	1.1	21.8
NIFTY FMCG	-0.1	17.7
NIFTY Realty	-0.3	28.5
NIFTY IT	-19.5	32.8

Source: NSE & BSE

- **Equity Derivatives:** The average daily notional turnover (ADNT) in the equity F&O market across NSE and BSE decreased by 13 per cent (month-on-month) to ₹514 lakh crore during February 2026, after reaching a fiscal-year high of ₹592 lakh crore in January 2026. However, on a year to date basis, the ADNT stood at ₹441 lakh crore for FY26, up from ₹425 lakh crore recorded in FY25.

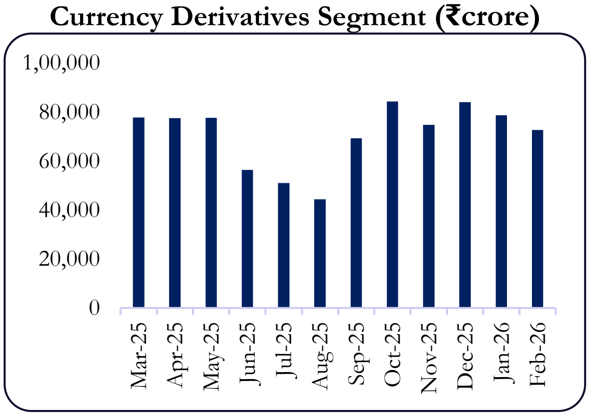
Chart 4: Trends in Average Daily Turnover in Equity Derivatives Segment (₹crore)



Source: BSE and NSE

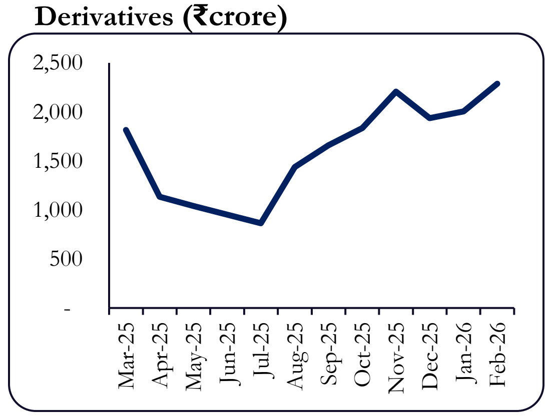
- **Currency Derivatives:** The notional turnover in currency derivatives segment declined consecutively for the second month to reach ₹72,617 crore during February 2026, an eight per cent fall as compared to January 2026. On a year-to-date basis, this segment experienced a significant fall in trading activity, with the notional ADT almost halving to ₹3,452 crore from ₹6,793 crore observed in FY25, largely attributable to the continued impact of underlying exposure norms.
- **Interest Rate Derivatives:** Interest Rate Futures (IRF) turnover went up by 14 per cent month-on-month, reaching ₹2,287 crore in February 2026. This marks the highest monthly turnover of the current financial year, crossing the ₹2,207 crore peak touched in November 2025.

Chart 5: Trends in Notional Turnover in Currency Derivatives Segment (₹crore)



Source: BSE, NSE and MSEI

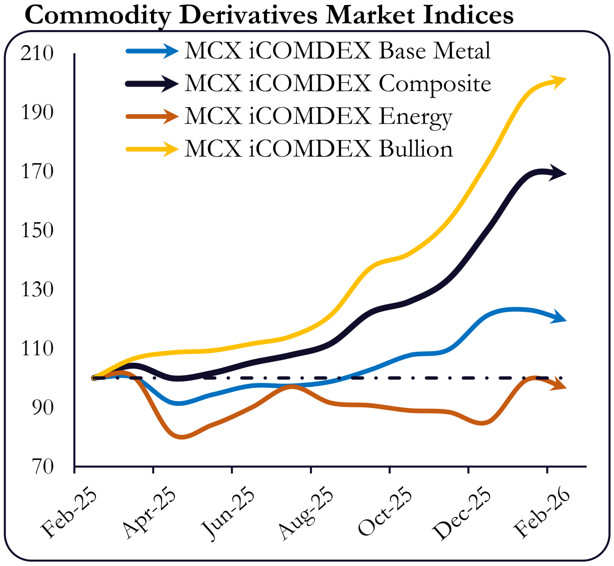
Chart 6: Trends in Turnover in Interest Rate Derivatives (₹crore)



Source: NSE

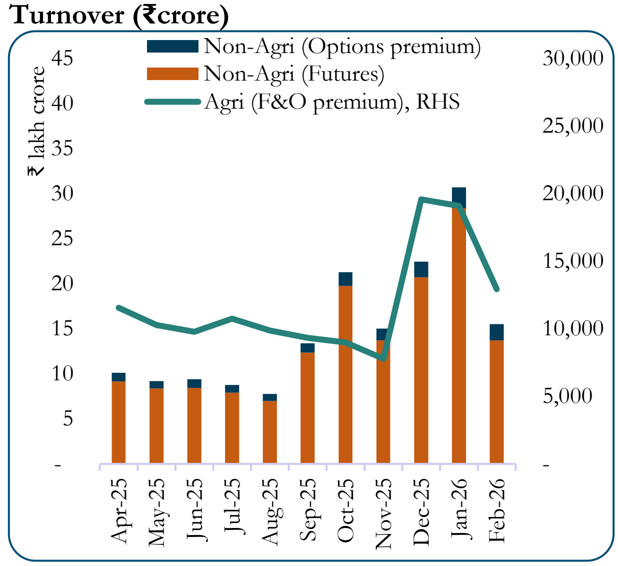
- **Commodity Derivatives:** In February 2026, the MCX iCOMDEX Composite index rose marginally by 0.4 per cent M-o-M as compared to 12 per cent last month. This was mainly due to fall in Energy index (-3.1 per cent) and Metal index (-3.1 per cent). Bullion sub-index also witnessed fall of (2.8 per cent).
- However, on a year-on-year basis, the returns on composite index, MCX iCOMDEX was 69.1 per cent at the end of February 2026. This was driven primarily by a stellar 101.5 per cent rally in the Bullion index and a 19.3 per cent increase in Metals, whereas the Energy index dipped by 3.5 per cent over the same period.

