

ANNEXURE 2

DEPARTMENT OF COMMUNICATION,
Central Office, S.B.S. Marg, Mumbai 400001
RESERVE BANK OF INDIA
www.rbi.org.in/hindi
Website : www.rbi.org.in
emailÀ helpdoc@rbi.org.in

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Beware of Fictitious Offers/Lottery Winnings/Cheap Fund Offers: RBI

The Reserve Bank of India has, today once again clarified that remittance in any form towards participation in lottery schemes is prohibited under the Foreign Exchange Management Act, 1999. Further, these restrictions are applicable also to remittances for participation in lottery-like schemes functioning under different names, such as, money circulation scheme or remittances for the purpose of securing prize money /awards, etc. The Reserve Bank has clarified that it neither maintains any account in the name of individuals / companies / trusts in India to hold funds for disbursal nor does it allow individuals to open an account to deposit money with the Reserve Bank. It also does not issue any certificates or advices or confirmations, evidencing receipt and holding of money in these accounts.

The Reserve Bank has advised the public not to remit or deposit money in such accounts in response to fictitious offers/representations. The public may immediately bring the details of such offers to the notice of local police authorities for booking the culprits.

The Reserve Bank advice came in the wake of many residents falling prey to such tempting offers and losing money in the recent past. The Reserve Bank of India has, on several occasions in the past, cautioned the members of public not to fall prey to fictitious offers / lottery winnings / remittance of cheap funds in foreign currency from abroad by certain foreign entities / individuals, including Indian residents acting as representatives of such entities / individuals. These offers are generally made through letters, e-mails, mobile phones, SMSs, etc.

The Reserve Bank of India has stated that in addition to the typical modalities adopted in the past, the fraudsters have now resorted to issuing certificates, letters, circulars, etc., on letterhead that looks like that of the Reserve Bank of India's and purportedly signed by its executives / senior officials to make such offers look genuine. The fraudsters also convince the victims by impersonating as senior officials of the Reserve Bank with telephone numbers and/or fictitious e-mail IDs. Many fraudsters have even opened accounts with banks in India and advised public to deposit money in these accounts towards various charges, taxes, duties, etc. Once the money is deposited in their account, people mailing such offers withdraw the money and then vanish. The victim thus loses the money already paid.

The Reserve Bank has also urged members of public to read the ticker on the Reserve Bank's website (www.rbi.org.in) for details.

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Alpana Killawala
Chief General Manager