



QJA/BS/WRO/WRO-DIV-3/32755/2026-27

SECURITIES AND EXCHANGE BOARD OF INDIA

FINAL ORDER

UNDER SECTION 12 (3) OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH REGULATION 27 OF SECURITIES AND EXCHANGE BOARD OF INDIA (INTERMEDIARIES) REGULATIONS, 2008.

In respect of:

NOTICEE	SEBI Registration No.	PAN
M/s Eqwires Research Analyst	INH000007465	AAHFE7504J

In the matter of M/s Eqwires Research Analyst

A. BACKGROUND

1. The present matter emanates from post enquiry show cause notice dated January 05, 2026 ("**SCN**") issued to M/s Eqwires Research Analyst ("**Noticee**") under Regulation 27 (1) of SEBI (Intermediaries) Regulations, 2008 ("**SEBI Intermediaries Regulations**"). The Noticee is registered with the Securities and Exchange Board of India ("**SEBI**") as a Research Analyst ("**RA**") having SEBI registration no INH000007465.
2. SEBI conducted a surprise onsite inspection of the Noticee on November 22, 2021 to November 25, 2021 for the period from April 01, 2020 to November 25, 2021 ("**Inspection Period**") concerning various compliance requirements that need to be ensured by the Noticee with respect to the provisions of SEBI (Research Analyst) Regulations, 2014 ("**RA Regulations**").



3. SEBI's inspection, *inter alia*, observed that the Noticee had violated various provisions of RA Regulations, SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as "**PFUTP Regulations**"), and SEBI (Investment Advisers) Regulations, 2013 (hereinafter referred to as "**IA Regulations**").

B. PROCEEDINGS BEFORE THE DESIGNATED AUTHORITY

4. Pursuant to the findings / observations made in the course of inspection, SEBI initiated enquiry proceedings under Chapter V of the SEBI Intermediaries Regulations against the Noticee and appointed a Designated Authority ("**DA**").
5. The DA issued a show cause notice dated January 31, 2025 ("**Pre-Enquiry SCN**") to the Noticee under regulation 25 (1) of the SEBI Intermediaries Regulations to show cause as to why appropriate recommendation should not be made against it for the violations alleged to have committed by the Noticee.
6. In response to the Pre-Enquiry SCN issued by the DA, the Noticee filed his reply vide letter dated February 28, 2025. On receipt of said reply, an opportunity of personal hearing was granted to the Noticee on March 20, 2025 which was availed by the Noticee through his authorized representative ("**AR**"). Thereafter, based on the allegations levelled against the Noticee in the Pre-Enquiry SCN, reply filed by the Noticee, submission made during the personal hearing and the material available on record, the DA concluded the Enquiry Proceedings and submitted the Enquiry Report ("**Enquiry Report**") dated August 13, 2025 in terms of Regulation 26 of the SEBI Intermediaries Regulations.



7. The DA in his report has observed the following against the Noticee:
 - (i) The Noticee misled his clients by giving assurances regarding fixed returns.
 - (ii) The Noticee failed in its statutory obligation to comply with the applicable circulars, rules and regulations.
8. Based on the aforesaid findings, the DA held that the violations pertaining to RA Regulations and PFUTP Regulations stood established against the Noticee. Further, with respect to the violations established above, the Noticee has been penalised vide Adjudication Order No. Order/AK/DS/2025-26/31592-31594 dated August 13, 2025. Accordingly, the DA recommended the following:

“Given the above, it is recommended that in terms of Regulation 26(1)(vii) of the Intermediaries Regulations, regulatory censure may be issued to the Noticee --”

C. SHOW CAUSE NOTICE, REPLY AND HEARING

9. Pursuant to the submission of the Enquiry Report, a show cause notice (“**SCN**”) dated January 05, 2026 in the matter was issued to the Noticee. *Vide* the abovementioned SCN, the Noticee was called upon to show cause as to why action as recommended by the DA or any other action as contemplated in the SEBI Intermediaries Regulations should not be taken against him. The Enquiry Report of the DA dated August 13, 2025 made with respect to the Noticee was also forwarded to the Noticee along with the SCN. Therefore, any reference in this Order to the allegations made in the SCN must also be read to include the conclusions arrived at in the Enquiry Report.



10. In response to the SCN, the Noticee submitted its reply *vide* email dated February 16, 2026. Subsequently, the Noticee was granted an opportunity of personal hearing on February 17, 2025. On the said date, the AR of the Noticee appeared before me and reiterated the submissions made *vide* the Noticee's email dated February 16, 2026. Additional submissions are made on February 20, 2026. During the hearing, the AR was enquired about:

- The nature and size of the RA activities carried out by the Noticee;
- The number of demat accounts handled by the Noticee and the fee charged if any for such services and the size of business;
- What steps were taken by the Noticee to rectify the violations brought out by SEBI *vide* its notice in the website?

11. The AR of the Noticee submitted that inadvertently, Noticee's website reflected the word "advice". Further, the bank statement narrations of payments made to the Noticee by its clients also included keywords such as "advice". However, based on the recommendations and records of the Noticee, it is clear that he has only provided Research Analyst ("RA") services. The Noticee has not carried out any risk profiling or entered into any agreement with its clients. Solely on the basis of narrations in bank statements, SEBI has found that Noticee was providing Investment Advisory services.

12. Noticee admits that it had handled two or three client demat accounts who were unable to execute trades in a timely manner. However, an authorization letter / power of attorney was duly obtained for the above. During the inspection period, SEBI (Research Analyst) Regulations, 2014 was silent regarding execution or implementation services by a RA. The prohibition for handling client demat accounts for fees was introduced by



SEBI in 2025. Noticee did not charge any fees for the above services. No loss has been incurred by any client and no undue gain has been made by the Noticee.

13. Noticee admits to the bogus testimonials on its website. The Noticee immediately removed them once it was brought to its notice. The website was not reviewed by the Noticee and the content was managed by a third party. No client has been onboarded basis the website.
14. The AR was asked about the bogus testimonials on other social media platforms, specifically paragraph 13.3 of the DA report / show cause notice. The AR submitted that there was confusion regarding the content that can be posted on social media platforms by RA, and it was only clarified by SEBI its advertisement guidelines in 2023. The Noticee had engaged a third party digital marketing agency who were entrusted with managing search engine optimization etc for the Noticee. The said marketing agency was given certain parameters but they were in complete control of the social media presence of the Noticee. Further details regarding the arrangement with the marketing agency would be shared by the Noticee after the hearing. The AR was asked whether the reviewer on Quora platform referred to in paragraph 13.3 of the DA report / show cause notice, was actually a client of the Noticee. The AR submitted that while the person may or may not be a client of the Noticee, the accuracy referred in the testimonial is true. Hence, there was no fraud. The AR highlighted that the post referred above has also been removed after SEBI's inspection. The AR requested for a day's time to file further submissions, which was acceded to.
15. The AR was asked about the size of the business of the Noticee. The AR submitted that Noticee has approximately 70-80 clients and that the Noticee is currently focused on changing the form of its business from a partnership to a company.