Chart 7: Movement of Domestic Commodity Derivatives Market Indices



Source: MCX; all indices are normalized to 100 from Sep-24

Chart 8: Trends in Commodity Derivatives Turnover (₹crore)

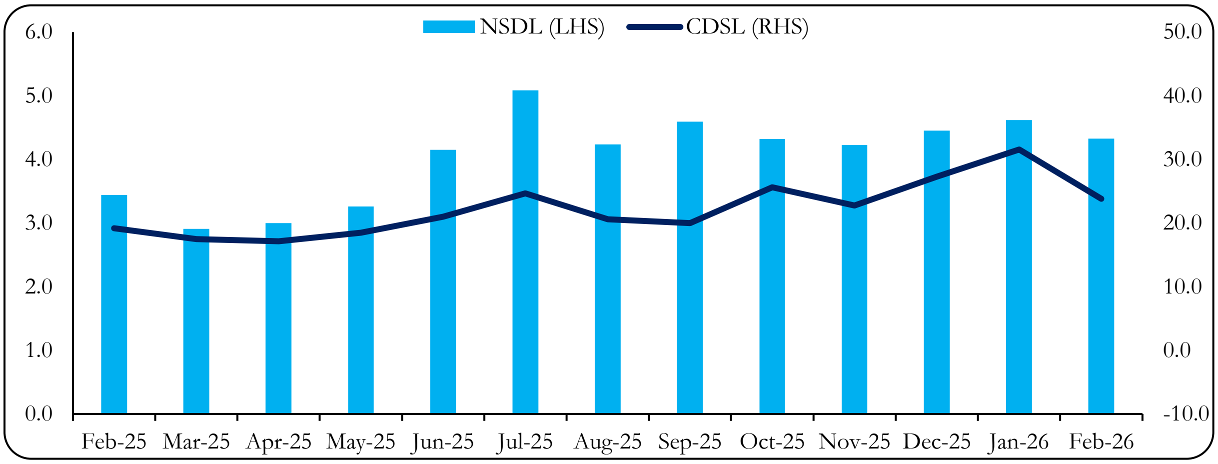


Source: MCX and NCDEX

III. Trends in Depository Accounts *(Annexure Tables 56 to 58)*

- **Increase in Demat accounts**: In February 2026, 4.3 lakh net demat accounts were added with NSDL, registering a M-o-M growth of 1.0 per cent in total demat accounts. 23.8 lakh net accounts were added with CDSL during the month, registering an increase of 1.4 per cent in total demat accounts over January 2026. At the end of February 2026, overall tally of demat accounts stood at 22.2 crore with 4.4 crore demat accounts at NSDL and 17.8 crore accounts at CDSL.

Chart 9: Monthly New Demat Accounts Added (lakh)



Source: CDSL and NSDL

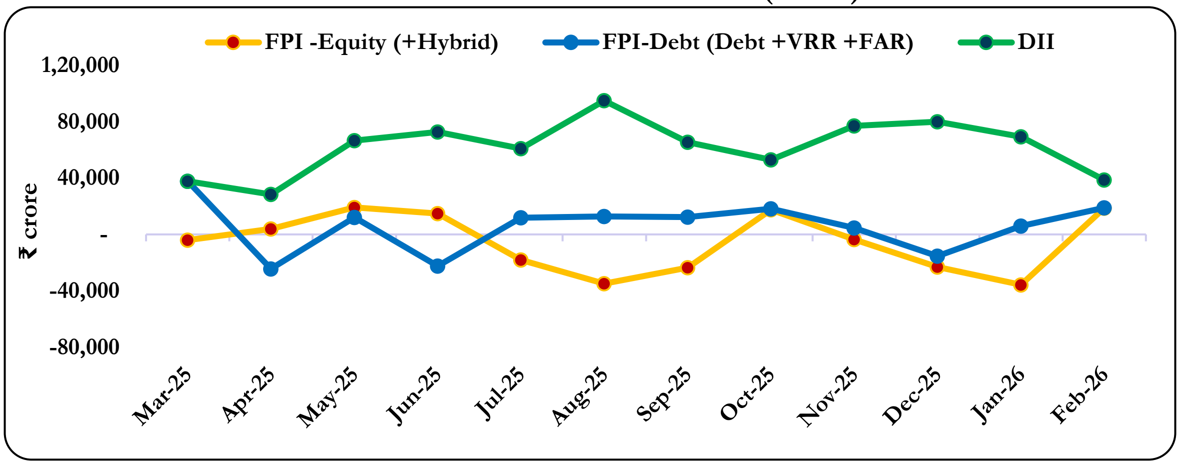
IV. Foreign Portfolio Investors[1] (FPIs) *(Annexure Table No. 49)*

- During February 2026, FPIs emerged as net buyers in the Indian market with net investment of ₹37,804 crore across asset classes. This significant inflow reversed the ₹29,240 crore net outflow recorded during the previous month, reflecting a positive shift in global investor sentiment.
- In equity segment, FPIs were net buyers amounting ₹22,615 crore during February 2026. This represents the highest monthly inflows in past 17 months (since September 2024), reversing a three-month selling streak (during Nov' 25- Jan'26) that saw outflows of ₹62,338 crore from Indian equities. This reversal maybe primarily due to India-US interim trade deal, which significantly reduced the export tariffs, alongside robust Q3 corporate earnings and a growth-oriented Union Budget.
- In debt segment also, FPI net investment went up to ₹18,791 crore during February 2026, more than tripling the ₹6,013 crore recorded in January 2026. All the categories of debt segment viz. Debt general limit, Debt FAR and Debt-VRR recorded FPI inflows, largely driven by RBI regulatory shift that merged the ₹2.5 trillion VRR cap into the General/FAR limits, alongside the India-US interim trade deal and the Union Budget's reinforced fiscal discipline, which collectively enhanced global confidence and access to Indian capital markets.
- During February 2026, domestic institutional investors (DIIs) continued to be net buyers in the equity segment with monthly net inflows of ₹38,574 crore. This robust participation, driven by

[1] *FPIs' net investment included investments in mutual funds starting from September 2024.*

record SIP flows, has resulted in a record cumulative net DII inflow of ₹7.1 lakh crore during the first 11 months of FY26.

Chart 10: Trends in FPIs' Investments (₹crore)



