



Press Release

24/7/2024

Directorate of Enforcement (ED), Mumbai Zonal Office has conducted search operations on 22/07/2024, under the Prevention of Money Laundering Act (PMLA), 2002 at various locations in Mumbai, Kolkata, Delhi and Gurgaon as part of an ongoing investigation in the case of Illegal Online Forex Trading through International Brokers namely OctaFx Trading App and website www.octafx.com. During the course of search operations, movable properties in the form of Bank funds, Demat account holdings to the tune of approximately Rs 80.43 Crore have been frozen and various incriminating documents, digital devices have been recovered and seized.

ED initiated investigation on the basis of FIR registered by Shivaji Nagar Police Station, Pune against several persons for involvement in showing false temptations of high returns and duping persons in guise of Forex trading through OctaFx trading platform.

ED investigation revealed that the OctaFx online trading app and website are operating in India in association with India based entity M/s OctaFx India Private Limited. The said app (OCTAFX) and its website have not been authorized by RBI to deal in Forex Trading. M/s OctaFx India Pvt Ltd, OctaFx, and their entities have cheated investors in the guise of forex trading thereby earning a profit of more than Rs1,000 Crore from Indian region. Portion of these funds were layered through web of complex transactions with the help of shell entities and remitted abroad to its related entities in the garb of bogus freight services, import of services, etc. All these activities are being managed and operated by owner of OctaFx group entities based in Russia, Spain, Georgia and Dubai. On the basis of investigation conducted and PoC identified so far, assets to the tune of approximately Rs38 Crore in form of crypto currencies, bank balances, gold coins etc were attached by ED.

The search operations unveiled evidences which revealed that a portion of the funds deceitfully obtained from investors under the guise of forex trading on OctaFx has been funneled into SEBI registered Alternative Investment Funds (AIFs) as investments to present them as legitimate funds. Furthermore, it was discovered that OctaFx utilized entities based in the British Virgin Islands (BVI) and Estonia to transfer funds for its promotional activities to lure investors. This has been corroborated by celebrities and production houses who have participated in OctaFx's promotional campaigns across different platforms.

During the search operations, it is also revealed that OctaFx has established several shell companies and utilized their bank accounts under the pretense of facilitating forex trading. These entities layered funds through fraudulent e-commerce websites created by them to circumvent restrictions imposed by payment gateways and to hide the nature of such incoming funds. Additionally, it is uncovered that OctaFx has employed technical experts to help create a payment aggregator for bypassing beneficial owner regulations. This payment aggregator was instrumental in redirecting misappropriated funds, thereby enabling OctaFx to receive money from unsuspecting investors. Total attachment / freezing in this case till date is Rs. 118 Crore (approx.)

Further investigation is under progress.