16. The AR mentioned that for the same set of violations, an adjudication order penalizing the Noticee has been passed. In this regard, the AR was asked whether the penalty amount has been paid. The AR informed that the Noticee has duly made the payment. In view of the adjudication order and penalty levied, the AR prayed that no further action may be taken against the Noticee.
17. The submissions made by the Noticee (through his AR) during the personal hearing and *vide* his reply letter dated February 16, 2026 are reproduced below:

The Hon'ble SEBI has carried out an enquiry under Regulation 27 of the SEBI (Intermediaries) Regulations, 2008, wherein the Designated Authority had submitted its enquiry report and has recommended that regulatory censure may be issued to the Noticee. Further, SEBI has call out for comments/ explanations from the Noticee against the alleged violations as to why action as recommended by the Designated Authority or any other action in terms of SEBI (Intermediaries) Regulations, 2008, as deemed fit by the Competent Authority, should not be taken. In that regard, the Noticee would like to give following reply/ clarifications to the alleged violations as mentioned in the said Enquiry Report:

- 1. At the outset, the Noticee would like to state that nothing contained in the said Enquiry Report shall be deemed to be admitted by virtue of it not having been specifically denied herein unless the same has been expressly admitted.*
- 2. The Noticee crave leave to file further and additional replies/ submissions, if and when required. The Noticee crave leave to produce other and further relevant documents before SEBI, if and when required.*
- 3. The Noticee further repeat, reiterate and confirm the contents of the Reply dated 28th February, 2025, and the same are not being set out in detail in this submission for the sake of brevity.*
- 4. With regard to the contents of Paragraphs 1 and 2 of the Enquiry Report, it is humbly submitted that the same pertains to the background of the case, hence, do not merit any specific response.*



5. *With regard to the contents of Paragraph Nos. 3 and 4 of the Enquiry Report, it is humbly submitted that the same pertains to the appointment of designated authority, hence, do not merit any specific response.*

6. *With regard to the contents of Paragraph Nos. 5 to 7 of the Enquiry Report, it is humbly submitted that the same pertains to the Show Cause Notice, reply of the Noticee and hearing, hence, do not merit any specific response.*

7. *With regard to the contents of Paragraphs 8 to 10 of the Enquiry Report, it is humbly submitted that the same deals with the consideration of issues and findings and therefore do not merit any specific response.*

Noticee has always acted as a Research Analyst and has provided

8. *With reference to the Paragraph 11 of the Enquiry Report, it is submitted that the research services to the clients and not investment advisory services. Erroneously, upon the website, Investment Adviser and Advisory words were used, however, if you look into the operations of the Noticee, it has never operated as an Investment Adviser. Further, the Noticee being a Research Analyst was engaged in providing research recommendations, it was not engaged in issuing research reports. Furthermore, it is not mandated anywhere that all the Research Analysts shall issue and publish research reports only. As per the definition given in the Regulations, RAs may engage in providing research-based recommendations or issuing research report. It's crucial to note the use of "or" between clauses and not "and", signifying that a research analyst may perform any of the listed activities, not all of them concurrently.*

Whereas the regulations define "research report" broadly, encompassing research recommendations. However, there is no explicit stipulation that providing research-based recommendations must solely be part of a research report. Further, the requisite disclosures as required by the SEBI (Research Analysts) regulations, 2014 are duly made upon the website, the same can be verified through: <https://www.eqwires.com/disclosures.html>.

Further, the Noticee reiterate that it does not provide, issue, or publish any research reports. The Noticee solely offer technical research-based recommendations and as per Regulation 25(1) of the SEBI RA Regulations, the Noticee is only obligated to maintain records of provided



recommendations and their rationales, which the Noticee had demonstrably maintained and presented to SEBI officials during the inspection. Hence, the said allegations concerning violations of provisions of Section 12(1) of the SEBI Act read with Regulation 3(1) of the IA Regulations shall be removed upon.

9. *With reference to the Paragraph 12 of the Enquiry Report, it is respectfully submitted that the erstwhile RA Regulations nowhere restricted a Research Analyst to obtain any such authorization letter from the client with respect to handling trading account. SEBI has come up with the amendments in recent time wherein it has been clearly stated that a Research Analyst cannot handle trading accounts of the client. However, earlier there were no such provisions and hence the Noticee shall not be held liable for the violation of the provision which was not in effect. Hence, no noncompliance has been made by the Noticee and the said allegations shall be removed upon.*

10. *With respect to the Paragraph No. 13 of the Enquiry Report, the Noticee would like to state that earlier there were no restrictions on publishing testimonials on the website, SEBI has restricted for publishing any misleading or deceptive testimonials vide its Circular dated April 05, 2023. Further, the Noticee has taken corrective action and has removed such contents from its website and social media platforms. Moreover, such act shall not be linked with fraudulent activity as no investors were influenced through it.*

11. *With reference to the Paragraphs 14 to 16 of the Enquiry Report, it is humbly submitted that the Noticee has already faced the regulatory action and a penalty has been imposed against the activities as mentioned therein and hence no other direction shall be imposed upon him.*

12. *With respect to the recommendation of the SEBI in Paragraph Nos. 17 and 18 of the Enquiry Report, the Noticee would like to state that no other directions shall be imposed upon the Noticee as he is already being served with the SEBI's Adjudication order.*

13. *In view of the foregoing, the Noticee hereby prays that directions may please be given:*

- 1. This Hon'ble SEBI may be pleased to not to issue any regulatory censure.*
- 2. This Hon'ble SEBI may be pleased to not to take any other action in terms of SEBI (Intermediaries) Regulations, 2008.*



3. *This Hon'ble SEBI may be pleased to not to impose any penalty in terms of Regulation 27 of the SEBI (Intermediaries) Regulations, 2008.*
4. *This Hon'ble SEBI may be pleased to consider the submissions of the Noticee and not to take any action in this matter;*
5. *This Hon'ble SEBI may be pleased to dispose of the proceedings without any adverse action;*

D. CONSIDERATION OF ISSUES AND FINDINGS

18. I have perused the Enquiry Report, SCN, reply of the Noticee and other material available on record. After considering the allegations levelled against the Noticee in the instant matter, the following issues arise for consideration:

Issue No. 1: Whether the Noticee has violated provisions of the SEBI Act, RA Regulations, IA Regulations and PFUTP Regulations, as alleged in the SCN?

Issue No. 2: If yes, then what recommendation should be made under Regulation 26 of the Intermediaries Regulations?

19. Before proceeding, I find it appropriate to reproduce below the relevant provisions of the regulations and circulars alleged to have been violated by the Noticee:

SEBI ACT, 1992

Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.

12A. No person shall directly or indirectly—



(c) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person, in connection with the issue, dealing in securities which are listed or proposed to be listed on a recognised stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder;

...

SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003

3. Prohibition of certain dealings in securities

No person shall directly or indirectly—

...

