



Circular no.: MCX/INSP/262/2024

April 26, 2024

Advisory on Impersonation and Unauthorised Market Practices

Members attention is drawn to Exchange circular no. MCX/ISD/625/2021 dated September 29, 2021, where in it was stated that members are advised to regularly caution and create awareness amongst their clients/investors to abstain them from dealing in any schemes of unauthorised collective investments/portfolio management, indicative/ guaranteed/fixed returns / payments.

Additionally, Exchange vide Circular no. MCX/INSP/193/2022 dated March 31, 2022, advised members to look out for various unsolicited messages being circulated in the market and take appropriate action against the individual/person/entity in case the details such as names, phone numbers, email ids appearing in the said messages are matching with the records of their employees, authorised persons, and clients.

Further, considering the recent investor complaints and media reports, it is observed that some unscrupulous persons/ entities operating through Indian and International mobile numbers, through impersonation on social media platforms like WhatsApp Groups, Telegram Channels, Facebook, Instagram Channels, etc. are falsely claiming to be associated with reputed financial institutions, showcasing fake certificates purportedly issued by SEBI/ Exchanges.

In view of the above and to protect the investors from unauthorized schemes/frauds due to impersonation, trading members are advised to actively search the web/social media platforms for possible impersonation of their name regularly and immediately take following actions:

- a. Initiate steps to take down such App/website/social media posts etc. by filing police complaints,
- b. Issue public notices and
- c. Notify clients about-such impersonation findings, guiding them to verify the authentication of offer like asking them to visit official website or tagging official social media handles or calling customer care at email/phone no., etc. and advise clients not to participate/subscribe to any such product/scheme being offered.

Consequently, trading members are requested to report such instances/findings along with action taken to MCX on email enforcement@mcxindia.com, within 3 days after filing of police complaint.

Further, as a part of investor awareness and cautioning public at large, Exchange is publishing and updating all issued press releases on its website under 'Media coverage and Press releases issued to caution investors' heading. The link to view/refer issued press releases on MCX website is given below. Trading Members are requested to communicate about following link to their clients for their information & awareness.

MCX website Link- <https://www.mcxindia.com/media/press-releases>

All Members are advised to take note of the above and take necessary action.

Vishal Patelia
Asst. Vice President
(Inspection & Audit)

Kindly contact Inspection & Audit Team on 022-66494150 or send an email at Inspection@mcxindia.com for further clarification.