



Press Release
03.09.2022

Directorate of Enforcement (ED) has been carrying out search operations under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 on 02.09.2022 at 06 premises in Bengaluru, in respect to an investigation relating to the Chinese Loan App Case.

The case is based on 18 Nos of FIRs registered by Cyber Crime Police Station, Bengaluru City against numerous entities/persons in connection with their involvement in extortion and harassment of the public who had availed small amount of loans through the mobile apps being run by those entities/persons.

During enquiries, it has emerged that these entities are controlled/operated by Chinese Persons. The modus operandi of these entities is by using forged documents of Indians and making them as dummy directors of those entities, they are generating proceeds of crime. It has come to notice that the said entities were doing their suspected/illegal business through various Merchant IDs/Accounts held with Payment Gateways/banks. The premises of Razorpay Pvt Ltd, Cashfree Payments, Paytm Payment Services Ltd and entities controlled/operated by Chinese Persons are covered in the search operation.

During the search operation, it is noticed that the said entities were generating proceeds of crime through various Merchant IDs/Accounts held with Payment Gateways/banks and they are also not operating from the addresses given on the MCA website/registered address and having fake addresses. An amount of Rs 17 Crore have been seized in merchant IDs and bank accounts of these Chinese persons-controlled entities.

The search operation is in progress.