(c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;

(d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

...

4. Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a manipulative, fraudulent or an unfair trade practice in securities markets.

[Explanation – For the removal of doubts, it is clarified that-

(i) any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company, or

(ii) transactions through mule accounts for indulging in manipulative, fraudulent and unfair trade practice shall be and shall always be deemed to have been included in sub-regulation (1).]



(2) Dealing in securities shall be deemed to be a manipulative fraudulent or an unfair trade practice if it involves any of the following:—

(k) disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading in a reckless or careless manner and which is designed to, or likely to influence the decision of investors dealing in securities;

(o) fraudulent inducement of any person by a market participant to deal in securities with the objective of enhancing his brokerage or commission or income;

(s) mis-selling of securities or services relating to securities market;

Explanation- For the purpose of this clause, "mis-selling" means sale of securities or services relating to securities market by any person, directly or indirectly, by—

(i) knowingly making a false or misleading statement, or

(ii) knowingly concealing or omitting material facts, or

(iii) knowingly concealing the associated risk, or

(iv) not taking reasonable care to ensure suitability of the securities or service to the buyer

Securities and Exchange Board Of India (Research Analysts) Regulations, 2014

General responsibility.

24. (2) Research analyst or research entity shall abide by Code of Conduct as specified in Third Schedule.

Third Schedule

Code of Conduct for Research Analyst

1. Honesty and Good Faith

Research analyst or research entity shall act honestly and in good faith.

2. Diligence

Research analyst or research entity shall act with due skill, care and diligence and shall ensure that the research report is prepared after thorough analysis.

...

7. Compliance

Research analyst or research entity shall comply with all regulatory requirements applicable to the conduct of its business activities.



8. Responsibility of senior management

The senior management of research analyst or research entity shall bear primary responsibility for ensuring the maintenance of appropriate standards of conduct and adherence to proper procedures.

SEBI Circular No. SEBI/HO/MIRSD/ MIRSD-PoD-2/P/CIR/2023/52 dated April 06, 2023 (SEBI Circular dated April 06, 2023)

<https://www.sebi.gov.in/legal/circulars/apr-2023/usage-of-brand-name-trade-name-by-investment-advisers-ia-and-research-analysts-ra-69839.html>

I. Whether the Noticee has violated provisions of the SEBI Act, RA Regulations, IA Regulations and PFUTP Regulations, as alleged in the SCN?

20. The Noticee informed the DA, vide email dated March 28, 2025 that it has filed a settlement application with respect to the present proceedings. Subsequently, the said settlement application was rejected and Noticee was informed about the same vide letter dated July 29, 2025. The DA Report dated August 13, 2025 detailed the violations committed by the Noticee as under:

21. Holding out and acting as SEBI registered Investment Adviser (IA), without complying with the requirements of IA Regulations.

21.1 It was observed that following was stated on the website of the Noticee, <http://www.eqwires.com>, “Eqwires Research Analyst is the best Stock tips provider in India. At Eqwires, we have high qualified research team with most advanced infrastructure with vision to deliver best services to our esteemed clients.”.....Eqwires is the Most successful stock advisors in India and Most successful stock advisory company in India.”

21.2 It was also observed from the Registration form of the Noticee for Registration with FIU (under PMLA) that it has registered itself as an Investment Adviser on November



20, 2019, which is few days after getting SEBI registration as Research Analyst on November 11, 2019.

21.3 Further, in the social media platform, Telegram, there was a group of users, named **'Eqwires Research Analyst (SEBI Registered)'** with around 9800 subscribers (the number of subscribers increased to more than 10,000 subsequently). In this Telegram group, the Noticee frequently posts stock market related update messages. It was observed that at the bottom of these messages, it was stated that *Eqwires is best investment advisor in India*. One screenshot of such message is provided below.



21.4 Following was observed from the business write-up provided by the Noticee:

21.4.1 The Noticee had stated in the business write-up that it has not prepared any Stock research report and provides only research recommendations to its clients. The Noticee also submitted that research recommendations are generated based on the price movement charts of various scrips available on websites like Zerodha.com and Investing.com etc. Further, few such research recommendations given by Eqwires to its clients are produced as under-

- *POSITIONAL SELL HINDALCO APRIL FUTURE AROUND 322-324 SL 330 CLOSING BASIS TARGET 307-295*
- *FUT BUY GLENMARK @613.5-615.5 SL 603 TGT 628 642*
- *BUY ESCORTS FUTURE AROUND 1160-1165 SL 1140 TARGET 1207-1228*
- *BUY HINDUNILVR FUTURE AROUND 2340-2345 SL2290 TARGET 2445-2490*



- *FUT BUY AXISBANK A AROUND 714-716 SL 699.5 TGT 732 750*

21.4.2 It was noted from the definition of “research report” in Regulation 2(1)(w) of RA Regulations that research recommendation is also a form of research report. Further, Regulation 19 of RA Regulations mandates certain disclosures in research reports and Regulation 20 of RA Regulations mandates certain conditions on contents of research report.

21.4.3 However, from the content of the research recommendations given by the Noticee to its clients, it was observed that these research recommendations do not contain any disclosures as mandated in Regulation 19 of RA Regulations. Further, abovementioned research recommendations also do not define the terms used in making recommendations as required in terms of Regulation 20(1) of RA Regulations. Further, from the content and terminology used in these recommendations, they appear more like stock trading tips rather than research recommendations. In view of the foregoing, it was observed that the Noticee was only providing stock trading tips rather research recommendations or research report.

21.5 Also, in the business write up submitted by the Noticee during the inspection, it had stated that Relationship Manager of Eqwires understands risk taking ability/risk-appetite of clients after on boarding is completed by calling them and provide them tailor-made services. Thus, it was observed that the Noticee was giving its clients “*client specific services*” depending on the risk taking ability of clients, which is an activity under Investment Advisor activity.

21.6 It was further observed from the bank account statement of the Noticee (Eqwires bank account A/c No.- 777705889900) that on multiple occasions, words like fee, market tips and advisory service were appearing in the narrations of transaction. Few such instances are mentioned in Table given below—



Sr. No.	Date	Narration	Credit amount	Balance
1	01/06/2021	MMT/IMPS/115213191180/Advisory Compan/ANSHUMAN /HDFC Bank	25000	343798.08
2	24-12-2021	MMT/IMPS/135809303879/Advisory Servic/ABDUL RASH/H	33000	368133.8
3	03-01-2022	UPI/200216480646/Advisory Servic/vkumarperike@ok/S	48000	68632.8
4	17-11-2021	MMT/IMPS/132120256940/FOR MARKET TIPS/MOHAMED HU/I		
5	30-11-2021	NEFT-N334211731444468-YASH TRADING COMPANY-FEES FO	33000	132683.41

21.7 From the above, it was observed that the Noticee was not only holding itself out as an Investment Adviser but it was also carrying out activities of Investment Advisor only and not of Research Analyst and charging its clients for the same.