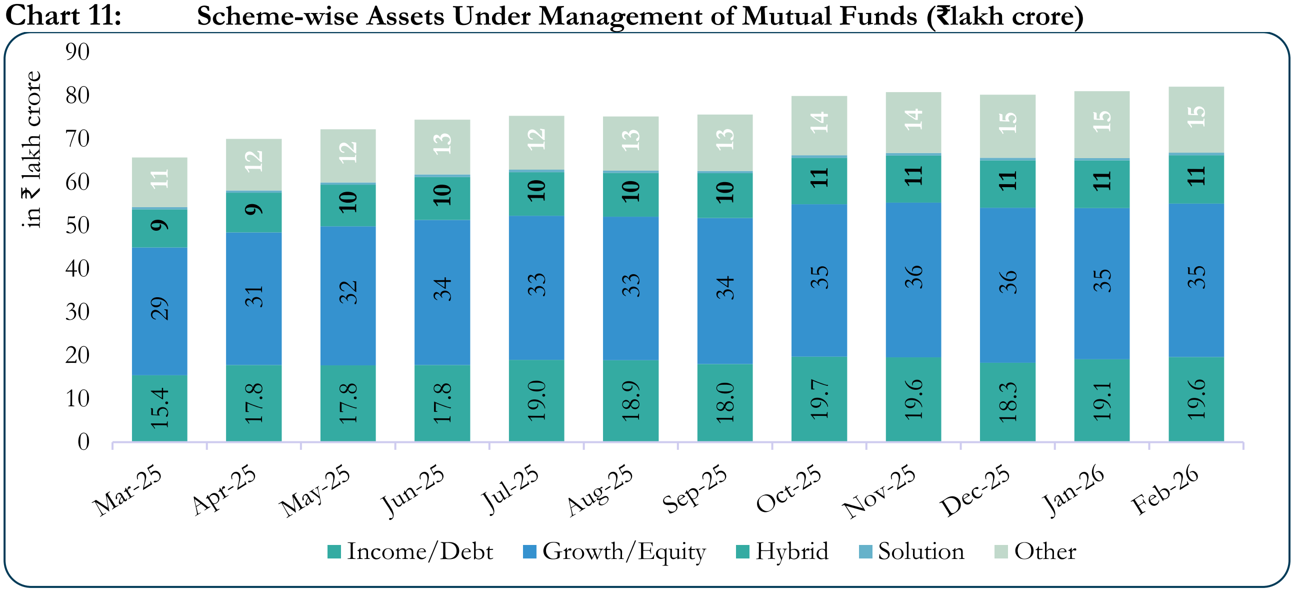
Source: NSDL, NSE and BSE

V. Fund Management Activities

A. Mutual Funds (*Annexure Tables Nos. 53 to 54*)

- As of February 28, 2026, assets under management (AUM) for the Indian mutual fund industry rose to ₹82.02 lakh crore, a 27.1 per cent increase compared to the end of February 2025.
- During 2025-26 (up to February 2026), gross funds mobilized by mutual funds reached ₹141.9 lakh crore against redemption/repurchase of ₹132.1 lakh crore, resulting in a net inflow of ₹9.8 lakh crore.

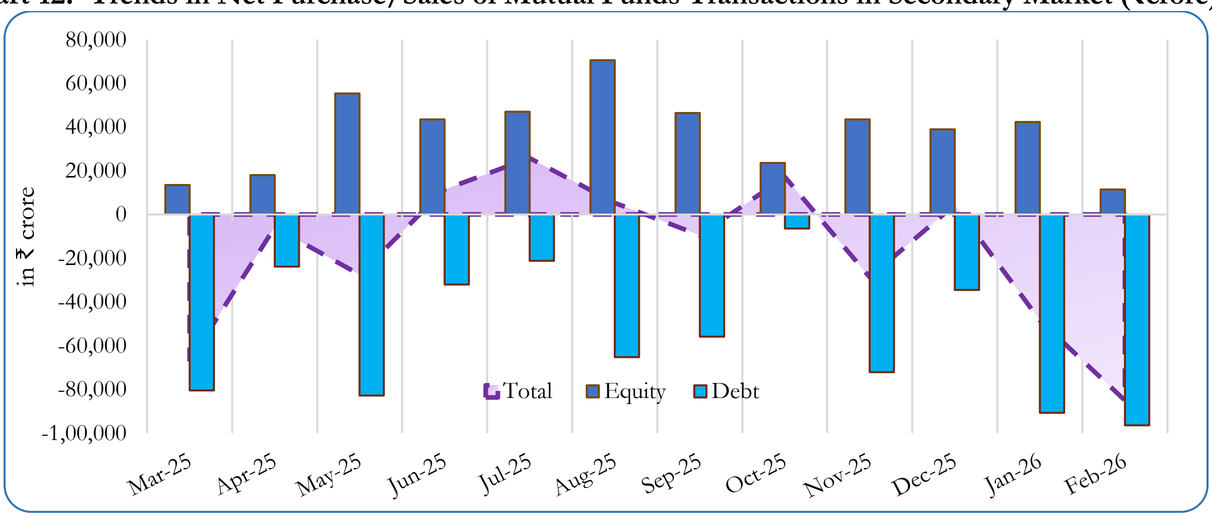
Chart 11: Scheme-wise Assets Under Management of Mutual Funds (₹lakh crore)



Source: SEBI

- During Feb-26, positive trend continued from the last month with income/debt oriented schemes experiencing inflows to the tune of ₹42,455 crore, with the highest inflows from liquid funds. Further, all other categories also saw net inflows. Equity-oriented schemes received net investment of ₹25,965 crore, followed by hybrid schemes at ₹11,983 crore and solution oriented schemes at ₹247 crore, while other schemes received net inflows of ₹13,879 crore. This resulted in total net inflows of ₹94,530 crore in mutual funds. Silver and Gold ETFs combined added a net of 27.8 lakh folios (15.7 lakh for silver and 12.1 lakh for gold), accounting for roughly 55 per cent of the net folio additions of 50.6 lakh during the month. On the other hand, equity schemes added only 10.6 lakh folios.
- As of Feb-26, for the last 22 months mutual funds have been reducing their exposure to debt instruments and are driving capital into equity market. In Feb-26, mutual funds invested ₹11,422 crore into equity market while taking out ₹96,458 crore from debt market.

Chart 12: Trends in Net Purchase/Sales of Mutual Funds Transactions in Secondary Market (₹crore)

