Mule Account

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Mule Account Latest News

In one of Gujarat Police's biggest cybercrime crackdowns, investigators recently uncovered a staggering Rs 2,289 crore cyber fraud network by targeting mule accounts, the financial lifeline of online scammers.

About Mule Account

- A mule account is a **bank account used to facilitate financial crimes,** including money laundering, fraud, and illicit fund transfers.
- The **person who owns the accoun**t — called a "**money mule" — may or may not know** their **account is being used for illegal activities.**
  - **Criminals recruit money mules to help launder proceeds** derived from **online scams and frauds** or crimes like **human trafficking and drug trafficking.**
  - **Some money mules know they are supporting** criminal enterprises; **others are unaware** that they are helping criminals' profit.

- Criminals exploit these **mule accounts** to **move illegal money through legitimate banking channels,** making it **harder for law enforcement agencies to track** the origin and destination of illicit funds.
- Mule accounts **function as intermediaries**, **receiving and transferring funds** on behalf of criminal networks.
- This **layering process helps criminals obscure the money trail,** making it difficult for financial institutions and regulators to detect suspicious activity.
- Moreover, these accounts are frequently utilized for swift and **recurrent international transactions,** further **obscuring the trail of money**.
- **Funds** are **rapidly moved through numerous accounts or converted into diverse currencies**, significantly complicating the efforts of law enforcement to track the money flow.

Source: NIE
