



## **Advisory to Investors**

**Mumbai, September 7, 2021:** The Exchange has been informed that some unregulated platforms/websites are offering trading in certain unregulated derivative products called Contracts for Difference (CFD) / Binary Options. Further, some unregistered entities and unregulated internet-based platforms are targeting gullible investors with false promises of high/exorbitant returns on their investment schemes/ products. Some fraudsters are also sending emails and SMSs luring the clients to trade in securities/ commodities promising huge profits or trading in unregistered schemes/ products.

In this regard, the clients/Investors falling prey to such fraudulent promises of high/exorbitant returns by these websites/platforms/SMSs may eventually lose money. Clients/investors should always do their own due diligence and take an informed decision when investing in securities/ commodities. Hence, Investors are advised to

- a) Refrain from dealing/investing in unregulated products such as Contracts for Difference (CFDs) / Binary Options offered by such unregulated internet-based trading platforms.
- b) Refrain from any investments/dealings arising out of a contract in securities / commodities which are not permitted, or which are not made subject to Bye Laws, Rules and Regulations of the Exchange.
- c) Deal only with SEBI registered Stockbrokers after duly checking the registration details of the entity they are dealing with from the Exchange website. It may be noted that only dealings with SEBI registered stockbrokers on the Exchange platform offer recourse to regulatory action.
- d) The clients / investors should not transfer funds or securities to any person including a stockbroker under any arrangement/ agreement of indicative/assured/guaranteed returns as the same is prohibited. However, clients/investors may transfer funds / securities for investment purpose only to the registered Stockbrokers and not to any Authorised Person (AP) or associate of Stockbrokers.

This advisory is issued in the interest of investors.

### **About MCX:**

Having commenced operations on November 10, 2003, Multi Commodity Exchange of India Limited (MCX) is India's first listed, national-level, electronic exchange. It is also the first exchange to introduce commodity options in India. In the financial year 2020–21, the market share of MCX was 96.04%. MCX offers the benefits of fair price discovery and price risk management to the Indian commodity market ecosystem. Various commodities across segments are traded on the Exchange platform. These include bullion, energy, metals and



agri commodities. The exchange has forged strategic alliances with various international exchanges, as well as Indian and international trade associations. For more information, about MCX and its products visit [www.mcxindia.com](http://www.mcxindia.com).

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