



Press release
22.12.2021

Enforcement Directorate has provisionally attached movable assets worth Rs. 40.64 Crore under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in a case connected with fraud committed by a number of dubious merchants by routing the transactions through fraudulent Applications using the services of payment solutions providers.

ED initiated Money Laundering Investigation on the basis of FIR dated 01.06.2021, registered by the Karnataka Police at Cyber Crime Police Station, CID Bengaluru under Section 420 of IPC, 1860. In the FIR it was alleged that the accused entities induced the public to invest through Powerbank/Sunfactory Applications by assuring to remit interest on daily or weekly basis. The accused entities closed their purported business after collecting huge sum of money from gullible Public. The accused entities neither paid interest nor returned the principal amount to the public and withheld the investment made by public through Powerbank and other such fraudulent Applications which has resulted in commission of cheating.

Money Laundering Investigation by ED revealed that the accused entities accepted investment of more than Rs. 300 Crore by setting up a merchant account on behalf of a seemingly legitimate business and availed Payment Solutions from Payment Gateways & Payment Solutions Companies. The accused entities deviated from their declared line of business/activity and collected money from public by floating untenable investment schemes through Application listed on Google Playstore. The funds have been settled into the accused entities' bank accounts after collection of the same from public in the name of investment with the help of illicit use of services provided by payment aggregators.

Accordingly, identified movable assets in the form of Bank Balances and amount withheld with the payment solutions providers to the tune of Rs.40.64 Crore and the same have been provisionally attached under PMLA, 2002.

Further investigation in the case is ongoing.
