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CoinDCX Investigates $44M Breach, Assures Customer Funds Secure

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India-based cryptocurrency platform CoinDCX is currently investigating a security breach involving one of its internal operational accounts, which reportedly resulted in suspicious transactions estimated at $44 million. The company maintains that no user assets have been compromised and that operations remain unaffected.

The breach came to light after independent blockchain analysts, including prominent on-chain investigator ZachXBT and cybersecurity firm Cyvers, flagged unusual activity associated with a CoinDCX-linked wallet. The compromised wallet reportedly funneled

assets through Tornado Cash, a cryptocurrency tool frequently used to obscure transaction trails, before moving funds onto the Ethereum blockchain. These actions were detected nearly 17 hours before CoinDCX publicly acknowledged the breach.

In response, CoinDCX co-founder and Chief Executive Officer Sumit Gupta confirmed that the affected operational account, used primarily for managing liquidity, was immediately isolated. Gupta emphasized on the platform X (formerly Twitter) that customer funds remain "completely safe" and secured within CoinDCX's cold wallet infrastructure, offline storage designed to protect digital assets from online threats.

While the exact amount stolen has yet to be officially confirmed, third-party blockchain trackers suggest the total could approach $44 million. Gupta reassured users that the exchange would absorb the loss using its corporate treasury and emphasized that Indian Rupee (INR) withdrawals and trading activity would continue without interruption. The company is also working closely with a partner exchange to trace and block further movement of the stolen funds.

CoinDCX has announced plans to launch a bug bounty program, incentivizing ethical hackers to report vulnerabilities. Real-time updates regarding the investigation will be provided as new information emerges. Although the name of the assisting exchange has not been disclosed, the company remains focused on restoring full transparency and reinforcing user trust.

In an increasingly volatile and complex digital asset landscape, this incident highlights the critical need for robust cybersecurity measures and responsible platform management, especially as global investments in blockchain technology continue to grow.