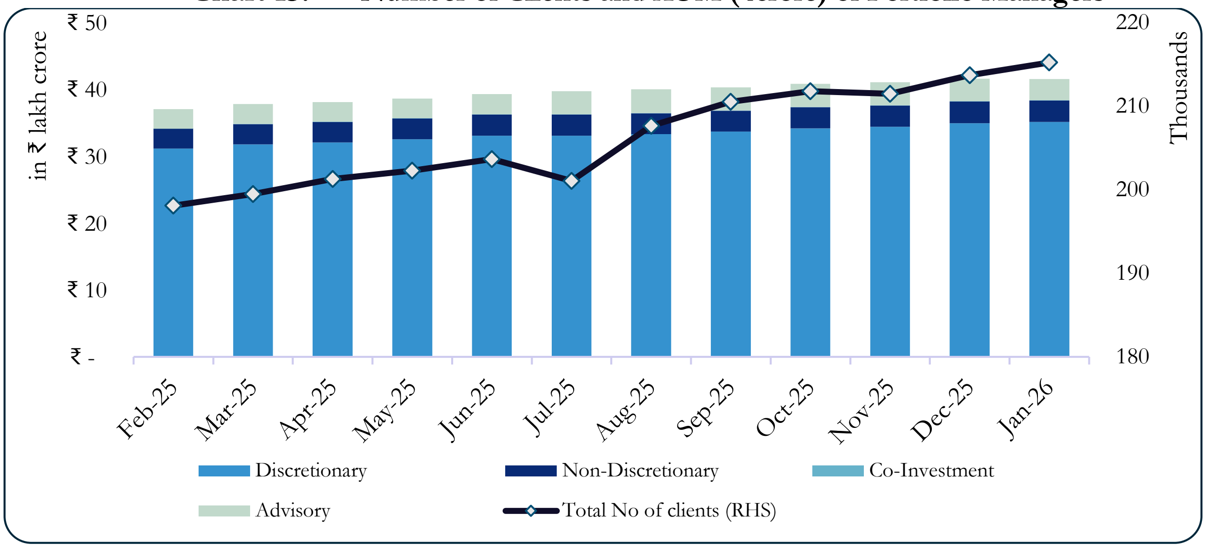


Source: SEBI

B. Portfolio Management Services (*Annexure Table No 55*)

- The total assets under management (AUM) in the portfolio manager industry stood at ₹41.6 lakh crore in January 2026.

Chart 13: Number of Clients and AUM (₹crore) of Portfolio Managers

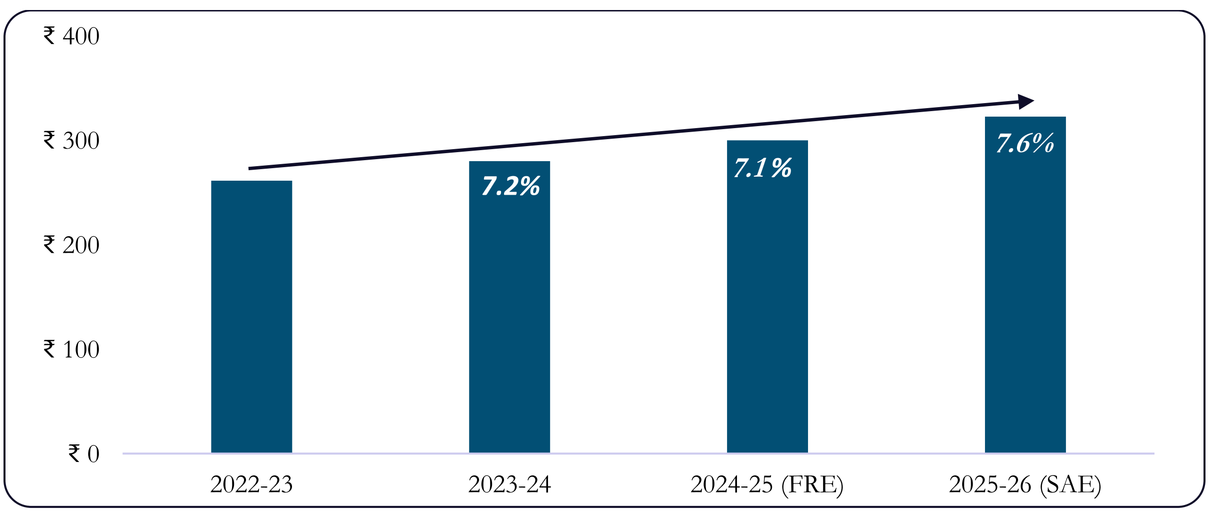


Source: SEBI

PERFORMANCE REVIEW: INDIA AND GLOBAL MARKETS

- **Structural Recalibration of India's National Accounts**: Ministry of Statistics and Programme Implementation (MoSPI) released a pivotal update regarding India's economic framework by transitioning to a **new base year (2022–23)** for National Accounts Estimates, replacing the decade old 2011–12 series.
- This shift from the 2011–12 series ensures that National Accounts reflect a "post-pandemic normal," utilizing enriched datasets and refined deflator practices, while addressing concerns flagged by the IMF and thereby enhancing credibility. Moreover, it is expected to improve estimation of unorganized sectors, by aligning production and expenditure data to provide a more realistic and holistic view of the domestic economic activity.
- India continues to outpace expectations, with Q3FY26 GDP growth reaching 7.8 per cent YoY, significantly exceeding the earlier estimates. This growth is underpinned by broad-based strength in manufacturing, services, and domestic investment.
- While the new series has sharply lowered FY24 real GDP growth to 7.2 per cent, the outlook for FY25 and FY26 has been revised up to 7.1 per cent and 7.6 per cent, respectively. Nominal GDP for FY26 is now estimated at ₹345 lakh crore, 3.3 per cent lower than the old series.

Chart 14: Annual GDP Estimates (in ₹ lakh crore) along with YoY Growth rates in Constant Prices

