

CIRCULAR

HO/38/12/12(1)2026-MIRSD-SEC-FATF/I/7934/2026

March 25, 2026

To,

All registered Research Analysts,
Research Analyst Administration and Supervisory Body (RAASB)

Madam/ Sir,

Subject: Clarification regarding eligibility of members of the Institute of Cost Accountants of India to conduct annual audit of Research Analysts

1. SEBI vide Master Circular for Research Analysts dated February 06, 2026¹ ('Master Circular'), has provided a consolidated document containing all directions/ instructions/ reporting requirements pertaining to Research Analysts (RAs).
2. The paragraph 31 of Chapter VI of the Master Circular, *inter-alia*, provides that a member of Institute of Chartered Accountants of India or Institute of Company Secretaries of India can conduct annual audit of an RA to verify compliance with the provisions of the SEBI (Research Analysts) Regulations, 2014 ('RA Regulations') and circulars issued thereunder.
3. Given the representation from the Institute of Cost Accountants of India and considering the recognition of Cost Accountants to conduct annual audit of RAs, under Regulation 25(3) of the RA Regulations, it has been decided to modify the aforementioned paragraph to clarify eligibility of members of the Institute of Cost Accountants of India to conduct annual audit of RAs.
4. Accordingly, the paragraph 31 of Chapter VI of the Master Circular, shall be replaced with the following:

“Annual audit report and adverse findings, if any:

In terms of regulation 25(3) of the RA Regulations, research analyst or research entity shall conduct annual audit in respect of compliance with RA regulations and circulars issued thereunder from a member of Institute of Chartered Accountants of India or Institute of Company Secretaries of India or Institute of Cost Accountants of India within six months from the end of each financial year and submit a compliance audit report to RAASB/ SEBI within a period of one month from the date of the audit report but not later than October

¹ Circular no. HO/38/12/11(1)2026-MIRSD-POD/I/4360/2026 dated February 6, 2026;

31st of each year for the previous financial year. RA/research entity shall publish the status of the compliance audit report on its website and shall also publish the adverse findings of audit, if any, along with the action taken thereof on its website. RA/ research entity shall provide the compliance audit report to its clients.”

5. The provisions of this circular shall be applicable from the date of issue of this circular.
6. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, read with Regulation 25(3) of the SEBI (Research Analysts) Regulations, 2014, to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.
7. This circular is issued with the approval of the competent authority.
8. This circular is available on the SEBI website at www.sebi.gov.in under the category, 'Legal → Circulars'.

Yours faithfully,

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