21.8 As per the provisions of Section 12(1) of SEBI Act r/w Regulation 3(1) of the IA Regulations, no person shall act as an investment adviser without obtaining certificate of registration from SEBI under the IA Regulations.

21.9 Thus, it was alleged that the Noticee violated the provisions of Section 12(1) of SEBI Act r/w Regulation 3(1) of IA Regulations.

21.10 In this regard, the Noticee has submitted that it had erroneously mentioned itself as Investment advisor, while at various other places, it had clearly stated that it is a SEBI registered Research Analyst. With respect to it stating itself as an IA on the FIU portal, the Noticee has submitted that there was no option on the FIU portal for RAs, so it had selected the option as IA, and had also submitted its RA Registration Certificate on the FIU portal. As the FIU did not have the option of selecting "Research Analyst" and as FIU has approved the portal despite the mismatch, the Noticee should not be held responsible. The Noticee has explicitly stated in its



Telegram channel that 'Trade with India's top-notch SEBI registered Research Analyst'. It has also submitted that it is not mandatory to provide research report by a RA, as the Noticee's activities pertain to clause iii of the definition of RA in the RA Regulations, which states "making buy / sell / hold recommendations". There is no explicit stipulation that research recommendations must solely be part of research report. The Noticee has maintained records of research recommendation rationale, but it does not provide, issue or publish research reports, as it offers only technical recommendations. Vide circular dated January 08, 2025, RAs were mandated to maintain research reports with respect to the services provided by them. The Noticee has never done risk profiling and suitability assessment of any client. Further, the clients may write anything in the online payment narration, as they may not be well versed with technical terms.

21.11 I note the following from the material on record and the Noticee' submissions:

21.11.1 The Noticee has shown itself as a '*stock advisory company*', '*Genuine SEBI registered advisory company*' and '*Best investment advisor in India*' on its website and also in its stock recommendations on social media platform. Thus, it was holding itself out as an Investment Adviser.

21.11.2 The Noticee has submitted that at the time of registration, there was no category of "Research Analyst", due to which it could not state the correct reporting entity category on the FIU portal. Therefore, the observation of selecting incorrect category on the FIU portal is not being considered adverse with respect to the allegation that the Noticee was holding itself out as an Investment Adviser.

21.11.3 As per Regulation 2(1)(w) of RA Regulations, the term "*research report*" means any written or electronic communication that includes research analysis or research recommendation or an opinion concerning securities or public offer, providing a basis for investment decision. Thus, the technical recommendations provided by the Noticee fall under the definition of Research Report. Therefore,



the Noticee was required to comply with the disclosure requirements with respect to the Research Reports, in terms of Regulation 19 of RA Regulations, and also with content related requirements stated in Regulation 20 of RA Regulations. However, from the content of the research recommendations given by the Noticee to its clients, it was observed that these research recommendations do not contain any disclosures as mandated in Regulation 19 of RA Regulations. Further, the research recommendations given by the Noticee also do not define the terms used in making recommendations as required under Regulation 20(1) of RA Regulations.

21.11.4 The Noticee had stated in its business write-up that its relationship manager understands risk appetite of clients and provides them tailor made services. Contrarily, the Noticee, in its submissions to the SCN has contended that it has never done any risk profiling and suitability assessment of any of its clients. This suggests that one of the aforesaid statements of the Noticee is false. However, in the absence of documentary evidence in support of the statement in the business write-up, I am inclined to give benefit of doubt to the Noticee, with respect to the inference that the Noticee was providing investment advisory services to its clients by conducting their suitability assessment and risk profiling.

21.11.5 It was observed that the payments made by the Noticee's clients while mentioning the words "advisory company", "advisory service" in the payment narration. These narrations indicate that the Noticee may be holding itself out as an investment adviser. As already observed above that the Noticee was showing itself as a '*stock advisory company*', '*Genuine SEBI registered advisory company*' and '*Best investment advisor in India*' on its website and also in its stock recommendations on social media platform, the DA noted in his report that the Noticee was holding itself out and acting as an Investment Advisor, without obtaining certificate of registration from SEBI under the IA Regulations.



21.11.6 The Noticee has submitted that there is no explicit stipulation that providing research recommendations must solely be part of a research report. As also noted above, the definition of 'research report' in the RA Regulations states that research report includes research recommendations. Thus, all research recommendations provided by the RAs constitute research report. Therefore, all the RAs are required to comply with the provisions with respect to research reports stated in the RA Regulations and applicable SEBI Circulars.

21.11.7 The Noticee has further submitted that the above requirements were mandated vide SEBI Circular dated January 08, 2025. I note that the Noticee has referred to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2025/ 004 dated January 08, 2025 - Guidelines for Research Analysts. The guideline in para 2(viii)(a) state that *"In terms of Regulation 20(4) of RA Regulations, research services provided by RA or research entity shall be corroborated by research report containing the relevant data and analysis forming the basis for such research service. RA or research entity shall maintain record of such research report."* Thus, these guidelines are reiterating the already existing requirements mandated under Regulation 20 of the RA Regulations. These Guidelines are tools for clarification or interpretation, and are not amendments to already existing provisions. Therefore, the Noticee' submissions in this regard are not tenable.

21.12 In view of the foregoing, the DA has noted that the allegation of violation of provisions of Section 12(1) of SEBI Act r/w Regulation 3(1) of the IA Regulations, stands established. In my opinion, the violations are in terms of RA Regulations on account of non compliance to certain disclosures while issuing 'Research Reports'. The contentions input category in the FIU portal issue, the Noticee clarified that the portal itself is not containing the option of Research Analyst. Therefore, the Noticee cannot be held solely responsible for the technical difficulty



in ensuring choosing correct option when it is not available in the FIU and accordingly the DA gave benefit of doubt to the Noticee with respect to providing investment advisory services to its clients by conducting suitability assessment and risk profiling of clients.

22 Handling of trading account related activities

22.1 Upon perusal of a complaint with Registration No. SEBIE/GJ23/0000442/1 dated March 16, 2023 against the Noticee, it was observed that the Noticee had handled the trading account of the complainant for 9 months. Further, vide ATR dated April 25, 2023, the Noticee also uploaded the authorization letter on SCORES.

22.2 From the authorization letter, it was observed that the complainant / client had shared the user id and password of her trading account with the Noticee willfully and had signed the authorization letter which, inter-alia, states that the Noticee can execute orders using her login details for her benefit and that she understands that it is in no way a PMS facility but add-on facility in order to save time in execution of trade and for her convenience.

22.3 Further, the Noticee, vide email dated May 10, 2023, has inter-alia stated the following:

22.3.1 Trade assistance was provided to Mrs. Roy (the complainant / client) in rare circumstances because she was not able to execute the trade recommendations and she insisted multiple times for the same.

22.3.2 It does not provide any such facility to any other clients.

22.3.3 It has never executed any trades for any client, however Mrs. Roy (the complainant / client) was unavailable sometimes so just provided trading assistance.

