



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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February 15, 2011

Do Not Pay Money to receive Large Funds from Abroad: RBI Advisory

The Reserve Bank has today once again issued an advisory cautioning the members of public against responding in any manner to offers of moneys from abroad. It has stated that such offers are fraudulent and has advised the public to immediately register a complaint with the local police/ cyber crime authorities when they receive such offers or become a victim of any such fraud.

Members of public have also been cautioned against making any remittance towards participation in such schemes/offers from unknown entities since such remittances are illegal and any resident in India collecting and effecting/remitting such payments directly/indirectly outside India is liable to be proceeded against for contravention of the Foreign Exchange Management Act, 1999. They are also liable for violation of regulations relating to Know Your Customer (KYC) norms/Anti Money Laundering (AML) standards.

The Reserve Bank has further stated that it does not undertake any type of money arrangement, by whatever name called, and it does not take any responsibility for recovering moneys remitted in response to such bogus communication.

For any further clarification in the matter, the Reserve Bank has advised the public to contact the officials of the Foreign Exchange Department at its various Regional Offices or at its Central Office, Foreign Exchange Department on telephone numbers 022- 22610589 / 22610618 or 2260 1000 extn. 2772 / 2732 during office hours (9.45 hours to 17.45 hours Monday to Friday) or seek clarification by [e-mail](mailto:helpdoc@rbi.org.in) . The public may also refer to the cautionary advices hosted on the home page of the RBI website (www.rbi.org.in) as a ticker for more information.

The Reserve Bank has stated that it has urged the Indian Banks' Association and banks to educate their customers to be extra vigilant with regard to such fictitious offers. Banks have also been advised to take up with law enforcing agencies whenever accounts of their customers are misused for such fraudulent activities.

How do the Fraudsters operate?

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 so-called foreign entities/ individuals or

to Indian residents acting as representatives of such entities/individuals. Describing the manner in which the fraudsters operate, the Reserve Bank has stated that the fraudsters send attractive offers to gullible public through letters, e-mails, mobile phones, SMSs, etc. To lend credence to such offers, the communication is often sent on/ from letterheads /websites that appear to be like that of some public authorities like the Reserve Bank of India. The offers are apparently signed by top executives/senior officials of such authorities. However, only the names of the officials may be correct but their signatures are faked. The offer document would contain contact details of a so-called RBI officer working in some department in the Reserve Bank/Public Authorities.

The fraudsters initially ask potential victims to deposit small sums of money for different official sounding reasons, such as, processing fees/ transaction fees/tax clearance charges/conversion charges, clearing fees, etc. The victims are asked to deposit the money in certain accounts in banks. The fraudsters often have multiple accounts in the name of individuals or proprietary concerns in different bank branches for collecting such charges. Often gullible genuine account holders are persuaded by the fraudsters to lend their accounts for such fraudulent activities on the promise of receiving some commission. Once the initial amount is deposited, demands for more money follow with more official sounding reasons. After accumulating a sizeable amount in these accounts, the fraudsters withdraw or transfer the money abroad and vanish leaving the victims in a lurch. Many residents have already become victims and have lost huge sums of money by falling for such fictitious offers.

Press Release : 2010-2011/1177

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