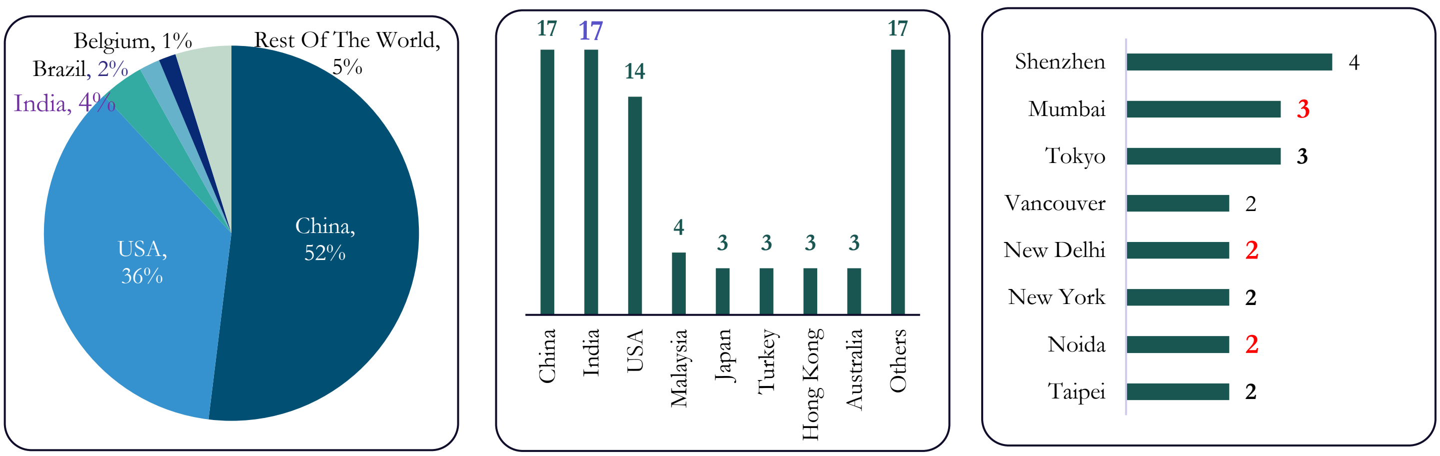


Source: MosPI; FRE: First Revised Estimate; SAE: Second Advance Estimate

- **Moderation in Global IPO Activity:** In February 2026, Global IPO activity moderated compared to the elevated levels observed in previous months, with **both deal volume and fund mobilization declining** significantly.
- **China continues to lead global issuance,** accounting for four of the top five global listings. With 17 issues raising over USD 7 billion, China remains the primary liquidity magnet in the Asian region. While the US saw a slightly lower volume (14 issues), it led in deal-size sophistication, exemplified by the month's largest individual listing, *Forgent Power Solutions Inc.,* which anchored a total capital raise of approximately USD 4.8 billion. India ranked third, with 17 issues raising about USD 514 Million, reflecting relatively smaller average deal size.
- Global IPO activity remained geographically concentrated**,** with Asia emerging as the primary driver led by China, supported by India and other Asian markets, reflecting stronger pipeline depth and sustained issuance momentum.
- On the other hand, USA had larger deal sizes reflecting its mature market. In contrast, Europe remained relatively subdued with limited contribution to overall fundraising, indicating weaker issuance momentum and a more cautious investor environment amid prevailing macroeconomic uncertainties.

Chart 15: Global IPO amount raised, Volume and top Domicile cities of the IPO Firms

a) Amount raised **b) Number of IPOs** **c) Domicile Cities of IPO Firms**

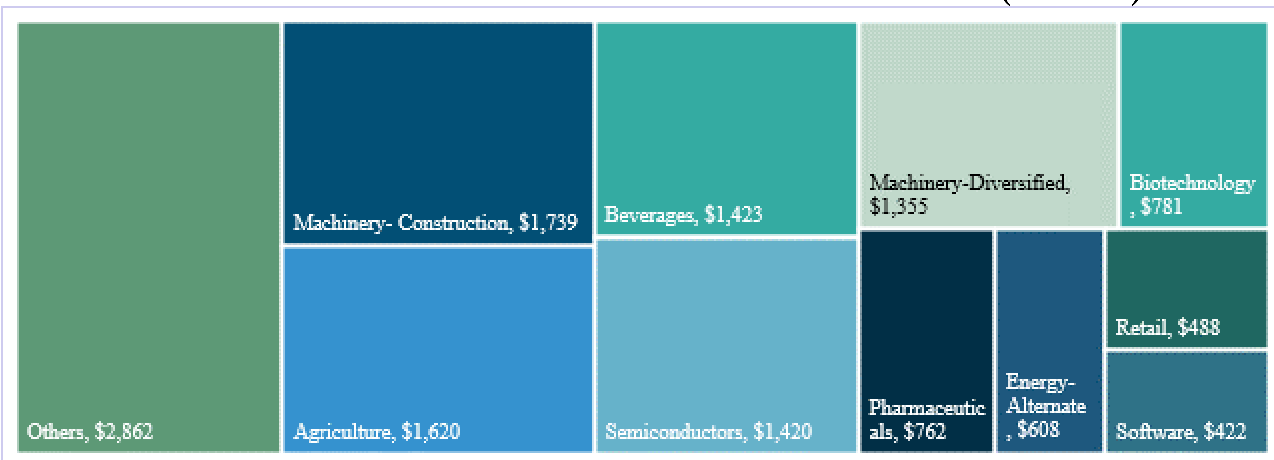


Source: Bloomberg

- The sectoral composition of global IPOs in February 2026 indicates a balanced yet strategic fundraising scenario. Capital-intensive sectors such as **Machinery** (construction and industrials) led funds mobilization, reflecting continued emphasis on infrastructure. Essential consumption linked sectors- **Agriculture** & **Beverages**, recorded strong activity, underscoring stable demand conditions.

- While in the technology related sectors, Semiconductors witnessed higher mobilization compared to Software, driven by AI and ML. **Healthcare** and **energy** maintained moderate presence.
- Overall, the sectoral trends indicate that global IPO activity during the month was focused on sectors linked to infrastructure, essential demand and long-term growth, rather than being broad-based.

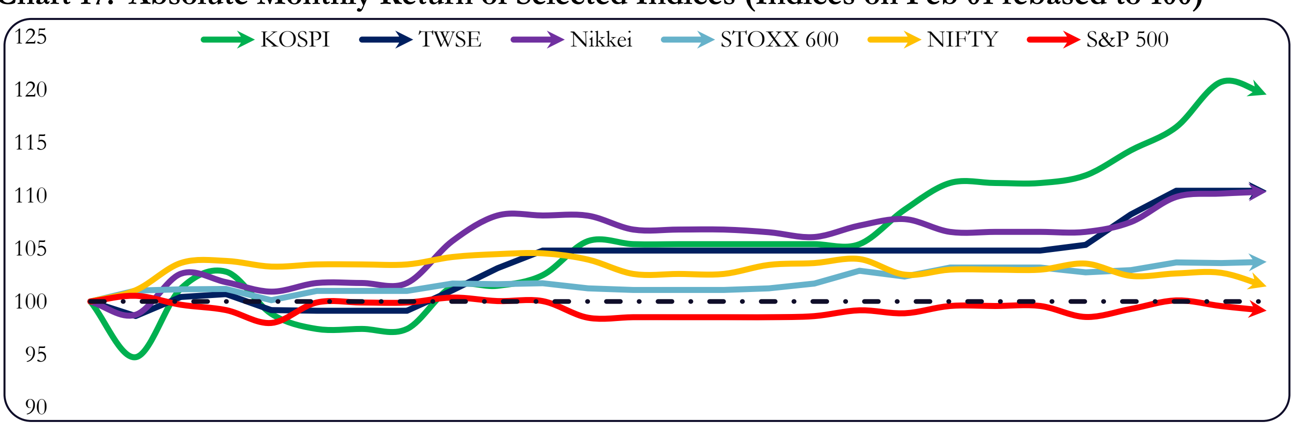
Chart 16: Global IPO market sector distribution for the Month (USD Mn)



Source: Bloomberg, Industry group and sector classification as per Bloomberg

- **Europe Gains, US underperforms, Asia mixed, India Lags:** Global equity in February 2026 exhibited divergence across regions. European Market's performed strongly, supported by improving economic activity and investor shift towards cyclical sectors. In contrast USA's market underperformed, reflecting weakness in technology stocks as the tech heavy Nasdaq fell more than the broader S&P 500.
- Asian markets presented a mixed picture with Korea' KOSPI (*20 per cent*), Taiwan's TWSE (*10 per cent*) and Japan's Nikkei (*10 per cent*) recording strong gains where as China remained relatively flat. India lagged with both SENSEX (*-1.2 per cent*) and Nifty (*-0.6 per cent*) posting marginal negative return due to weaker performance of its index heavy IT sector, while Hong Kong's HSI Index declined.

