



PRESS RELEASE

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Directorate of Enforcement (ED) has filed prosecution complaint against 7 entities and 5 individuals involved in the Chinese Loan App case before the Special PMLA Court, Bengaluru. The hon'ble Court has taken cognizance of the Complaint. The accused entities include three Fintech companies namely Mad Elephant Network Technology Private Limited, Baryonyx Technology Private Limited and Cloud Atlas Future Technology Private Limited which are controlled by the Chinese nationals, three NBFCs registered with RBI namely X10 Financial Services Private Limited, Track Fin-ed Private Limited and Jamnadas Morarjee Finance Private Limited and one Payment gateway, Razorpay Software Private Limited. Earlier ED has issued two provisional attachment orders and attached Rs.77.25 Crore in this case lying in the bank accounts and payment gateways and the same has been confirmed.

ED had initiated investigation based on the various FIRs registered by CID, Bengaluru based on the complaints received from various customers who had availed loan and faced harassment from the recovery agent of these money lending companies.

Investigation conducted by ED revealed that the Fintech companies have agreement with respective NBFCs for disbursement of loans through digital lending apps. During investigation, it was revealed that the money lending business is being illegally run by these Fintech companies actually and these NBFCs knowingly let these fintech companies to use their names for the sake of getting commission without being careful about the conduct of these fintech companies. The same is also violation of the Fair Practices Code of RBI.

Further investigation is under progress.