PRESS RELEASE
25/1/2026

Directorate of Enforcement (ED), Bengaluru Zonal Office, has filed a Prosecution Complaint on 23/01/2026 before the Hon'ble Special Court of PMLA (CCH-1), Bengaluru, under the provisions of the Prevention of Money Laundering Act, 2002, in the case of M/s. Winzo Pvt. Ltd., arraigning the company as the main accused along with its Directors, Paavan Nanda & Ms. Saumya Singh Rathore and also its wholly (100%) subsidiaries, both foreign & Indian entities viz. M/s. Winzo US Inc., USA, M/s. Winzo SG Pte. Ltd.,& M/s. ZO Pvt. Ltd.

ED initiated investigation on the basis of multiple FIRs, registered by Bengaluru CEN Police Station and Police authorities in Rajasthan, New Delhi, and Gurugram for offences of cheating under the IPC, 1860.

Earlier, ED has conducted Search & Seizure operations on 18/11/2025 and 30/12/2025 at the office premises of Winzo, the residential premises of its Director, and the office of its Accounting firm. These Searches resulted in the seizure of incriminating documents, electronic records, and **freezing of movable assets** including bank balances, payment gateway balances, mutual funds, bonds, fixed deposits, and cryptocurrency wallets, valued **at Rs.690 Crore (approx.)**.

The company, Winzo, is into the business of hosting Real Money Games (RMG) through its mobile application, offering more than 100 number games with a claimed user base of about 25 Crore users, largely from Tier-3 and Tier-4 cities. For providing these RMG services, the company charges certain percentage of the betting amounts of the users, as Commission. Further, the company also assured its users that its gaming platform is free from any BOTs and transparent and secure.

However, investigation revealed that **most RMGs were manipulated. Analysis of the game codebases, third-party developer agreements, and internal communications revealed that till Dec'2023, the RMGs were embedded with BOTs/AI/algorithmprofiles**. During the period May'2024 to Aug'2025, the company has changed its code based BOT modus operandi to simulating historical match-play data of dormant/inactive players against real users without their knowledge or consent. In order to suppress and conceal these unscrupulous acts, the company deliberately referred to the use of BOTs and simulated players under misleading terminologies such as EP (*Engagement Play*), PPP (*Past Performance of Player*), and Persona.

The investigation further revealed that users were initially lured with small bonuses and made to win against easy BOTs, even being allowed to withdraw small winnings, thereby creating a false sense of trust. Once users began playing with higher boot amounts, Winning/Hard BOTs were deployed systematically, resulting in significant financial losses to the users. Evidence gathered during investigation revealed that **the genuine users lost to BOT profiles (*both EP & PPP BOT plays*) and incurred loss amounting Rs.734 Crore** (approx.). Further, even genuine winnings at higher stakes were often blocked through restrictive withdrawal mechanisms, forcing them into continued gameplay.

It was also found that **Winzo failed to return legitimate user winnings and deposits amounting to Rs. 47.66 Crore**, even after the ban of RMG by the Union Government. In this manner, **the company has generated total Proceeds of Crime amounting to Rs. 3522.05 Crore**, during the F.Y. 2021-2022 to F.Y. 2025-2026 (*as on 22/08/2025*). Evidence found from the seized electronic devices also revealed that this manipulative gaming structure of **Winzo caused severe financial distress to users (*especially, from the poor financial background*), and some users reportedly experiencing extreme mental distress and also suicidal tendencies**.

Further, the investigation revealed that the proceeds of crime so derived by the company,were laundered through shell companies, created in the USA and Singapore. Around **USD 55 million was transferred to the foreign bank accounts held in the name of these shell companies, under the guise of Overseas Direct Investment.** Also, **an amount of Rs.230 Crore was diverted to another accused subsidiary company, under the pretext of 'Loans from Holding Company', without any legitimate business rationale**. Attempts were also made to divert an additionalRs. 150 Crore of Proceeds of Crime under the ODI route, however, the same could not be materialized due to non-submission of mandatory audit and utilization certificates.

In the Prosecution Complaint, the ED has clearly established that the accused persons have knowingly generated, acquired, possessed, used and concealed the Proceeds of Crime and attempted to project the same as untainted property. Accordingly, the offence of Money Laundering under Section 3, read with section 70, punishable under section 4 of the PMLA, 2002 has been made out against the above-mentioned accused persons.

Further investigation is under progress.