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## Bareilly Firm Director Arrested for Aiding ₹3.2 Crore Crypto Laundering Scheme

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– Categories: *Crypto*



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Authorities have arrested the director of a Bareilly-based company for allegedly leasing out his firm's bank account to cybercriminals involved in a sophisticated cryptocurrency-linked money laundering operation. The scam, which spanned multiple states, resulted in the illegal transfer of approximately ₹3.2 crore, later converted into USDT (Tether) and sent abroad.

According to police sources, the accused knowingly allowed fraudsters to use his company's financial infrastructure in exchange for a commission. The account served as a conduit to receive funds from victims across India, most of whom were targeted through investment scams and fraudulent digital schemes.

Once the money was deposited, it was rapidly routed through a chain of mule accounts and converted into USDT, which is one of the most widely used stablecoins in international crypto transfers. Investigators said the digital assets were subsequently transferred to foreign wallets, making the funds harder to trace and recover.

“The company director was fully aware of the activities and provided access to the corporate account to individuals under investigation for cyber fraud,” said a senior officer with the cybercrime unit. “This is yet another example of how crypto is increasingly being misused to move illegal proceeds beyond Indian jurisdiction.”

Law enforcement agencies have been cracking down on the growing misuse of cryptocurrency platforms in India. The Reserve Bank of India (RBI) and financial intelligence units have repeatedly flagged the use of digital currencies like USDT in bypassing traditional banking regulations.

Authorities are now working with blockchain analytics experts to trace the flow of assets on the blockchain, with efforts underway to freeze foreign wallets linked to the case. The arrested individual faces charges under sections of the Indian Penal Code related to criminal conspiracy, cheating, and provisions of the Information Technology Act.

Officials have urged businesses to remain vigilant and report any suspicious activity involving company accounts, particularly in the digital payments and crypto sectors.

The investigation remains ongoing, with more arrests expected in the coming days as cybercrime units collaborate with financial regulators and international agencies.