

Financial Intelligence Unit India (FIU IND) issues compliance Show Cause Notices to nine offshore Virtual Digital Assets Service Providers (VDA SPs)

FIU IND writes to Ministry of Electronics and Information Technology to block URLs of the nine entities operating illegally without complying with the provisions of PML Act in India

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Virtual Digital Assets Service Providers (VDA SPs) were brought into the ambit of Anti Money Laundering/Counter Financing of Terrorism (AML-CFT) framework under the provisions of the Prevention of Money Laundering Act (PML) Act, 2002 in March 2023.

As part of compliance action against the offshore entities, Financial Intelligence Unit India (FIU IND) has issued compliance Show Cause Notices to following nine offshore Virtual Digital Assets Service Providers (VDA SPs) under Section 13 of the Prevention of Money Laundering Act, 2002 (PMLA).

Name of the Offshore VDA Service Provider	Name and Address Details
Binance	Binance Investments Co., Ltd - House of Francis, Room 303, Ile Du Port, Mahe, Seychelles Binance Holdings Limited - C/o International Corporation Services Ltd Harbour Place, 2nd Floor North Wing George Town, Grand Cayman Cayman Islands Binance (Switzerland) AG, Gubelstrasse 11, 6300 Zug.

Kucoin	<p>Mek Global Limited, c/o Vistra (Seychelles) Limited- Vistra Corporate Services Centre Suite 23, 1st Floor, Eden Plaza City, Eden Island, Mahé Country, Seychelles.</p> <p>Phoenixfin Pte. Ltd - 2 Science Park Drive, #01-03 Ascent Country: Singapore</p>
Huobi	<p>Sinohope Technology Holdings Ltd (Formerly New Huo Technology Holdings Ltd), Hong Kong</p> <p>Huobi Global Limited - 8 Marina Vw Central Business District , Singapore</p>
Kraken	<p>Payward Trading Ltd - C/o SHRM Trustees (BVI) Limited, P.O. Box 4301, VG1110, Road Town, British Virgin Islands</p>
Gate.io	<p>Gate Technology Incorporated - George Town, Midland, Cayman Islands</p>
Bittrex	<p>Bittrex Inc - 800 5th Ave, Seattle, WA 98104, United States</p>
Bitstamp	<p>Bitstamp Europe S.A. - 40, Avenue Monterey, L-2163 Luxembourg, Grand Duchy Of Luxembourg</p> <p>Bitstamp UK Limited - 5 New Street Square, London</p> <p>Bitstamp Global Ltd - Floor 4, Banco Popular Building, Road Town, Tortola VG1110, British Virgin Islands</p> <p>Bitstamp USA, Inc - 27 Union Square West, New York</p>
MEXC Global	<p>MEXC Technology Limited - 501 E 14th Ave, Denver, COLORADO</p> <p>Mexc Global Foundation Ltd - 140 Paya Lebar Road, #10-09, Az Paya Lebar, Singapore</p> <p>MEXC Global - Manglier Street, Mahé, Victoria, Seychelles</p>

Bitfinex

iFinex Inc - 3rd floor, Jayla Place, Wickhams Cay, Road Town, British Virgin Islands.

BFXWW Inc.- c/o SHRM Trustees (BVI) Limited, P.O. Box 4301, Trinity Chambers, Road Town, Tortola, British Virgin Islands.

Director FIU IND has written to Secretary, Ministry of Electronics and Information Technology to block the URLs of said entities that are operating illegally without complying with the provisions of the PML Act in India.

Virtual Digital Asset Service Providers (VDA SPs) operating in India (both offshore and onshore) and engaged in activities like exchange between virtual digital assets and fiat currencies, transfer of virtual digital assets, safekeeping or administration of virtual digital assets or instruments enabling control over virtual digital assets etc. are required to be registered with FIU IND as Reporting Entity and comply with the set of obligations as mandated under Prevention of Money Laundering Act (PMLA) 2002. The obligation is activity-based and is not contingent on physical presence in India. The regulation casts reporting, record keeping, and other obligations on the VDA SPs under the PML Act which also includes registration with the FIU IND.

Till date 31 VDA SPs have registered with FIU IND. However, several offshore entities though catering to a substantial part of Indian users were not getting registered and coming under the Anti Money Laundering (AML) and Counter Financing of Terrorism (CFT) framework.

NB/VM/KMN

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