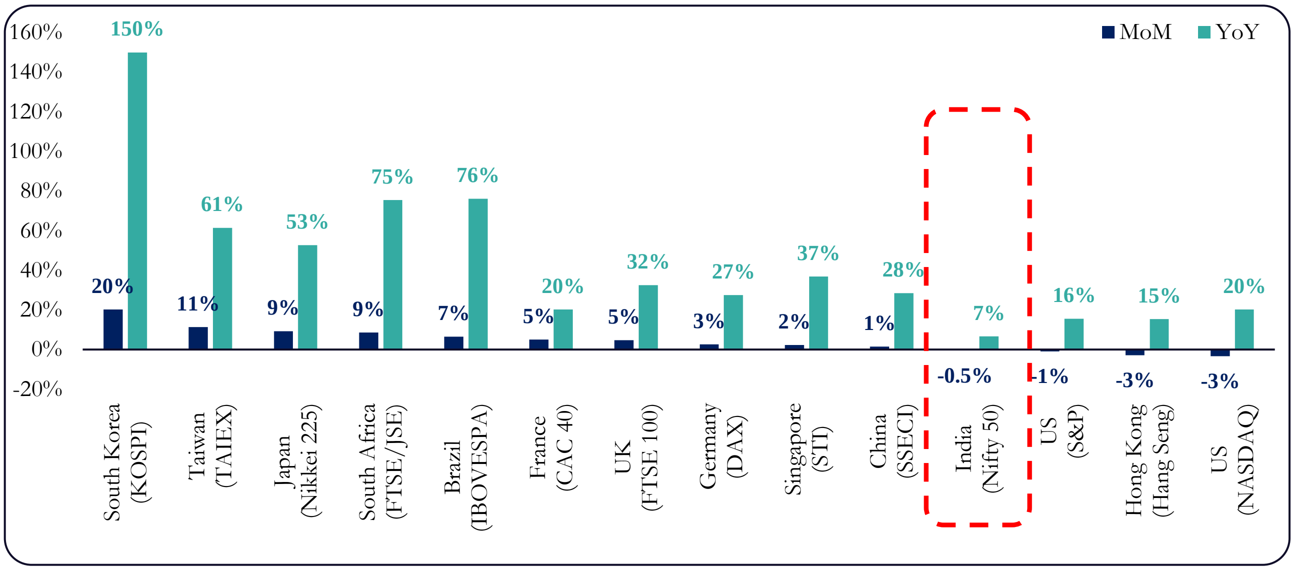
Chart 17: Absolute Monthly Return of Selected Indices (Indices on Feb 01 rebased to 100)



Source: Bloomberg

- When returns were assessed in USD adjusted terms, the trend was also same. Thus, February 2026, points towards a rotation of global capital away from US-centric stocks towards European and developed Asian Nations.

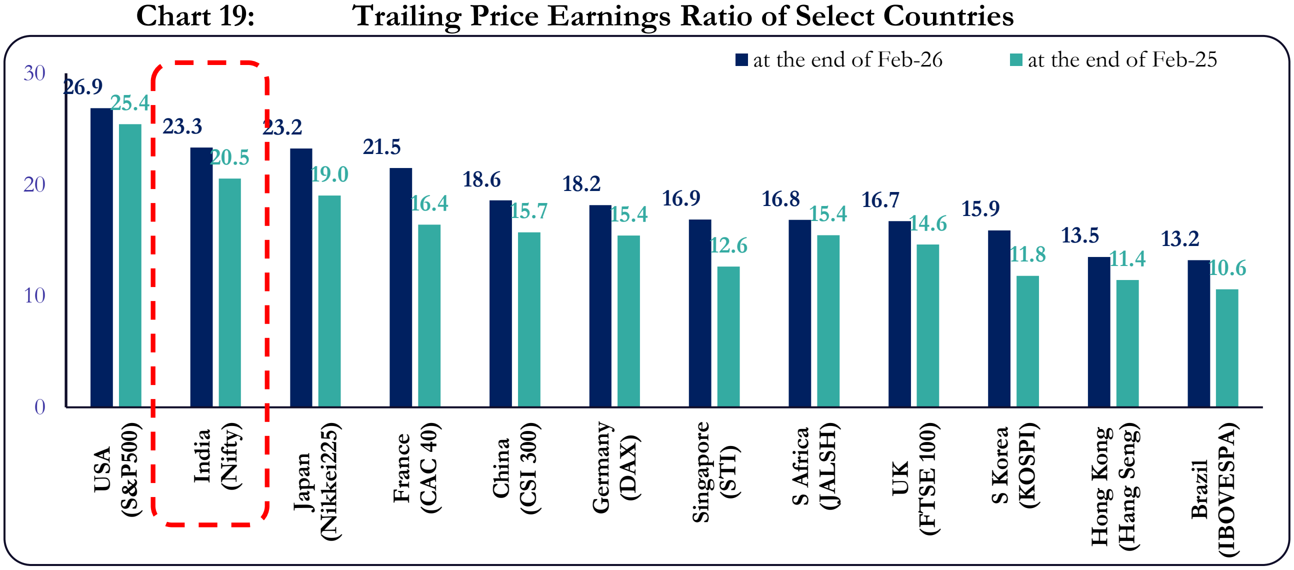
Chart 18: Dollar Adjusted Return of Major International Indices for Feb 2026



Source: Bloomberg

- As of February 2026 end, USA remained the most expensive major market at 26.9 followed by India trading at premium of 23.3 and Japan inching closer at 23.2.

Chart 19: Trailing Price Earnings Ratio of Select Countries



Source: Bloomberg

- Bond yields broadly declined across major economies in February 2026, indicating a shift towards softer rate expectations and possibly easing inflation. Change in monthly yields across both developed and developing nations fell. However, the YoY trends indicates that the markets are moving towards easing from peak rates.

