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## SEBI cautions public against dealing with unregistered entities

The Securities and Exchange Board of India (SEBI) has observed a rising trend of unscrupulous entities and online platforms that falsely claim to be registered with SEBI as intermediaries. These entities often entice the general public by showcasing fake certificates purportedly issued by SEBI and promising or implying assured, high returns on investments.

SEBI hereby cautions investors against placing their money with any entity based on such claims. Investors are urged to conduct due diligence and verify the registration status of any entity claiming to be a SEBI-registered intermediary. It is imperative for investors to understand that investments offering high returns usually involve high risk including fraud risk and there can be no guarantees of assured returns in the securities market.

While investing in securities market, investors are advised to;

- i. **Verify before investing:** Before engaging with any investment service provider, investors are strongly advised to verify the entity's registration status on the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) by following the below path → [www.sebi.gov.in](http://www.sebi.gov.in) → Intermediaries / Market Infrastructure Institutions → Recognised Intermediaries.
- ii. **Beware of promises of high returns:** Investors should be cautious of any entity that promises assured or exceptionally high returns. The principle of 'higher returns come with higher risks of losing your money all-together' holds true in the securities market.

- iii. **Verify enforcement action by SEBI:** The details of any enforcement action taken by SEBI against any entity/ intermediary is available on SEBI website on the following path → [www.sebi.gov.in](http://www.sebi.gov.in) → Enforcement → Orders.
- iv. **Be well informed:** SEBI encourages investors to empower themselves with knowledge about the securities market for a safer investment journey. Knowledge is your best defense against fraud. For comprehensive resources on understanding the basics of investing, recognizing the importance of dealing with registered intermediaries, and more, please visit SEBI's investor education website at <https://investor.sebi.gov.in>.

**Mumbai**  
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