PRESS RELEASE
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ED Cracks Down on LOXAM App Cyber Investment Scam; Bail of Bhupesh Arora Rejected by PMLA Court.

The Special Court (PMLA), New Delhi, vide order dated 20.09.2025, has rejected the bail plea of Bhupesh Arora, a key accused and fugitive economic offender involved in one of the largest cyber-enabled investment frauds in the country through the **LOXAM app**. Bhupesh Arora was arrested by the Directorate of Enforcement (ED) on 11.07.2025 after evading law enforcement agencies for several years. He had fled to Dubai in early 2022 along with associates to escape ongoing cyber fraud investigations and was apprehended upon his clandestine re-entry into India via the Nepal border.

ED, has taken up investigation under PMLA, 2002 against M/s Xindai Technologies Pvt Ltd, Bhupesh Arora, Rohit Vij & Others under ECIR No. ECIR/HYZO/46/2022, which has been initiated on the basis of FIR No. 1352/2022 dated 26.07.2022, registered by the Police Staton, Cyber Crime, Hyderabad, wherein it has been alleged that certain Chinese Nationals, in connivance with few Indian Nationals, have duped various individual investors through an investment app 'LOXAM', falsely projecting it as part of a reputed French MNC and offering unrealistic returns on investments. The investments, received/collected through this app were diverted outside country by converting it into foreign exchange through various money changers.

ED has filed a Prosecution Complaint under the PMLA, 2002, exposing the LOXAM app as a fraudulent investment platform falsely projecting links to a reputed French MNC. Thousands of unsuspecting investors were lured with promises of exorbitant returns, only to have their funds siphoned through a complex web of shell entities, virtual accounts, and payment gateways.

During the course of investigation, searches were conducted at five premises where in various digital devices as well as properties worth Rs. 2.01 Crore were seized. More than 500 bank accounts were analysed which revealed that Proceeds of Crime (POC) exceeding Rs. 311 Crore were channelled through Xindai Technologies Pvt. Ltd. and allied entities before being layered into accounts of Ranjan Moneycorp Pvt. Ltd. and KDS Forex Pvt. Ltd.**.** These illicit funds were further converted into foreign currency and remitted abroad through hawala operators. The probe has also traced foreign exchange transactions of nearly Rs. 903 Crore, routed via shell entities operating with common IP addresses and coordinated payout mechanisms from payment gateways—patterns consistent with typologies flagged by the Financial Action Task Force (FATF) on cyber-enabled money laundering.

Bhupesh Arora has emerged as a critical conspirator in orchestrating the laundering of illicit proceeds. Evidence, including statements recorded under Section 50 of PMLA, confirms his role in arranging cash withdrawals, forex conversion, and cross-border movement of funds in collusion with money changers and other intermediaries.

The LOXAM app scam demonstrates how international cyber-crime syndicates exploit digital platforms, virtual accounts, and payment intermediaries for placement, layering, and integration of illicit funds**.** This case underscores ED’s continued resolve to dismantle such transnational fraud networks and bring perpetrators of cyber-enabled money laundering to justice.

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