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Swipe, Like, Invest

New Edge of Financial Influence

Knowledge Series
November 2025
Volume 7 (Series 8)

Introduction

In the age of reels, hashtags, and viral trends, even finance has found its place on social media. A new generation of online personalities — known as “Finfluencers” — now dominate platforms like YouTube, Instagram, and X (Twitter), turning complex financial concepts into bite-sized, relatable content.

From explaining mutual funds and SIPs to sharing stock tips and tax hacks, these creators have made financial literacy more **accessible and appealing** than ever before. For many young Indians, the first lesson in investing no longer comes from a banker or a textbook — it comes from a finfluencer’s post or video.

Unregulated financial content online has led to misinformation and manipulation, from FOMO investing to pump-and-dump scams. SEBI is now tightening rules on social media financial advice, emphasizing the need to separate real education from misleading influence in the pursuit of true financial literacy. These aspects have been discussed in detail in the knowledge series below.

Awareness vs Misinformation

In today’s hyper-connected world, financial knowledge is just a click away — or so it seems. Social media platforms are flooded with self-proclaimed “finfluencers” who simplify complex financial concepts, offer investment tips, and claim to help followers achieve financial freedom. While many of these creators genuinely aim to spread financial awareness, a growing number use persuasive tactics, catchy content, and half-truths to attract views and followers. The line between **financial awareness** and **misinformation** has never been thinner.

The Rise of Financial Content Creation

The increasing accessibility of investment tools, digital payment platforms, and stock trading apps has brought personal finance into everyday conversations. This shift, amplified by the pandemic-era boom in digital content, has

encouraged millions to turn to social media for financial advice. Platforms like YouTube, Instagram, and X (formerly Twitter) have become the new classrooms for financial education. However, what often goes unnoticed is that **not every piece of advice is grounded in sound financial principles**. Unlike regulated financial advisors, most finfluencers are not required to hold certifications or fiduciary responsibility toward their audience. Their primary goal may not always be education—it could be engagement, sponsorship, or monetization.



When “Advice” Becomes Misinformation

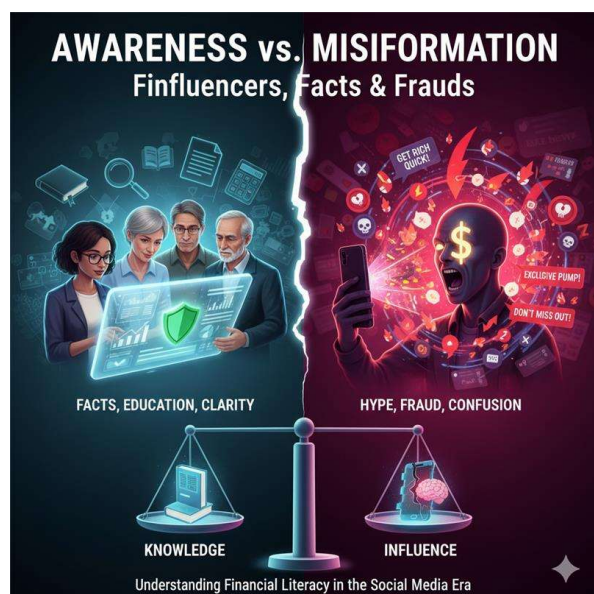
Misinformation in financial content often doesn’t come in the form of outright lies. Instead, it’s **incomplete advice**—the kind that highlights the success of a particular investment strategy without mentioning its risks. For instance, promoting high-return schemes, cryptocurrency trading, or “guaranteed” stock tips without disclosing volatility or suitability for different risk profiles can mislead audiences.

In some cases, finfluencers receive undisclosed commissions or incentives from companies or

platforms they promote. This creates a **conflict of interest**, where personal gain takes precedence over the financial well-being of the viewers.

Moreover, the problem is amplified by the **algorithmic bias** of social media platforms, which prioritize viral content over verified content.

A flashy video on “how to double your money in 30 days” will always outperform a sober, data-backed discussion on long-term wealth building. As a result, misinformation spreads faster than genuine awareness.



Spotting Credible Financial Information

Recognizing reliable financial advice requires a discerning eye. Genuine financial educators often:

- Cite **credible sources** such as SEBI guidelines, RBI publications, or reputed financial institutions.
- Provide **balanced perspectives**, clearly explaining both benefits and associated risks.
- Encourage viewers to **do their own research** rather than blindly follow recommendations.
- Avoid making **promises of guaranteed returns** or “get-rich-quick” claims.
- Are **transparent** about sponsorships, affiliations, and personal biases.

In contrast, misleading influencers typically rely on emotional appeal, fear of missing out (FOMO), and oversimplified narratives. Their goal is to convince, not to educate.

