

**Remittance for participation in lottery etc., schemes
A.P. (DIR Series) Circular No.49 (June 4, 2002)**

**Reserve Bank of India
Exchange Control Department
Central Office
Mumbai-400 001**

A.P. (DIR Series) Circular No.49

June 4, 2002

To

All Authorised Dealers in Foreign Exchange

Madam/Sirs,

Remittance for participation in lottery etc., schemes

Attention of authorised dealers is invited to A.P. (DIR Series) Circular No.22 dated December 7, 2000 and A.P. (DIR Series) Circular No.2 dated July 27, 2001 in connection with prohibition on remittance in any form towards participation in lottery schemes or lottery like schemes, functioning under different names like money circulation scheme, or remittances for the purpose of securing prize money/awards etc., under Foreign Exchange Management Act, 1999.

2. It is clarified that the prohibition on such payments include payment not only by a resident by use of cash/draft/credit card/debit card etc. but also payments made by non-residents on behalf of residents. As such any person resident in India effecting/remitting such payment directly/indirectly would make himself/herself liable to be proceeded against the contravention of the Foreign Exchange Management Act, 1999.

3. Therefore, with a view to caution the members of public, authorised dealers are once again advised to give wide publicity to the instructions contained in the A.P.(DIR Series) Circulars referred to above.

4. 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).

Yours faithfully,
Grace Koshie
Chief General Manager