COMMERCIAL/CORPORATE

BSE Re-issues Urgent Warning on Fake Research Analysts

AUTHOR Dinesh Gupta, Rahul Sundaram

PUBLISHED 6 August 2025

A fresh circular dated 4 August 2025 (Notice No. 20250804-59) has brought the spotlight back on a problem that refuses to go away: crooks posing as SEBI-registered Research Analysts (RAs) to lure investors into bogus stock tips and fraudulent schemes. The exchange first sounded the alarm on 19 December 2024 (Notice 20241219-40), but the impersonators have kept pace, forcing regulators to tighten the screws.

Table of contents

Why the New Circular Was Needed

Despite the earlier advisory, investors continue to lose money to look-alike websites, cloned WhatsApp groups and Telegram channels that mimic the branding of genuine analysts. Complaints on SEBI's SCORES portal are still rising, showing that the fraudulent ecosystem is alive and well. SEBI has therefore asked the exchange to make the response protocol sharper and, crucially, compulsory.

Four-Step Action Plan Every RA Must Now Follow

1. File an FIR the moment a fake profile or post is detected. Cyber police stations are the preferred venue, and the FIR number must be uploaded to SCORES if the alert came from an investor grievance.

2. Approach the gatekeepers (Apple, Google, MeitY, Facebook, Instagram, X, Telegram, YouTube) armed with the FIR copy and demand immediate takedown of the offending app, website, channel or handle.

3. Splash a prominent banner on the home page of the RA's own website naming the impersonator, quoting the FIR number and the police station concerned. This public red flag must stay up until the fraud is neutralised.

4. Reach out to every client (email, SMS, WhatsApp blast, recorded phone calls) warning them to ignore unsolicited investment advice and to verify any offer only through the firm's official website, verified social-media handles or registered phone lines.

Monthly Reporting Goes Digital

Compliance is no longer a paper exercise. Starting 7 August 2025, Research Analysts must log into the BSE Membership Portal and use the newly activated "RAIA Inspection ? Report Impersonation" module. A concise monthly report (listing each detected case, the platform involved, the FIR number and current status) must be uploaded within seven days of month-end. A user manual released alongside the notice walks firms through screen-by-screen navigation.

The Larger Picture

The clampdown is part of a wider regulatory push to protect retail investors in a social-media age where a fake tip can go viral in minutes. By forcing analysts to treat impersonation as a criminal offence, and to shout about it from their own rooftops, SEBI and BSE hope to starve fraudsters of credibility and cash flow.

For further details write to contact@indialaw.in

Related Practice Areas

Corporate & Commercial