- In February 2026, as indicated by Dollar Index, US Dollar appreciated against the major currencies such as Euro, GBP and JPY, whereas the most emerging market currencies appreciated against Dollar.

able 3: 10-year Government Bond Yield

Country	Yield on Feb-26	Feb 26 – Jan 26	Feb 26 - Jan 26
USA	3.94	-0.30	-0.27
UK	4.23	-0.29	-0.25
France	3.22	-0.21	0.07
Germany	2.64	-0.20	0.24
Japan	2.11	-0.13	0.74
China	1.81	0.00	0.04
S Korea	3.45	-0.16	0.74
India	6.66	-0.04	-0.07
Singapore	1.93	-0.13	-0.80
Brazil	13.55	-0.03	-1.71
Mexico	8.66	-0.20	-0.82

able 4: Movement in Currencies over USD

Country	Rate as on Feb 26	MoM in %	YoY in %
Dollar Index	97.61	0.6	-9.3
Pound	0.7417	1.5	-6.7
Euro	0.8466	0.3	-12.2
Yen	156.05	0.8	3.6
Hon Kong $	7.82	0.1	0.6
Remnibi	6.86	-1.4	-5.7
Won	1,440	-0.1	-1.4
Rupee	90.98	-1.1	4.0
Singapore $	1.27	-0.4	-6.4
Rand	15.94	-1.3	-14.7
Swiss Franc	0.7693	-0.5	-14.8

Note: All currency rates are against USD;
Negative sign indicates appreciation of the currency against USD

POLICY DEVELOPMENTS IN INDIAN SECURITIES MARKET

In February 2026, SEBI undertook a series of regulatory measures aimed at strengthening transparency, enhancing investor protection, and improving market efficiency. Key initiatives includes revision to Pledging norms, and introduction of robust IT capacity planning for MIIs. Additionally, Mutual Funds schemes were streamlined and standardized. Valuation norms for rules for gold and silver for this category of schemes were updated, as these funds witnessed record inflows amid rally in prices of precious metals.

The brief on these policy initiatives are outlined below:

1. Revision of Order to Trade Ratio (OTR) Framework

As per the representations received from the Stock Exchanges, stakeholders consultations and the recommendations of Secondary Market Advisory Committee, revisions were made to the framework to enable Stock Exchanges to impose effective economic disincentives for high order to trade ratio (OTR). For equity option contracts, orders within a defined range are exempted from penalty. In addition, Algorithmic orders placed by Designated Market Makers for market making activity shall not be considered towards computation of OTR.

HO/47/11/16(2)2025-MRD-POD2/I/4113/2026 *dated Feb 04, 2026*

2. Review of Calendar Spread margin benefit in Single stock derivatives on expiry day

Currently, for index derivatives, the benefit of offsetting positions across different expiries ('calendar spread') is not available on the day of expiry for contracts expiring on that day. Based on representation received from trading members (TM) and Secondary Market Advisory Committee (SMAC) of SEBI, for single stock derivative, offsetting positions across different expiries shall now not be available on the day of expiry for contracts expiring on that day. This aligns calendar spread treatment for single stocks derivatives with that on index derivatives and would provide sufficient time to the end clients / trading members to bring additional margin on the expiry day or to roll over / close calendar spread positions on expiry day

HO/47/15/11(2)2025-MRD-TPD1/ I/4226/2026 *dated Feb 05, 2026*

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

To align SEBI (Depositories and Participants) Regulations, 2018 (DP Regulations) with the Indian Contract Act, 1872, SEBI amended securities pledging framework in DP regulations mandating that pledgees provide reasonable notice to pledgors before selling the pledged assets. This update requires Depositories to standardize Pledge Request Forms where both parties undertake to comply with statutory legal requirements ensuring that both pledgor and pledgee receives immediate notification upon the invocation of a pledge.

HO/47/14/12(1)2026-MRD-POD2/I/4229/2026 *dated Feb 05, 2026*

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

To enhance transparency and investor protection, SEBI has mandated that Alternative Investment Fund (AIF) managers ensure the timely and accurate uploading of Net Asset Value (NAV), with specific documentation requirements for valuations performed by internal valuers. Under this framework, Depositories must build the necessary infrastructure to display these NAVs—complete with a standardized disclaimer regarding valuation methodologies—while AIF trustees or sponsors must verify compliance through the 'Compliance Test Report' as part of their ongoing regulatory obligations.

HO/19/34/11(8)2025-AFD-POD1/I/4335/2026 *dated Feb 06, 2026*

5. **Obligations on CRAs while undertaking rating of financial instruments falling under the purview of any other Financial Sector Regulator**

To ensure clear regulatory boundaries, SEBI has mandated that Credit Rating Agencies (CRAs) rating instruments under other Financial Sector Regulators to maintain strict segregation from their SEBI-regulated activities. The new framework requires CRAs to use separate email IDs for grievances, maintain distinct website sections and marketing materials, and ensure that SEBI's minimum net worth requirements are met independently of other regulatory demands. Also, CRAs must provide explicit disclosures in rating reports and client agreements—as well as obtain written client acknowledgments—stating that SEBI's investor protection and dispute redressal mechanisms do not apply to these non-SEBI activities, which must be verified through a Board-approved half-yearly internal audit report..

SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 *dated Feb 10, 2026*

6. **Capacity Planning and Real Time Performance Monitoring framework for Commodity Derivatives Segment of Market Infrastructure Institutions (MIIs)**

SEBI has updated the Capacity Planning and Real-Time Performance Monitoring framework for the Commodity Derivatives Segment, superseding previous rules to align with revised standards for Market Infrastructure Institutions (MIIs). Under this new mandate, stock exchanges and clearing corporations must maintain an installed system capacity of at least 2 times (2x) the projected peak load and are required to take immediate corrective action if actual utilization exceeds 75 per cent. MIIs have three months to submit a formal capacity policy approved by their Governing Board and the Standing Committee on Technology (SCOT), ensuring their critical IT systems are robust enough to handle the speed and volume of modern algorithmic trading.

HO/47/13/14(1)2026-MRD-TPD1/I/4755/2026 *dated Feb 11, 2026*

7. **SEBI Constitutes Working Group to Review ESG Rating Providers (ERPs) Regulatory Framework EBI Facilitates Seamless Digital Signature Certificate Functionality for FPIs**

SEBI established a multi-stakeholder Working Group to conduct a comprehensive review of the regulatory framework for ESG Rating Providers (ERPs). Comprising experts from across the financial, legal, and academic sectors, the group is tasked with analysing market feedback and global best practices to enhance the transparency and reliability of ESG scores. By evaluating international developments while maintaining focus on the unique Indian market context, the group aims to recommend policy changes that will bolster investor confidence and streamline how environmental, social, and governance risks are assessed in the domestic securities market.

Press Release: 13/2026 dated Feb 18, 2026

8. **Ease of Doing Investment (EoDI): Disclosure of registered name and registration number by SEBI regulated entities and their agents on Social Media Platform**

To enhance investor trust and distinguish regulated content from that of unregistered persons, SEBI has mandated that all regulated entities and their agents must prominently disclose their registered name and SEBI registration number on Social Media Platforms (SMPs) starting May 1, 2026. Under this "Ease of Doing Investment" initiative, regulated entities must display these details at the beginning of any post or within the bio/profile section of their social media handles. For agents or those with multiple registrations (such as mutual fund distributors or investment advisers), the circular requires a clear link on their profile page to a list of all principal entities they represent, ensuring that investors can easily verify the legitimacy of securities market-related information before making investment decisions.

