**PRESS RELEASE**

25.08.2026

**ED ARRESTS TWO IN GOA "DIGITAL ARREST" CASE; ACCUSED REMANDED TO ED CUSTODY, NETWORK CONVERTED CYBER-FRAUD MONEY INTO CASH AND THEN INTO FOREIGN CURRENCY THROUGH LICENSED MONEY CHANGERS; ITS CYBER ACCOUNTS FINGERPRINTS IN 163 FIRs ACROSS 20 STATES AND UNION TERRITORIES**

Directorate of Enforcement (ED), Panaji Zonal Office, has arrested Fahim Moin Hussain Sayed and Naim Mueen Sayyed on 23.08.2026 under Section 19 of the Prevention of Money Laundering Act (PMLA), 2002. Both were produced before the Hon'ble Special Court (PMLA) at Goa on 24.08.2026 and have been remanded to the custody of the ED for five days, up to 29.08.2026.

The investigation arises out of FIR registered by the Cyber Crime Police Station, North Goa, in which a resident of Goa was subjected to the fraud known as "digital arrest". She was made to believe that she was under investigation, was kept under continuous surveillance over a video call, and was thereby coerced into transferring Rs. 2,60,33,634/- between 21.05.2025 and 02.06.2025 into accounts falsely described to her as "Secret Supervision Accounts".

Investigation has revealed that the money did not stop with those who defrauded her. It entered an organised apparatus which existed for a single purpose — to convert the proceeds of cyber-fraud, received as ordinary banking credits, first into cash, and thereafter into foreign currency, using companies which held licences of the Reserve Bank of India as Full Fledged Money Changers.

The victim's money was moved within hours through a first layer of dormant and newly-opened bank accounts and was then fragmented across more than four hundred beneficiary accounts through transfers, cash withdrawals, self-cheques and payment gateways. The trail led beyond that layer to an interconnected group of commodity, trading, travel and foreign-exchange entities.

Those entities have together undertaken banking transactions exceeding Rs. 27,850 Crore and have deposited approximately Rs. 2,904 crore in cash, of which Rs. 584.70 Crore was deposited through 61,448 separate transactions at "Bulk Note Acceptance Machines" across a large number of locations — a scale and a pattern of cash handling wholly inconsistent with any ordinary business.

Investigation has established that the bank accounts of these entities are the subject of 330 victim complaints and 163 First Information Reports across 20 States and Union Territories, involving an aggregate reported loss of Rs. 417.49 Crore. In 101 of those complaints, the money of a single victim was routed into two or more entities of the same group in the course of one and the same fraud, establishing that the accounts operated as a common pool rather than as separate businesses.

Investigation has further revealed that the companies through which the proceeds were routed were incorporated in the names of persons of very modest means — including employees, drivers and residents of single-room tenements — who were shown on record as directors, while the bank accounts and the affairs of those companies remained under the control of others.

Searches were conducted under Section 17 of the PMLA at 20 premises in Mumbai and Goa on 17.07.2026, and at further premises on 21.08.2026. Cash of Rs. 3.25 Crore has been seized and syndicates accounts with balances over Rs 30 Crore have been frozen, along with digital devices, books of account, records and statutory registers, which are under examination.

The Directorate takes this occasion to reiterate a caution to the public. No investigating or law-enforcement agency in India places any person under “digital arrest”, conducts an investigation over a video call, or requires any person to transfer money to any account for “verification” or “supervision”. Any such demand is a fraud. Citizens receiving such a call should disconnect it and report the matter immediately on the national cybercrime helpline 1930 or at www.cybercrime.gov.in.

Further investigation is under progress.