

Stock market frauds on the rise: 6 ways to protect yourself



Synopsis

With the growing threat market regulator Securities and Exchange Board of India (Sebi) and stock exchanges including NSE have been warning investors of fraudulent entities and persons who scam people through digital means and social media platforms.

By ETMarkets.com Follow us Jun 15, 2024, 01:01:00 PM IST2

Even as online stock market frauds have become commonplace now, investors and traders are advised to remain vigilant of potential threats and scams that target unsuspecting individuals through various tactics and leaving victims financially drained.

With the growing threat market regulator Securities and Exchange Board of India (Sebi) and stock exchanges including NSE have been warning investors of fraudulent entities and persons who scam people through digital means and social media platforms.

Investors can mitigate these risks by following these 6 important tips:

1. No to unsolicited offers: Investors should remain vigilant and treat all the unsolicited investment advice or promises of exorbitant returns with skepticism. The unsolicited tip could come via emails, messages, phone calls or through social media platforms.
2. Go for legitimate investment firms: Investors should look for legitimate investment firms and do background checks to find their track record. Legitimate firms will not send unsolicited advice or lure investors of exorbitant returns.

3. Prioritize registered and regulated entities: Engage only with SEBI-registered brokers and platforms, which adhere to stringent regulatory oversight and investor protection measures.
4. Mindful to guaranteed profits: Investors should be wary of people or entities who offer promising returns that appear to be too good to be true. One must understand that equity investments are fraught with risks and market fluctuations.
5. Cyber Threats: Cyber frauds are becoming rampant these days and one should stay informed about them. One way to that is to continuously educate yourself about the latest cyber threats and common tactics employed by fraudsters.
6. Securing digital assets: Securing your digital assets with an advanced, regularly updated antivirus solution is an essential investment to safeguard your financial future from cyber threats.

Quick Heal suggests a multi-layered defense strategy for investors and traders. These include real-time threat detection, web security, identity theft protection and deep scan (scans applications before installation and continuously monitors installed apps for potential threats). Quick Heal Technologies is a cybersecurity solutions provider.