

RBI/2008-09/126

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August 5 , 2008

The Chief Executive Officer of  
All Primary (Urban) Co-op. Banks

Dear Sir/Madam

**RBI cautions Public against Fictitious offers of  
Remitting cheap funds from abroad**

As you may be aware, fictitious lottery and money circulation schemes aimed at defrauding members of the public have come to light from time to time. It is clarified that remittances in any form towards participation in lottery schemes is 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, such as money circulation scheme or remittances for the purpose of securing prize money/awards etc. We invite a reference in this connection to a Press Release on the subject dated December 7, 2007 issued by the Reserve Bank of India (copy enclosed). You are advised to bring the contents of the press release to the notice of your customers.

Yours faithfully

**(A.K. Khound)**  
Chief General Manager-in-Charge