Building True Financial Awareness

True financial literacy goes beyond following tips and trends. It involves understanding concepts such as budgeting, compounding, taxation, diversification, and risk management. It empowers individuals to make informed decisions aligned with their financial goals and risk appetite. Organizations, regulators, and educators must work together to **promote responsible financial communication**. Initiatives by SEBI and RBI to regulate financial content and penalize misleading promotions are steps in the right direction. However, the ultimate responsibility still lies with the individual—to question, verify, and learn continuously.

Financial Literacy vs Financialization of Daily Life

Financial literacy means having the knowledge and skills to manage your money wisely. It includes understanding how to budget, save, invest, borrow, and handle debt — and being able to use these ideas in real-life situations.

The **financialization of daily life** means that many of our everyday choices — like buying a home or car, paying for education, planning for retirement, or managing healthcare — now involve money decisions such as taking loans, using credit cards, or investing. People are now expected to manage their own finances and risks, which were earlier handled by employers or the government.

Finfluencers (financial influencers) make this even more common by bringing money talk into our daily lives through social media. They help people learn and take control of their finances, but sometimes their advice can also lead to confusion or risky decisions.

Risks of the Financialization of Everyday Life

As finance becomes deeply woven into daily routines, individuals bear greater responsibility for managing risks once covered by public welfare, such as health, education, and retirement. This shift

exposes people to increased debts, market volatility, and the potential for financial exclusion if they lack access to sophisticated products or technology.

Ultimately, life's uncertainties—job loss, illness, or economic downturns—can more easily translate into personal financial crises, making everyday security increasingly dependent on individuals' ability to navigate complex financial markets

prudently managed financialization fosters economic resilience, enhances asset growth, and provides tools for households to secure their futures and achieve upward mobility.

- influencers play a critical role in enhancing financial literacy and motivating proactive money management, it is essential to approach their content critically and support it with robust digital and financial education efforts. Understanding the dual forces of educational empowerment and systemic financialization helps us grasp how finance has moved from the margins to the core of everyday decision-making in the social media age.

FINANCIAL LITERACY VERSUS FINANCIALIZATION OF DAILY LIFE **FINFLUENCERS, FACTS & FRAUDS**



KNOWLEDGE

INFLUENCE

Ultimately, while there are real benefits, the net impact is mixed: the financialization of daily life is beneficial only for those with the means and knowledge to navigate it successfully—it increases insecurity and inequality for others, making

collective protections and financial education more important than ever.

Regulatory Perspectives: What the Law Says About Online Financial Advice

Regulatory perspectives on online financial advice in India have evolved rapidly to address the complexities introduced by the rise of "finfluencers" on social media. SEBI's new 2025 regulations seek to promote transparency, investor protection, and ethical conduct among financial content creators, while clarifying compliance and disclosure requirements for all participants in the digital financial advice landscape.

SEBI Compliance and Disclosure Norms

SEBI's digital advertising framework, effective July 2025, mandates all financial influencers and digital platforms to follow clear rules when discussing financial products. Key requirements include:

- Only registered investment advisers can offer direct investment advice; unregistered influencers must limit themselves to general education.
- All sponsored content, paid partnerships, and commercial relationships must be disclosed clearly and prominently.
- Mandatory standard disclaimers must be added to all influencer content involving financial products—these cannot be hidden or minimized.
- Influencers must maintain audit trails for sponsored content, ensuring traceability and accountability.
- Penalties for non-compliance range from content blocking to monetary fines, aimed at deterring hype-driven, misleading promotions.

SEBI also requires regular audits of compliance and continuous monitoring of influencers' content, and calls for enhanced consumer education and collaboration with other regulatory agencies to address risks in new sectors such as cryptocurrency.

The Advertising Standards Council of India (ASCI) complements these norms by enforcing disclosure of all material connections in promotional financial content.



Industry Guidelines and Ethical Considerations

The broader industry (including the ASCI) emphasizes robust due diligence and responsible conduct, as many retail investors depend on finfluencers for their financial decisions. Ethical standards for content creators include:

- Ensure factual accuracy and clarity, avoiding misleading or exaggerated claims.
- Disclose conflicts of interest (e.g., sponsored posts, brand affiliations, gifts) transparently.
- Respect privacy, avoid sharing sensitive personal information, and obtain informed consent before using third-party data or stories.
- Promote unbiased, inclusive, and diverse content that does not perpetuate discrimination or stereotypes.
- Comply with copyright and intellectual property laws when using third-party content.

- Avoid recommended high-risk or unregulated products without proper warnings.
- Stick to financial education unless formally registered as an investment adviser with SEBI.