HO/ (79)2026-MIRSD-PODMMC *dated Feb 26, 2026*

9. **Categorization and Rationalization of Mutual Fund Schemes**

To better accommodate the evolving investment landscape, SEBI revised the existing categorisation of mutual fund schemes. Under the new categorization, schemes are broadly classified into Equity, Debt, Hybrid, Life Cycle Funds, and Other Schemes (such as Index Funds/ETFs and Fund of Funds), each with standardized characteristics and uniform naming conventions to ensure they remain "true-to-label". Key updates include discontinuation of the "Solution Oriented Schemes" category, new limits on portfolio overlap (especially for sectoral and thematic funds), and the introduction of a standardized methodology for computing overlap. Existing schemes will comply with these new nomenclature and investment strategy in six months.

HO/24/13/15(2)2026-IMD-RAC4/I/5764/2026 *dated Feb 26, 2026*

10. **Valuation of physical Gold and Silver held by mutual fund schemes**

SEBI mandated that mutual funds must value physical Gold and Silver using polled spot prices published by recognized stock exchanges instead of the current method based on London Bullion Market Association (LBMA) AM fixing prices. This shift aims to ensure valuations are more reflective of domestic market conditions and to establish industry-wide uniformity by utilizing the same prices used for the settlement of physically delivered derivatives contracts.

HO/(68)2026-IMD-POD-2/I/5780/2026 *dated Feb 26, 2026*

11. **Revised Norms for appointment of an independent third-party reviewer/ certifier for green debt security**

Regulatory framework for green debt securities were revised by aligning the requirements for appointing independent third party reviewers/ Certifiers with broader ESG debt security norms. The new norms mandates the issuers to appoint an independent reviewer to verify compliance, including project evaluation and fund allocation.

HO/17/11/24(1)2026-DDHS-POD1/I/5967/2026 *dated Feb 27, 2026*

HIGHLIGHTS OF DEVELOPMENTS IN INTERNATIONAL SECURITIES MARKET

- **Securities and Exchange Commission (SEC), USA**

- **SEC Proposes Amendments to Reduce Burdens in Reporting of Fund Portfolio Holdings**: To reduce reporting burdens without significantly affecting SEC's use of data and ensuring public's insight into a fund's portfolio-related issues, SEC announced amendments to the Form N-PORT, used by most registered investment companies to report portfolio-related information. The new compliance will begin in a phased manner from Nov 2027 onwards.

  Press Release: February 18. 2026

- **Updates to Enforcement Manual:** SEC updated its Enforcement Manual (its first revision since 2017) to strengthen fairness, transparency, and efficiency in enforcement investigations, with a commitment to annual reviews going forward. Key changes include standardizing the Wells process by setting clearer timelines and encouraging structured dialogue between staff and respondents; allowing simultaneous consideration of settlement offers and related waiver requests to improve transparency and efficiency; and enhancing guidance on cooperation, internal coordination, formal orders, and referrals to criminal authorities. Overall, the updates aim to ensure more consistent practices, faster resolution of cases, and better alignment with the SEC's mission to protect investors and maintain fair, efficient markets.

  Press Release: February 24. 2026

- **SEC Adopts Final Rules for the Holding Foreign Insiders Accountable Act:** SEC adopted final rule and form amendments to implement the Holding Foreign Insiders Accountable Act (HFIA), aimed at increasing transparency in the holdings and transactions of directors and officers of foreign private issuers (FPIs).

  Press Release: February 27. 2026

- **Monetary Authority of Singapore (MAS), Singapore**

➢ **Workgroup convened to enhance Singapore's ecosystem for Growth Capital:** Singapore in its 2026 Budget announced formation of a growth capital workgroup to strengthen the country's position as a leading growth capital hub in Asia. The initiative aims to diversify financing sources beyond traditional bank loans by expanding areas such as PE, VC, private credit, and securitized assets while examining the full financing value chain. By involving both public and private stakeholders, the workgroup seeks to support companies at different growth stages, boost start-up ecosystem, and help firms scale regionally and globally, with review targeted for completion by end-2027 and interim updates along the way.

Press Release: February 13. 2026

➢ **MAS Announces Expansion of Equity Market Development Programme:** MAS announced expansion of its Equity Market Development Programme (EQDP) from SGD 5 Billion to SGD 6.5 billion following Budget 2026 measures to strengthen the financial sector. Initially launched in February 2025, to boost Singapore's fund management industry and increase investor's participation, the program allocated significant funds to asset managers thereby attracting strong interests. The current expansion aims to support more high quality investment strategies focused on Singapore equities, deepen capital pools for listed companies and stimulate greater third party investment, thereby enhancing the vibrancy of the equity market.

Press Release: February 12. 2026

- **Securities and Futures Commission (SFC), Hong Kong**

➢ **Trading initiatives to boost digital asset market vibrancy:** SFC introduced new measures to expand its virtual asset (VA) market by allowing licensed brokers to offer margin financing for VA trading, subject to strong collateral and investor protection safeguards. The initiative aims to deepen market liquidity, diversify products, and support the sustainable growth of Hong Kong's digital asset ecosystem under the ASPIRe roadmap.

Press Release: February 11. 2026

➢ **Government budget measures to bolster Hong Kong's role in global finance and national development:** Hong Kong in its 2026–27 Budget has announced initiatives aims to strengthen the city's position as a global financial centre through enhanced market competitiveness, innovation, and Mainland integration. Key measures include reforms to boost equity market activity, deeper cross-border access via Stock Connect enhancements, and development of digital asset regulation and innovation through a Digital Asset Accelerator. SFC also plans to advance fixed income and currency market infrastructure, support REIT listings through tax incentives, and expand fund distribution channels.

Press Release: February 25. 2026

- **Canadian Securities Administrators (CSA), Canada**

➢ **CSA publishes 2025 Systemic Risk Committee Annual Report:** Canadian Securities Administrators published its 2025 Systemic Risk Committee Annual Report on Capital Markets highlighting Canada's financial system resilience amid economic uncertainty and trade tensions, with stronger-than-expected growth. The report identified emerging risks such as increased reliance on A.I. (raising concerns around concentration, liquidity, and volatility) and the growing role of stablecoins, which are not yet systemic risks but require global regulatory coordination. The report also examines trends like rising derivatives clearing activity, stable fixed-income liquidity, pressures on corporate bonds, and private fund liquidity challenges, while outlining the CSA's ongoing efforts and inter-agency collaboration to monitor and mitigate systemic risks in capital marketss.

Press Release: February 12. 2026

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