22.3.4 It does not provide any account management or any other facilities.

22.3.5 It has not taken any authorization from other clients except Mrs. Roy (the complainant / client).



- 22.4 However, the complainant, has vide email dated May 2, 2023, inter alia, stated that she had in the beginning told Mr. Prithviraj (seems to be a representative of the Noticee) that she did not have time to take trade in her account and Mr. Prithviraj said that they have the ADD ON SERVICES option available and so she invested her money with them. She also stated that she was told that for add-on services of handling customer's account they would just need an authorization letter signed from the customer. She also stated that she had provided the authorization letter on email.
- 22.5 It was observed from the reply of the complainant vide email dated May 22, 2023, that the format of the authorization letter was given by the RA to the complainant and she only filled and signed the letter.
- 22.6 Further, it was observed that the complainant had not insisted for the add-on service of account handling on her behalf but on her conveying that she did not have time to trade, the Noticee offered these add-on services and asked her to submit the signed authorization letter. Further, the format of the authorization letter was also prepared by the Noticee.
- 22.7 A research analyst is primarily responsible for preparation of research report and providing it and that can be his only business activity; and RA Regulations do not envisage a research analyst to handle trading accounts of clients / trade in clients' accounts' on their behalf/ operate trading accounts on behalf of clients nor handle client's money. Further, the Regulations do not lay down taking of any such authorization letters by RAs from their clients.
- 22.8 Online Review: The complainant, vide email dated June 1, 2023, stated that her sister Antara Choudhury had posted the review in the Google platform with her email address antarachoudhury17@gmail.com. From the audio recording of the telecon between the complainant and her relationship manager (RM), Saurin, sent by the complainant vide email dated May 2, 2023, it was understood that her RM conveyed



to her that if she got the online review given by her sister removed, then she would get the service but the trades would have to be carried out by her on her own.

22.9 From the above, it was inferred that the Noticee had forced the complainant to remove the review posted by her sister, thus discouraging its clients from giving negative reviews on public platforms, even though they may have had bad experiences. As many clients take decisions of availing/ not availing services of any service provider, on the basis of/ by relying on the reviews available publicly, it has been alleged that the Noticee,

22.10 As per the provisions of Regulation 13(i) of RA Regulations and Clause 7 of the Code of Conduct stated under the Third Schedule of Regulation 24(2) of RA Regulations, a research analyst shall abide by the provisions of the Act and RA Regulations and comply with all the regulatory requirements applicable to the conduct of its business activities.

22.11 Thus, it was alleged that the Noticee violated the provisions of Regulation 13(i) of RA Regulations and Clauses 1, 7 and 8 of the Code of Conduct stated under Third Schedule of Regulation 24(2) of RA Regulations.

22.12 The Noticee has submitted that during the IP, RAs were not explicitly restricted from handling trading accounts of clients. The amendment came afterwards. Further, the review was made by the complainant's sister, who was not a client of the Noticee, and for this reason, the client was asked to get her sister's review removed from the site.

22.13 I note that the Noticee was handling the trading account of a client. Being a RA, the Noticee is not permitted to handle / operate trading accounts of its clients. The definition of RA in the RA Regulations during the IP states as follows:

“research analyst” means a person who is primarily responsible for, -

- i. preparation or publication of the content of the research report; or*
- ii. providing research report; or*



iii. making 'buy/sell/hold' recommendation; or

iv. giving price target; or

v. offering an opinion concerning public offer,

with respect to securities that are listed or to be listed in a stock exchange, whether or not any such person has the job title of 'research analyst' and includes any other entities engaged in issuance of research report or research analysis.

Explanation.- The term also includes any associated person who reports directly or indirectly to such a research analyst in connection with activities provided above.

22.14 Thus, the definition does not mention and permit handling of trading accounts of the clients by RA. The Noticee's submissions that it was not explicitly restricted from handling trading accounts of clients is not tenable, as such activity does not constitute or are similar to services provided by a Research Analyst, as is observed from its definition in the RA Regulations.

22.15 Irrespective of the fact that the client requested the Noticee's representative for handling her trading account or authorisation was taken from the client or whether it was the only instance where the Noticee has handled a client's trading account, the Noticee should not have provided such services to anyone. By operating a client's account, the Noticee provided a service which do not constitute or are similar to services which can be provided by a RA. Thus, the Noticee has violated the provisions of Regulation 13(i) of RA Regulations and Clause 7 of the Code of Conduct stated under the Third Schedule of Regulation 24(2) of RA Regulations.

22.16 With respect to the observation that the Noticee's representative has discouraged and forced its client to remove the adverse reviews posted by the client's sister, I note that client's sister was not a client of the Noticee. Negative or positive reviews posted by persons who are not clients of the Noticee may lead to misrepresentation. I also note that the reviews posted by the client's sister were based on the client's experience of the research services from the Noticee. However, the Noticee's



actions of forcing the client to remove the review posted by the client's sister cannot be considered for two reasons. Firstly, the review was not posted by the client. If the client had posted the review herself and the Noticee had forced to remove the review, this would have constituted non maintenance of appropriate standards of conduct. Secondly, from the SCORES complaint filed by the client, I observe from the clarification received from the client / complainant on March 28, 2023 and April 17, 2023, that the client was expecting the Noticee to handle / operate her account and her grievance was regarding the Noticee's actions of stopping to operate the client / complainant's account. As the person who had posted the reviews was not client of the Noticee and as the client's complaint arose when the Noticee stopped operating the client's account, I do not find any violation of any of the alleged provisions, based on the observations of forcing the client to remove the online reviews posted by her sister.

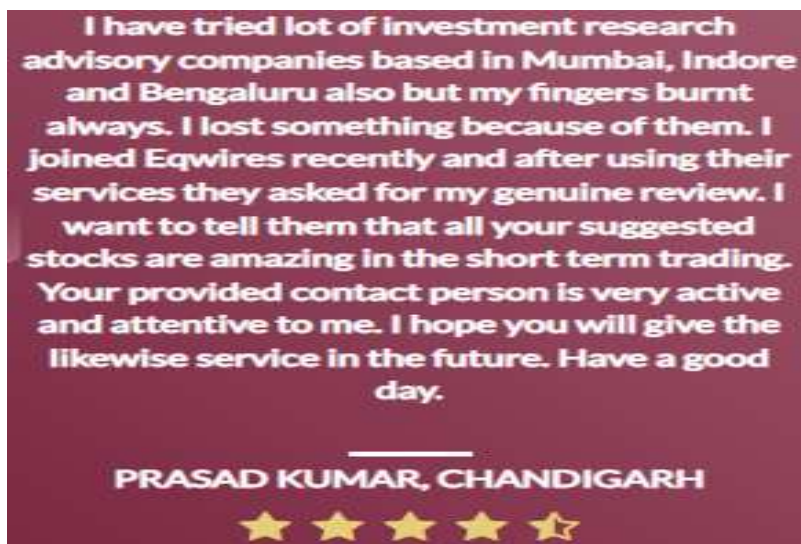
22.17 From above, the DA has noted that the Noticee has violated the provisions of Regulation 13(i) of RA Regulations and Clause 1, 7 and 8 of the Code of Conduct stated under the Third Schedule of Regulation 24(2) of RA Regulations by operating / handling the trading account of a client.

