



PR No.27/2024

Advisory on unauthorized virtual trading / gaming platforms

It has come to the notice of Securities and Exchange Board of India (SEBI) that some apps / web applications / platforms are offering virtual trading services or paper trading or fantasy games to the public based on stock price data of listed companies.

Such activities are in violation of Securities Contract (Regulation) Act, 1956 and SEBI Act, 1992 which are laws designed to protect investors.

SEBI had also issued a [Press Release dated August 30, 2016](#) which cautioned the public against leagues / schemes / competitions related to securities markets, which might involve distribution of prize monies.

It is reiterated that the public can invest and undertake trading activities in the securities markets only through/with registered intermediaries.

Participation in unauthorized schemes, including sharing of confidential and personal trading data, is at the investors' own risk, cost and consequences, as such schemes / platforms are not registered with SEBI.

SEBI is issuing this caution, advising investors to not engage with or undertake investment or trading activities through un-registered intermediaries / web applications / platforms / apps. The investors may note that for any kind of

disputes relating to such activity, none of the following recourses will be available to investors:

- Benefits of investor protection under SEBI / Exchange(s) Jurisdiction including SCORES.
- Investor grievance redressal mechanism administered by Exchange(s) or the online dispute resolution mechanism administered by Exchanges/Depositories (smartodr.in).

Mumbai
November 04, 2024