Limits and Responsibility for Content Creators

Finfluencers cannot offer personalized investment recommendations unless registered with SEBI and are legally bound not to misrepresent risks or returns. They must focus on general financial literacy, awareness, and responsible promotion, steering clear of specific stock picks, product endorsements, or unregulated opportunities without due warnings and disclosures.

The Dark Side

The rise of finfluencers has not come without its pitfalls. Beneath the glossy thumbnails and quick profits, lies a darker reality — one of misinformation, manipulation, and market misconduct.

Market Manipulation & Pump-and-Dump

Case Study: Small-Cap Stock Hype on Telegram & Twitter: -

- A group of influencers created buzz around a low-volume small-cap stock, calling it the “*next multibagger*.”

- They first accumulated shares quietly, then used coordinated posts, YouTube videos, and Telegram channels to push the narrative.
- Retail investors rushed in due to FOMO, driving the price up nearly 150% in two weeks.
- Once prices peaked, the original promoters **dumped their holdings**, leading to a price crash and heavy public losses.
- SEBI later traced the activity and barred several accounts for “**price manipulation and circulation of misleading content.**”

Learning: Always question sudden online hype – genuine investments don’t rely on viral marketing.

SEBI’s Crackdown on Unregistered Finfluencers

Case Study: SEBI’s 2023 Action on Influencer Collaborations

SEBI observed that several registered brokers and advisors were **paying influencers** to promote trading platforms or specific stocks without disclosing that these were *paid promotions*.

In one case, influencers were compensated based on the number of client sign-ups they generated – a clear violation of investment advisor regulations.

SEBI intervened and issued **strict guidelines** prohibiting any form of revenue-sharing or commission-based tie-ups with unregistered influencers.

The new framework also required **mandatory disclaimers disclosure of conflicts of interest** in online financial content.

Learning: Regulatory compliance now extends to the digital sphere – credibility online must match regulatory accountability offline.

The FOMO Effect

Social media thrives on trends – and so does investing. The “Fear of Missing Out” (FOMO) pushes many to jump into hot stocks, IPOs, or cryptocurrencies just

because “everyone else is doing it.” Finfluencers often amplify this herd mentality through emotional content, short clips, and flashy success stories. Unfortunately, FOMO investing leads to

speculation rather than strategy, eroding financial discipline.

Misinformation and Oversimplification

Financial topics like taxation, derivatives, and mutual funds are complex, but social media thrives on short attention spans. To gain views, finfluencers often **oversimplify** or **misrepresent** financial products:

Presenting **monthly SIPs** as guaranteed wealth creators without mentioning market risk.

Showing **credit cards** or “Buy Now Pay Later” schemes as smart tools, ignoring debt traps.



Using catchy phrases like “*This one stock can change your life!*” that sound like advice but lack substance.

Many of these posts are not illegal per se, but they **distort financial literacy** by prioritizing virality over veracity.

The Role of Chartered Accountants as Credible Sources of Financial Knowledge

The Digital Dilemma: Financial Knowledge in the Age of Influence

The democratization of financial information through social media has brought both empowerment and peril. While millions now access financial concepts easily, this access is often mediated by **unregulated “finfluencers”** – digital

content creators whose advice is guided more by engagement metrics than professional standards.

This shift represents more than casual misinformation. It marks a **systemic failure in the governance of financial knowledge**. Individuals, instead of seeking expert counsel, are increasingly guided by viral

opinions or product promotions, often disguised as education. The result is an **accelerated “financialization of daily life”**—where individuals are forced to make complex financial decisions on loans, investments, and taxes without adequate understanding or safeguards.

The risks are profound. What was once the domain of regulated professionals is now driven by algorithms, sponsorships, and hype. Misinformed decisions, disguised as “financial freedom,” often lead to debt traps, speculative losses, and non-compliance. In this environment, **trust—not information—becomes the true scarcity**.

Chartered Accountants: The Institutional Counterweight to Digital Hype

Amid this chaos, the Chartered Accountant (CA) stands as a beacon of credibility and ethical assurance. Unlike digital content creators, CAs operate under a statutory mandate established by the Chartered Accountants Act, 1949, designed to uphold the public interest, professional integrity, and objectivity.

Their expertise extends beyond compliance—they are financial custodians, ensuring that every decision aligns with legal, ethical, and economic prudence. The CA’s advice is grounded in verified facts, regulatory standards, and public accountability, serving as a countermeasure to the speed and superficiality of digital finance culture.

What Makes CA Guidance Structurally Credible

Ethical Governance and Statutory Oversight

The ICAI’s **Code of Ethics**, administered by the **Ethical Standards Board**, enforces strict standards of independence, confidentiality, and objectivity. Any violation invites disciplinary action—ranging from penalties to expulsion. Unlike influencers, whose accountability ends at “follower count,” CAs operate under continuous institutional scrutiny.



