

**Remittance for participation in lottery etc.  
schemes  
A.P.(DIR Series) Circular No.2 (July 27, 2001)**

RESERVE BANK OF INDIA  
EXCHANGE CONTROL DEPARTMENT  
CENTRAL OFFICE  
MUMBAI 400 001

A.P.(DIR Series) Circular No.2

July 27, 2001

To

All Authorised Dealers in Foreign Exchange

Dear Sirs

**Remittance for participation in lottery etc. schemes**

It has come to the notice of the Reserve Bank that certain overseas organisations have been advising individuals in India that they have won prizes in lotteries etc. and that they should arrange to remit some amount in US Dollars, as fees.

2. Attention of the authorised dealers is drawn to Item 3 of Schedule I to the Government of India Notification G.S.R. 381(E) dated May 3, 2000, which prohibits, inter alia, remittances for the purchase of lottery tickets. **Authorised dealers are, therefore, advised to suitably inform the members of public that remittance in any form towards participation in lottery schemes are prohibited under Foreign Exchange Management Act, 1999. Further, these restrictions are also applicable to remittances for participation in lottery like schemes functioning under different names like money circulation scheme, or remittances for the purpose of securing prize money/awards etc.**

3. The directions contained in this circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999). Any contravention or non-observance of these directions is subject to the penalties prescribed under the Act.

Yours faithfully  
K.J. UDESHI  
Chief General Manager