

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 239**

**TO BE ANSWERED ON TUESDAY, JULY 22, 2025/ 31 ASHADHA , 1947 (SAKA)
FRAUDULENT INVESTMENT ADVISORY SERVICES**

239: SHRI MILIND MURLI DEORA:

Will the Minister of Finance be pleased to state:

- (a) whether Government is aware of the increasing instances of fraudulent investment advisory services being offered on social media platforms such as WhatsApp, Telegram, YouTube, etc., impersonating SEBI-registered entities;
- (b) if so, the details of complaints received by SEBI and the actions taken thereon in the last three years;
- (c) the steps being taken to safeguard retail investors from such scams and to enhance digital literacy and awareness regarding investment frauds; and
- (d) whether Government plans to work with social media companies to curb such impersonations and deceptive content, if so, the details thereof?

**ANSWER
MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) to (d): SEBI has been receiving multiple complaints from investors alleging use of social media platforms by fraudulent persons pretending to represent SEBI registered entities. SEBI (Investment Advisers) Regulations, 2013, lay down that no person can render investment advice unless he is registered with SEBI. These Regulations, *inter alia*, lay down the eligibility conditions for registration, obligations and responsibilities and procedure for action in case of default.

SEBI has issued several press releases advising investors to deal with only SEBI registered investment advisers for availing investment advisory services by checking the registration status of the entity/person on the SEBI website. Investors have also been cautioned to be wary of trading in the securities markets based on the tips/recommendations provided by unregistered entities/persons and entities impersonating as SEBI registered intermediaries.

On receipt of any complaints/references against unregistered entities carrying out such activities, and also after *suo motu* cognizance, SEBI conducts an examination of these entities. In case of non-compliance, appropriate sections of the SEBI Act, 1992, and various SEBI Regulations are invoked, and requisite directions are issued to non-compliant entities.

SEBI has undertaken several investor awareness programmes on digital frauds like fake trading apps, unregistered investment advice, influencers and deep fake videos through several press releases, digital and social media accounts of SEBI and Market Infrastructure Institutions (MIIs). SEBI is also continuously monitoring and working with social media platforms to curb misleading and unlawful contents relating to securities market on a regular basis.