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Continuous Professional Education (CPE)

CAs must complete **120 hours of structured learning every three years**, including annual mandatory training in **Ethics and Auditing Standards**. This ensures that their knowledge evolves with regulatory and economic realities—making their advice not just accurate, but current and reliable.

Peer Review and Quality Assurance

Through the ICAI's **Peer Review Mechanism**, CA firms undergo periodic audits by independent peers to confirm adherence to professional, technical, and ethical standards.

This preventive system ensures the **quality of assurance before services are delivered**, contrasting sharply with the **reactive regulation** of misleading online content.

Finfluencers often blur education with advertisements - promoting high-risk products without disclosing sponsorships. SEBI's digital advertising framework (2025) now mandates explicit disclosures, but enforcement remains weak. Unregistered advisors offering "stock tips" or "portfolio suggestions" are, by law, in violation of **SEBI (Investment Advisers) Regulations, 2013**.

CAs, on the other hand, can offer **incidental investment advice** as part of their professional services but must obtain SEBI RIA registration for personalized investment recommendations—ensuring both **competence and accountability**.



The Real Risk: Financialization without Understanding

The social media-driven financial ecosystem has normalized the **transfer of financial risk from institutions to individuals**. Everyday people are now expected to manage their own pensions, credit, taxes, and investments—often through fragmented, influencer-driven advice.

When finance becomes entertainment, **risk becomes invisible**. The consequence is twofold:

- Individuals bear the brunt of market volatility, debt cycles, and compliance failures.
- Financial inequality widens, as those with professional guidance (CAs, planners)

stabilize their wealth while others fall prey to speculative traps.

CAs play a **stabilizing role** here—offering structured, data-driven advice on **tax planning, debt restructuring, and long-term financial management**, ensuring that every decision rests on legality, not virality.

"In the age of algorithms and attention, the Chartered Accountant is not just a number cruncher – but the last line of defense between financial freedom and financial fraud."

Conclusion

The rise of finfluencers has made finance more relatable and accessible, inspiring many to take charge of their money. But this influence comes with a caution – not all advice online is reliable. Misinformation, hidden promotions, and quick-profit promises often blur the line between education and manipulation, making it vital for audiences to think critically before acting on financial content.

As SEBI tightens its regulations on online financial advice, the focus shifts toward responsible communication and informed decision-making. True financial literacy isn't about following trends – it's about understanding facts and trusting credible, regulated professionals. In an age driven by social media, ethical guidance and professional integrity remain the most valuable currencies in finance.

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Special Mention:

Thank you, Yash Bajaj, Sanket Pokar, Saniya Adlinge, Gayatri Prasad for the compilation of this knowledge series.

RRCO Corner:

A dinner was organized on 17th November 2025 to celebrate the auspicious occasion of Diwali. The gathering brought everyone together to share joy, laughter, and festive cheer.



Compliance Calander for the month of

Nov-25

Due Date	Compliance
07-Nov-2025	Payment of TDS/TCS (Monthly)
07-Nov-2025	Payment of Equalization Levy
07-Nov-2025	ECB-2 Return
10-Nov-2025	Tax Audit Report under provisions of Income Tax Act
10-Nov-2025	GSTR-7 Monthly GST TDS return for Oct 2025
10-Nov-2025	GSTR-8 Monthly GST TCS return by e-commerce operators for Oct 2025
11-Nov-2025	GSTR-1 (Monthly)
13-Nov-2025	B2B Invoice Reporting through IFF (QRMP Scheme)
13-Nov-2025	GSTR-6 (ISD Return)
14-Nov-2025	16B/C/D/E/A - Issue of TDS Certificate u/s 194-IA/IB/M/S (for Sept 2025)
15-Nov-2025	16A - Quarterly TDS certificate (for Q2 ending 30 Sep 2025)
15-Nov-2025	Payment of ESIC and Return
15-Nov-2025	Payment of PF and Return
15-Nov-2025	ITR for Companies (Extended)
15-Nov-2025	ITR for assessee other than companies where tax audit is applicable (Extended)

Due Date	Compliance
20-Nov-2025	GSTR-5A Return by OIDAR service providers (for Oct 2025)
20-Nov-25	Monthly GSTR-3B (Claim ITC for FY 24-25 till 30 Nov 2025)
25-Nov-25	GSTR-3B (Payment under QRMP)
30-Nov-25	26QB/ QC/ QD/ QD- Challan-cum-statement u/s 194-IA/IB/M/S for Oct 2025
30-Nov-25	ITR for assessee where Section 92E is applicable
30-Nov-25	3CEAA, 3CEFA, 3CEFB
30-Nov-25	Monthly Return of PTRC