22.18 In the post enquiry SCN stage, the Noticee stated that SEBI has come up with the amendments in the recent time that a Research Analyst cannot handle trading accounts of the client. However, there were no such provisions and hence the Noticee shall not be held liable for the provisions. The contention of the Noticee cannot be accepted and I agree with the DA that the Noticee has violated the provisions of Regulation 13(i) of RA Regulations by handling the trading account of a client which was not permitted.

23 Misrepresentation through its website



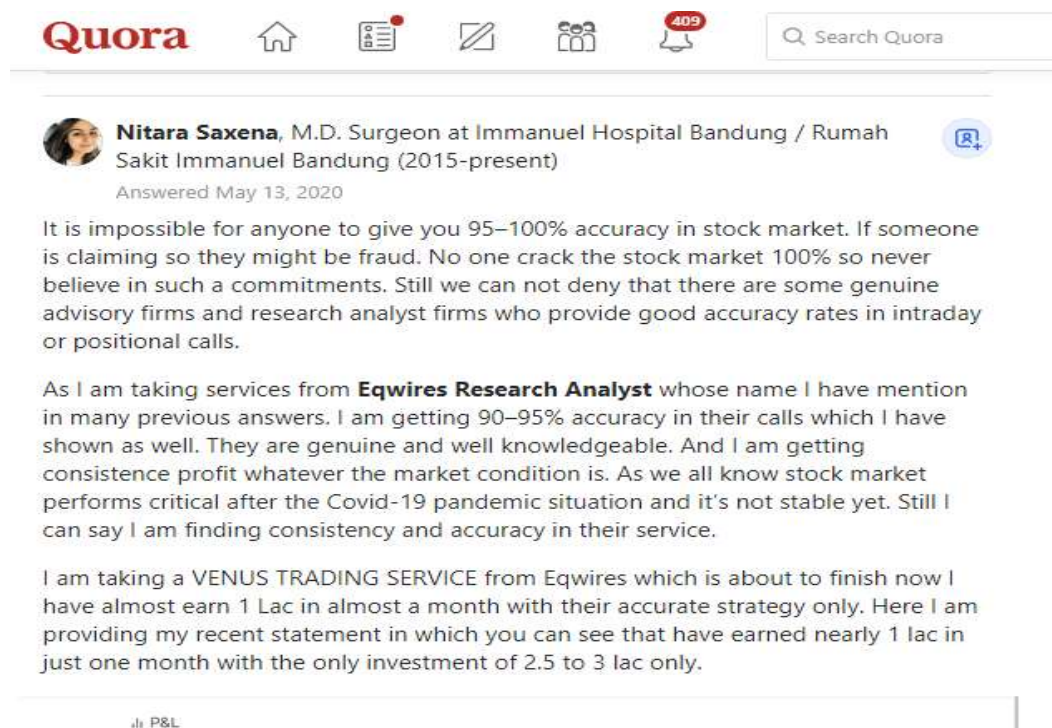
- 23.1 It was observed that the Noticee had placed customer/client reviews on its own website under the head Testimonials wherein people, depicted as clients of the Noticee, have expressed their satisfaction with respect to the recommendations received from the Noticee. One such testimonial is placed under-



- 23.2 It was observed from the Testimonials that people, depicted as clients of the Noticee, are shown to be very highly recommending services of Eqwires. They have given 4-5 star rating to services of the Noticee. However, during the inspection, the Noticee submitted that name of clients mentioned in the testimonials were never its clients and their names as well as contents of the Testimonials mentioned on its website are bogus.
- 23.3 Further, the Noticee has its presence in various social media platforms, such as, Facebook, Instagram, Twitter, Quora, Telegram etc. On aforesaid social media platforms, multiple posts by Eqwires as well as reviews of customer/client are available. Upon examination of posts available on Quora regarding Eqwires, it was observed that multiple users of Quora claiming to have used services of the Noticee are recommending it very highly, informing other users that the Noticee is providing



accurate recommendations and clients are getting profits. Screenshot of one such recommendation is placed as under-



23.4 It was observed from the above screenshot of post of one user of Quora, that the user is very highly recommending services of the Noticee. Aforesaid, user also claimed that she has earned a profit of Rs. 1 Lakh in just one month with the only investment of Rs. 2.5 to 3 Lakh. During the inspection, the Noticee submitted that its presence on Social Media platforms, like Facebook, Instagram, Twitter, Quora and Telegram are managed by its paid agents. The names of the clients have been mentioned for advertisement purpose only and they were/are not actual clients of the Noticee.

23.5 Thus, the Noticee has admitted that it was well aware that people as well as contents of Testimonials mentioned on its website were false. Therefore, it was inferred that



the Noticee had knowingly misrepresented the truth about its services to its potential clients who are visiting its website. Further, the Noticee has also admitted that its presence on Social Media Platform especially on Quora was not genuine and was managed by its paid agent. However, the Noticee had also concealed the fact that presence on social media was managed by its paid agent, from social media users.

23.6 As per the provisions of Regulation 3(a), (b), (c), (d) and Regulation 4(2)(k), (r) and (s)(i) r/w Regulation 2(1)(b)(ii) and Regulation 2(1)(c)(1) of PFUTP Regulations, 2003, fraud includes a knowing misrepresentation of the truth or concealment of material fact in order that another person may act to his detriment; and mis-selling of securities or services by knowingly making a false or misleading statement is deemed to be fraudulent or an unfair trade practice, which is prohibited in the aforementioned provisions.

23.7 Thus, it was alleged that the Noticee violated the provisions of Regulation 3(a), (b), (c), (d) and Regulation 4(2)(k),(r)and(s)(i) r/w Regulation 2(1)(b)(ii) and Regulation 2(1)(c)(1) of PFUTP Regulations, 2003.

23.8 In this regard, Noticee has submitted that it has not misrepresented to the clients as the content of the website and social media platforms were managed by a marketing agency, and vide Circular dated April 05, 2023, SEBI had restricted publishing misleading or deceptive testimonials, i.e. after the inspection period. The Noticee has not gained and no investor was ever deceived by Noticee¹. Also, the Noticee has taken corrective action, and has removed such contents from its website and social media platforms. Also, as there has been no 'dealing in securities' by the Noticee, there is no violation of PFUTP Regulations. The Noticee also referred and relied upon various orders of Hon'ble SAT and SEBI in this regard.

23.9 I note that by publishing false testimonials and reviews on its website and social platforms, the Noticee has knowingly made misleading statements. The Noticee's submissions that no client has been deceived or misled is not acceptable, as the



Noticee had hired a marketing agency to publish such testimonials and reviews to attract potential clients.

