



PRESS RELEASE

23.07.2025

Directorate of Enforcement (ED), Bengaluru Zonal Office has filed a complaint u/s 16(3) of Foreign Exchange Management Act, 1999 (FEMA) against M/s. Myntra Designs Private Limited (Myntra) and its related companies and their Directors for contravention to the tune of Rs. 1654,35,08,981/-.

The enquiries in the matter were initiated on the basis of a credible information that M/s. Myntra Designs Private Limited (Myntra) and its related companies are doing Multi Brand Retail Trade (MBRT) in the guise of 'Wholesale Cash & Carry', allegedly in violation of the extant FDI Policy.

ED investigation under the provisions of FEMA, 1999 revealed that M/s. Myntra Designs Pvt. Ltd. had declared that they were engaged in the business of wholesale cash & carry and invited and received FDI from foreign investors equivalent to Rs 1654,35,08,981/- and that they sold majority of their goods to M/s. Vector E-Commerce Pvt. Ltd. (who sold the goods in retail to the ultimate customer). That M/s. Vector E-Commerce Pvt. Ltd. and M/s. Myntra Designs Pvt. Ltd are related parties and belong to same group or group of companies.

M/s Vector E-Commerce Pvt. Ltd. was created and continued to be used as corporate entity to bifurcate the B2C [(business to customer i.e. Myntra Designs Pvt. Ltd. to retail customers)] transaction into B2B (Myntra Designs Pvt. Ltd. to Vector E-Commerce Pvt. Ltd.) and then B2C (Vector E-Commerce Pvt. Ltd. to retail customers);

ED investigation also revealed that Myntra Designs Pvt. Ltd. was actually carrying out multi-brand retail trading in the guise of wholesale cash & carry. Even otherwise, Myntra Designs Pvt. Ltd. have not satisfied the condition laid down for "Wholesale/Cash & Carry Trading" as they have made cent per cent sales to Vector E-Commerce Pvt. Ltd which is in contravention of amendment dated 01.04.2010 and 01.10.2010 which permitted only 25% sale to companies belonging to the same group or group companies. Myntra Designs Pvt. Ltd. and others have contravened the provisions as per section 6(3)(b) of the Foreign Exchange Management Act, 1999 and Consolidated FDI Policy dated 01.04.2010 and Consolidated FDI Policy dated 01.10.2010 to the tune of Rs. 1654,35,08,981/-.

In view of the above, a complaint u/s 16 (3) of FEMA, 1999 is filed before the Adjudicating Authority under FEMA.