



## **Press Release**

**12.08.2024**

Directorate of Enforcement (ED), Dimapur Sub Zonal Office has attached movable and immovable worth Rs. 41.83 Crore belonging to various persons and shell entities, which were found to be involved in duping the investors of hundreds of crore in the money laundering case against “HPZ Token & others”.

ED initiated investigation on the basis of FIR registered by Cyber Crime Police Station, Kohima (Nagaland) under various sections of IPC, 1860 and Information Technology Act, 2000 in relation to duping of gullible investors, in the garb of promise of astronomic returns on investing money for “mining of Bitcoin and other Crypto Currencies mining”, for which an App based Token by the name of “HPZ Token” was used.

ED investigations revealed that in similar manner thousands of investors have been duped. The modus operandi of the fraudsters was to first lure the victims to invest in the company in the pretext of doubling their investment through the app HPZ Token and also through online gaming and betting websites. In order to receive investments, various bank accounts and Merchant IDs were opened in the name of various shell entities having dummy directors/proprietors, only for the purpose of rotation/layering of proceeds of crime representing funds fraudulently received for investment in Crypto Mining and illegal online gaming and betting platforms. For an investment of Rs. 57,000/- returns of Rs. 4,000 per day for 3 months were promised. Initially returns were paid to gain confidence of investors and simultaneous lucrative offers of fresh investments were proposed leading to more investments by gullible investors. Thereafter, the funds so collected were siphoned off. The scam was started in June 2021 and by 15 August 2021 the “HPZ App” and related websites became inaccessible.

The present action of attachment of proceeds of crime is in continuation of earlier action when ED Dimapur Sub Zonal Office had conducted searches at 44 locations throughout the country and freezed balances totaling to Rs.176.67 Crore maintained by shell entities in various banks/virtual accounts and attached assets worth Rs. 278.70 Crore. So far, total proceeds of crime freezed and attached by ED in this case is Rs. 497.20 Crore.

Further Investigation is under progress.