23.10 Noticee's submissions that SEBI had restricted publishing misleading or deceptive testimonials vide Circular dated April 05, 2023, which is after the inspection period, are also not acceptable, and indicate carelessness of the Noticee. The Noticee, being a SEBI registered intermediary, was required to act with honesty and in good faith. By publishing false testimonials and reviews on social media platforms, the Noticee knowingly influenced the decisions of its potential clients in favour of subscribing to the services provided by the Noticee. As the Noticee was aware that the testimonials and reviews were not pertaining to its own clients, and as the same was not explicitly informed in those testimonials and reviews, I find that the Noticee has made a knowing misrepresentation of the truth and concealed material facts in order to attract potential clients.

23.11 The Noticee has submitted that publishing such testimonials and reviews on social media platforms do not fall under the definition of 'fraud' under PFUTP Regulations, as there has been no 'dealing in securities'. In this regard, I note that Regulation 2(1)(b) of PFUTP Regulations defines 'dealing in securities', which inter-alia includes, "*such acts which may be knowingly designed to influence the decision of investors in securities*". As the publishing of misleading testimonials and online review was one such act, it adequately falls within the definition of 'fraud' under PFUTP Regulations.

23.12 The Noticee has also referred to and relied upon various past SEBI Orders in support of its submissions. I note that all these Orders pertain to Investment Advisers and differ from the facts in the present case. For instance, in the present case, the Noticee has published false and deceptive testimonials on its website and reviews on social media platforms to attract potential clients, whereas the instances mentioned in the Enquiry Order in the matter of Star World Research



dated January 31, 2023 pertain to *“the misleading representations made by the IA to its clients and the wrong categorisation of clients and selling high risk products to unsuitable clients or levying GST after cancellation of its GSTN”*. Therefore, the Noticee’s reliance upon the SEBI Orders quoted in its reply, are not relevant to the present case.

23.13 Therefore, I agree with the conclusion of the DA that the Noticee has violated the provisions of Regulation 3(a), (b), (c), (d) and Regulation 4(2)(k), (r) and (s)(i) r/w Regulation 2(1)(b)(ii) and Regulation 2(1)(c)(1) of PFUTP Regulations, 2003 against the Noticee stand established as the Noticee has published false information in the website in order to influence the potential clients to subscribe to the research services. The contention of the Noticee in his reply to the post enquiry SCN that no client has been deceived or mislead cannot be accepted as the Noticee had appointed an agency to publish such information to attract the potential clients. Further the contention of the Noticee that SEBI has restricted publishing any misleading or deceptive testimonials vide its Circular dated April 05, 2023 and also the Noticee has taken corrective action of removing such content from the website and social media is also not acceptable as any intermediary registered with SEBI cannot publish misleading information which amounts to fraud within the meaning of PFUTP Regulations as mentioned above.

ISSUE No. II: If yes, then what recommendation should be made under Regulation 26 of the Intermediaries Regulations?

24 The DA noted that no quantifiable figures are available to assess the disproportionate gain or unfair advantage or consequent loss caused to the clients as a result of the defaults by the Noticee. Further, from the material available on record, it is not possible to ascertain the exact monetary loss to the clients on account of defaults by the Noticee. As per the available records, I note that the Noticee has not been



penalised earlier by SEBI for the said violations. Thus, the violations are not repetitive in nature. However, the SCN dated January 31, 2025 issued by the DA indicated the proposed actions under Regulation 35 of SEBI Intermediaries Regulations are yet to be addressed by the Noticee and therefore it is necessary to ascertain the reply from the Noticee at this stage.

25 Therefore, the Noticee was issued with a supplementary SCN with respect to the proceedings under Regulation 35 of the SEBI Intermediaries Regulations as the Noticee admitted that they have collected a fee of Rs.2,29,88,532 towards fee on alleged activities involving advisory services. In response to the supplementary SCN, the notice through AR has in its reply vide letter dated September 7, submitted as under:

4. That further the Noticee reiterates its detailed submissions filed in response to the main SCN (detailed in Reply dated February 28, 2025 and February 16, 2026). The Noticee has continuously functioned as a SEBI-registered Research Analyst (RA) providing "one-to-many" technical research recommendations. The Noticee has never conducted risk profiling or product suitability assessments of any client, which is the essential legal prerequisite to constitute "Investment Advisory" services under the SEBI (Investment Advisers) Regulations, 2013.

5. That the fee collection of Rs. 2,29,88,532/- mentioned in the SSCN represents consideration received towards legitimate research analyst services and recommendations provided to clients in accordance with Regulation 25(1) of the SEBI (Research Analysts) Regulations, 2014. Since the services provided were technical research recommendations to registered subscribers, labelling these earnings as "fees illegally collected" is legally unsustainable and factually incorrect.

6. As established in the previous filings, any clerical or isolated nomenclature errors on the website or FIU portal were inadvertent administrative oversights,



corrected subsequently, and did not constitute fraudulent inducements or violations under the SEBI (PFUTP) Regulations. Relying on established precedents (Star World Research and Niveshicon Investment Advisor), regulatory non-compliances do not automatically equate to fraud.

26 The Noticee, *inter alia*, contended that the activities carried out by him are pure research activity and not advisory services and the fee collected cannot be termed as fee on account of advisory merely on account of the nomenclature of the services provided being advisory. The Noticee states that *“such ordinary and interchangeable use of terminology by lay persons cannot, without independent corroborative evidence, establish the legal character of the underlying service. Hence in such cases, substance must prevail over isolated payment descriptions. If the allegation is that the Noticee rendered Investment Advisory services, the relevant evidence would necessarily be demonstrating the actual advisory relationship, such as individualized risk profiling, suitability assessment, personalized financial/investment planning, one-to-one advisory communications, personalized advice based upon a client's specific financial circumstances, client-specific investment recommendations based upon assessed risk profile, or any other material demonstrating an individualized advisory relationship. In the absence of such evidence, merely relying upon payment narrations selected by clients would be insufficient to establish the substantive nature of the services.”*

27 Further, the Noticee prayed for an opportunity of personal hearing through its Authorised Representative prior to passing any final orders. Accordingly, a hearing notice dated September 08, 2026 for appearing before me on September 17, 2026 was issued to the Noticee. However, the Noticee requested for adjournment due to non availability of the Counsel. The same was acceded to and the hearing was



adjourned to September 24, 2026. On the question of income pertaining to Research Analyst, the AR of the Noticee explained that the total activity is not related to Investment Advisory Services and contended that there is no evidence to indicate that the Noticee is carrying out such advisory services. SEBI is relying on the registration under third party FIU portal under the tab Investment Advisor as there was the option available at the time of registration in the portal. The Noticee had to apply for registration with the FIU portal and the registration No. of Research Analyst was accordingly incorporated in the portal. However, the portal has accepted the same under the option of Investment Advisor. SEBI has not provided any evidence to prove that the Noticee has provided investment advisory services at the stage of SCN or enquiry. The only evidence it shared is also pertaining to research recommendation which has been relied upon by SEBI where the service is given to multiple people.

