Investigators In India Break-Up Group That Terrorized Victims With Digital Arrests

The Central Bureau of Investigation of India raided 40 locations this week across six Indian states, breaking up a highly organized digital arrest network. The fraudsters posed as law enforcement officers and threatened victims with immediate arrest unless they paid fabricated fines.

At least nine people filed complaints after losing a combined $540,000 USD to the scam that has been sweeping across India for the last 18 months.

How the Growing Scam Works

The way the Digital Arrest scam works is like this. Scammers call victims and claim to be investigators, police officers, or other officials that are investigating crimes like money laundering or drug trafficking.

The fraudsters keep the victims on continuous phone or video calls, creating what they called a "digital arrest." They tell people they face immediate detention unless they transfer money to resolve the fake charges.

There is no such thing as a digital arrest under Indian law. The entire concept was invented to extort money through fear.

The CBI Investigators Followed The Money

During the investigations, they found an extensive network that was helping to move the funds that were extorted from victims. The operations relied on mule accounts. Investigators say there was an extensive network of these mule accounts that was used to transfer the funds and launder the money.

Additionally, some of the money went through “hawala channels”, an informal money transfer system that operates outside traditional banking.

Part of the stolen funds was withdrawn in India. But a significant amount of the money was sent overseas and withdrawn from ATMs in foreign countries.

Digital Arrest Has Connections To Pig Butchering Operations

Investigators traced more than 15,000 IP addresses to overseas sites, with Cambodia identified as a major hub for the operation.

The Pig Butchering bosses coordinated with accomplices in India who managed the mule accounts and helped integrate the stolen money into the financial system.

The Investigators Seized Large Amounts Of Evidence

The investigators raided locations and seized a large collection of evidence. Teams seized laptops, mobile phones, stacks of Know-Your-Customer documents, dozens of SIM cards, and archived WhatsApp conversations.

Officials believe these records will map the scam's entire operation. The data should reveal how conspirators coordinated through messaging apps, identified targets, and moved money through various accounts.

The CBI says more arrests are likely as investigators analyze the seized evidence and follow the financial trails. The agency described Operation Chakra-V as part of a sustained effort to dismantle cybercrime networks that exploit digital platforms.

Americans Could Be Next

Based on the investigation results, these scam networks have already reached the United States.

This case follows a similar operation last month when the CBI and FBI jointly dismantled a call center fraud that stole nearly $40 million from U.S. citizens. Officials say these Indian call center scams are increasingly using this “Digital Arrest” technique on Americans.

With masterminds operating from countries like Cambodia many American citizens face the same risks as Indian victims.