



Press Release
29.09.2022

Directorate of Enforcement (ED) has freezed Account balance to the tune of Rs. 21.14 Crore of M/s OctaFX and related entities in various bank accounts.

Earlier, ED had conducted searches at various premises of M/s OctaFX India Private Ltd. and related concerns under the provisions of FEMA in the case of Illegal Online Forex Trading through International Brokers namely OctaFx Trading App and website www.octafx.com.

The FEMA investigation revealed that the aforesaid online trading app and website are operating in India in association with India base entity M/s OctaFx India Pvt. Ltd. This forex trading platform is widely promoted on social networking sites and are also following referral-based incentive models for acquiring users to their platforms. It is observed that funds are collected from users, majorly through UPI/local bank transfers and are channelized through dummy entities. These funds are credited in the bank accounts of various dummy entities and domestically transferred to other banks for the purpose of layering and later on cross border transactions have been undertaken.

Further investigation has revealed the nexus between international online forex trading brokers and their Indian Partners/agents. The said app (OCTAFX) and its website have not been authorized by RBI to deal in Forex Trading. The conduct and operations of forex trading (not being conducted on recognized stock exchange) is illegal, and also violates FEMA Regulations.

It has emerged in the investigation that multiple accounts of different Indian banks were being shown to investors/users on OctaFx trading app/www.octafx.com for collecting funds in the guise of facilitating forex trading. The said accumulated funds, after defrauding these investors/users, were simultaneously transferred to multiple e-wallet accounts such as Neteller, Skrill or to bank accounts of dummy entities. Further, it is also revealed that a major portion of the defrauded amount on this trading app was used to purchase crypto currencies/assets through M/s Zanmai Labs Pvt. Ltd. M/s Zanmai labs is providing banking channels and a bridge to deposit the INR to Wazirx wallets which ultimately were being transferred to Binance exchange (a crypto exchange based in Cayman Island) leading to transfer the Indian currency to overseas entities in the form of Crypto currencies.

Further investigation is under progress.
