



PR No.34/2024

Transaction in Securities of Unlisted Public Limited Companies on Electronic Platforms

1. It has come to the notice of SEBI that certain electronic platforms and/or websites are facilitating transaction in unlisted securities of public limited companies. Such activities are in violation of Securities Contract (Regulation) Act, 1956 and SEBI Act, 1992 which are, inter alia, laws designed to regulate and protect the interest of investors in securities market.
2. SEBI had earlier issued a [Press Release dated August 30, 2016](#), which inter alia cautioned the public against these activities. Recently, SEBI issued Press Releases on [unauthorised virtual trading platforms](#) offering virtual trading/paper trading/fantasy games and [unregistered online platforms offering unlisted debt securities](#), which inter alia cautioned the public against of such activities.
3. Investors are advised not to conduct any transactions on such electronic platforms or share any sensitive personal details on the same as these platforms are neither authorized nor recognized by SEBI.

4. Only recognized stock exchanges are authorised to provide a platform for fund raising and trading in securities of “to be listed” and “listed” companies. The details of SEBI recognized stock exchanges are available on the SEBI website www.sebi.gov.in.

5. SEBI is issuing this caution to investors to not engage with and undertake investment and trading activities through un-registered web applications/ electronic platforms. Investors may note that for any kind of disputes relating to such activity, none of the following recourses will be available to investors of such platforms:
 - Benefits of investor protection under SEBI/ Exchange(s) Jurisdiction
 - Investor grievance redressal mechanism administered by Exchange(s) or the online dispute resolution mechanism administered by Exchanges/Depositories (smartodr.in).

Mumbai
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