- 28 The Noticee contended that the alleged telegram chat is self-explanatory which shows services to all the customers. The primary allegation is that the Noticee has used the word 'Investment Advisor' in the website. The matter was separately adjudicated and the Noticee has paid the penalty of Rs. 6 lakh for using the word wrongly which should not have been used. In view of the same, the Noticee contended that merely using the word 'Investment Advisor' in the website will not determine the activity and issue of disgorgement of the entire fee received is not warranted.
- 29 As regards the nomenclature used in the bank transactions, the Noticee clarified that bank narration of one single word 'adviser' was relied upon by SEBI. The Noticee contended that till the year 2020, SEBI accepted registration as Investment Advisor for all the registrations and from the year 2025, trading calls are called as 'research



activity'. The Noticee claimed that the registration and activities nomenclature were under the Investment Advisory similar to many other service providers in the Indore area where both Investment Advisors and Research Analysts were given the same registration. As regards the activity through the telegram group, the Noticee contended that sharing standard research recommendations is the information shared in telegram group and the same is research recommendation in terms of stocks and services. The Noticee further contended that SEBI has not produced any investment advisory report containing suitability / risk profiling of any single client to indicate that the Noticee has given investment advice.

- 30 The Noticee also submitted that the subscription fee paid by the clients is purely for the research services for the recommendation services provided in the telegram chat. The amount collected as fee is only subscription fee towards research services on telegram channel only. The Noticee contended that issuance of supplementary SCN is not warranted as there were parallel proceedings under adjudication proceedings and till date the recommendation in the enquiry proceedings has not provided any details for charging under Regulation 35. The objection raised by the Noticee is primarily related to the ground under which SEBI issued supplementary SCN without any evidence. The Noticee submitted that the emails mentioned in the supplementary show cause notices have clearly indicated that the fee amount collected was only on account of services of research recommendations. The Noticee further prayed that the present supplementary SCN suffers from the legal infirmity and requested to drop the proposed initiation of Regulation 35 of SEBI Intermediaries Regulations vide notice dated August 07, 2026 and dispose the same without any adverse monetary or restrictive directions.



- 31 After considering the submissions and hearing in the matter, it is seen that the Noticee was trying to prove that it was not carrying out the Investment Advisory Services and its activities were only pertaining to Research Analyst. Now, the supplementary SCN issued to the Noticee specifically sought to explain as to why refund should not be initiated under Regulation 35 of Intermediaries Regulations for the moneys collected, i.e., Rs.2,29,88,532/- towards fee. The AR of the Noticee submitted that the nature of business activity is that of Research Analyst and the Noticee did not conduct any Investment Advisory Services. The DA in his findings at para 11.4.3 observed that the Noticee was only providing stock trading tips rather research recommendations or research report and in para 11.11.4 the DA stated that *“in the absence of documentary evidence in support of the statement in the business write-up, I am inclined to give benefit of doubt to the Noticee, with respect to the inference that the Noticee was providing investment advisory services to its clients by conducting their suitability assessment and risk profiling.”*
- 32 Therefore, the benefit of doubt given by the DA does not categorically amount to concluding that the Noticee was carrying out Investment Advisory activities. The Noticee also contended that the nature of its activities seen in the context of the trading calls under the RA Regulations, would indicate that it was carrying out activities of Research Analyst. The definition for “trading calls” under RA Regulations reads as under:
- “... if the trading call is provided after the risk profiling of the client and product suitability assessment, such trading calls are on “one to one” basis and shall come under the purview of IA Regulations and if the trading call is provided without any risk profiling of the client and product suitability assessment, such trading calls are on “one to many” basis and shall come under the purview of RA Regulations.*



Trading calls are security and strategy specific and are not client centric. Thus it is a one to many relationship, which is clearly the role of RA. There appears to be remote possibility of the trading calls based on client specific needs.”

- 33 Since the said explanation was clarificatory in nature, it can be said that it applied even before Dec, 2024 and the Noticee should have been aware of the same. Taking shelter under a clarification does not support the case of the Noticee.
- 34 In the facts and circumstances of the case, it is pertinent to note that the DA has noted that no quantifiable figures are available to assess the disproportionate gain or unfair advantage or consequent loss caused to the clients as a result of the defaults by the Noticee. The DA has also noted that the material available on record do not clearly assess the exact monetary loss to the clients on account of defaults by the Noticee. Therefore, in the absence of information pertaining to proportionate losses to clients, the allegation in the supplementary show cause notice dated August 07, 2026 with respect to Regulation 35 of SEBI Intermediaries Regulations and the proposed refund of fee is not sustainable as no clear fact-finding exercise is seen at the preliminary stage of the case.
- 35 I also note that as a SEBI registered intermediary, the Noticee is under statutory obligation to comply with the applicable circulars, rules and regulations.
- 36 It is pertinent to mention here with respect to the violations established above, the Noticee has been penalised vide Adjudication Order No. Order/AK/DS/2025-26/31592-31594 dated August 13, 2025. The Noticee has complied with the order of Adjudication Officer dated August 13, 2025.

E. CONCLUSION



- 37 For the reasons mentioned in the preceding paragraphs, I find that that the Noticee has violated provisions of Regulation 3(a), (b), (c), (d) and Regulation 4(2)(k), (r) and (s)(i) r/w Regulation 2(1)(b)(ii) and Regulation 2(1)(c)(1) of PFUTP Regulations, 2003.
- 38 The Noticee submitted during enquiry proceedings that since it has already paid the penalty, no further action should be taken against it for the same violations, as that would amount to double jeopardy. In this regard, I note that Enquiry and Adjudication proceedings are separate and independent of each other. Even if penalty is imposed in adjudication proceedings, directions under section (3) of section 12 of the SEBI Act can also be passed, if the same is warranted in the facts and circumstances of the case.
- 39 I find that the DA has recommended issuance of regulatory censure. Having regard to the fact that the Noticee along with two partners have already been subjected to a monetary penalty of INR 6 Lakh imposed by the Adjudication Order which has been paid, in the facts and circumstances of the case, I am of the view that issuance of a regulatory censure to the Noticee would be commensurate and proportionate to the violations established in the present case.

ORDER

- 40 In view of the foregoing, I, in exercise of the powers conferred upon me under sub section (3) of Section 12 and Section 19 of the SEBI Act, 1992 read with the sub-regulation (5) of regulation 27 of the Intermediaries Regulations, hereby issue a regulatory censure against the Noticee i.e. M/s Eqwires Research Analyst (SEBI Registration No: INH000007465).



41 The Order shall come into force with immediate effect.

42 A copy of this order shall be served upon the Noticee and on BSE Limited (being the Research Analyst Administration and Supervisory Body) for its information and record.

Date: September 30, 2026

Place: Mumbai

Biju S Digitally signed by
Biju S
Date: 2026.09.30
17:55:58 +05'30'

**BIJU S.
QUASI JUDICIAL AUTHORITY
SECURITIES AND EXCHANGE BOARD OF INDIA**