ANDHRA BANK

OVERSEAS FOREX TRADING THROUGH ELECTRONIC/INTERNET TRADING PORTALS.

All customers of Andhra Bank resident in India are hereby informed that the Reserve Bank of India (RBI) has issued an advisory on the prohibition on Overseas Forex Trading through Electronic/internet trading portals.

Accordingly, no remittances will be allowed to be made by customers of Andhra Bank resident in India for such Forex trading.

Please find below the contents of the RBI Circular No 46 dated 17.9.2013.

RBI Advisory on Overseas Forex Trading through Electronic/internet Tranding portals.

1. Bank to exercise due caution and be extra vigilant in respect of the margin payments being made by the Public for online forex trading transactions through Credit Cards/deposits in various accounts maintained with banks in India. Further AD Category-I Banks were also advised to exercise due caution in respect of the accounts opened in the name of individuals or proprietary concerns at different Bank branches for collecting the margin money, investment money, etc. in connection with such transactions.

2. However it has been observed that some banking customers continue to undertake online trading in foreign exchange on portals/websites offering such schemes wherein they initially remit funds from Indian Bank accounts using credit cards or other electronic channels to overseas websites/entities and subsequently receive cash refunds from the same overseas entities into their credit card or bank accounts.
FOREIGN EXCHANGE TRADING ON ANDHRA BANK CARDS IS PROHIBITED.

- An Indian resident is permitted to make only those foreign exchange transactions on a credit card/Debit Card/ that are permissible under the Foreign Exchange Management Act (FEMA) 1999. Remittance in any form towards overseas exchange trading through internet/Electronic trading portals is not permitted under the Foreign Exchange Management Act (FEMA), 1999. Indian residents are also prohibited from trading in foreign exchange in domestic and overseas market.

- The Reserve Bank of India (RBI) has clarified many times that remittance in any form towards overseas foreign exchange trading (including through electronic/Internet trading portals or by use of Credit/Debit cards) is not permitted. RBI has cautioned the public not to remit or deposit money or utilize credit/Debit cards for such unauthorised transactions.

- Accordingly, please take note of the prohibitions on using your Credit/Debit card for such unauthorized transactions in contravention to the FEMA and the regulations issued thereunder and that violation(s), if any would attract penalties as RBI or the Enforcement Directorate may initiate against such residents.

This communication intends to draw your attention to the subject and advises you to refrain using your Andhra Bank Credit/Debit Card for such transactions. Please note, if such transactions are noted on your Credit/Debit Card, the Bank reserves the right to close your Card forthwith without any liability or responsibility on the part of the Bank.