

फार्म नं. 1

प्रथम सूचना प्रतिवेदन ( धारा 154 द. प्रक्रिया संहिता के अन्तर्गत )  
FIRST INFORMATION REPORT (Under Sec. 154 Cr.P.C.)

वि.पु.स्था.सी.-II  
S.P.E.C.-II

बुक नं. **971**  
Book No.

क्रम सं. **10**  
Serial No.

1. जिला : थाना : वर्ष : प्र.सू.प्र.क्र. दिनांक :  
District PS: Year FIR No. Date
2. (1) **CBI** **BS&FC/Mum** **2018** **31.01.2018**  
विधान : धाराएं : **1800 hrs.**  
Act Sections  
**RCBSM2018E0001**
- (2) विधान : **IPC** धाराएं : **120-B r/w 420 IPC**  
Act Sections
- (3) विधान : धाराएं : **13(2) r/w 13(1)(d) of PC Act**  
Act **P.C. Act 1988** Sections **1988**
- (4) अन्य विधान एवं धाराएं :  
Other Acts & Sections
3. (क) प्रतीत अपराध :  
(a) Suspected Offence : **Criminal Conspiracy, Cheating and Abuse of official position by public servants.**
- (ख) दिन : दिनांक समय  
(b) Day Date Time  
**During 2017**
- (ग) थाने पर सूचना प्राप्त होने का दिनांक  
(c) Information received at PS Date
- CBI: BSFC: MUMBAI** **29.01.2018**  
कायमा अपराध : दिनांक समय  
Entry No. **06** Date Time
4. सूचना का प्रकार : **31.01.2018** **18.00 hrs.**  
Type of Information लिखित/मौखिक  
Written/Oral  
**Written Complaint**
5. घटना का स्थान  
Place of Occurrence  
**Mumbai and other places**
- (क) थाने से दिशा व दूरी :  
(a) Direction & Distance from PS

(ख) पता: : Punjab National Bank, Zonal Office, Mumbai  
(b) Address

(ग) घटनास्थल अन्य थाना क्षेत्राधिकार में है तो थाना -  
(c) In case, outside the limit of this Police Station, then

पुलिस थाना का नाम Not Applicable ज़िला  
Name of PS District

6. अभियोगी / सूचनाकर्ता : Not Applicable Not Applicable  
Complainant / Informant

(क) नाम  
(a) Name

Sh. Avneesh Nepalia

(ख) पिता / पति का नाम  
(b) Father's / Husband's Name

Shri A L Nepalia

(ग) जन्म तिथि  
(c) Date of Birth

Not known

(घ) राष्ट्रियता :  
(d) Nationality

Indian

(ङ) पासपोर्ट नं. .... Not known दिनांक ..... N.A. जारी होने का स्थान ..... N.A.  
(e) Passport No Date of Issue Place of Issue

(च) व्यवसाय  
(f) Profession

Deputy General Manager,  
Punjab National Bank, ZO, Mumbai.

(छ) पता -  
(g) Address

Punjab National Bank, Zonal Office, 11<sup>th</sup> Floor, Dalamal  
House, Jammalal Bajaj Marg, Nariman Point, Mumbai-  
400021.

7. ज्ञात / संदेही / अज्ञात / आरोपी का पूर्ण विवरण :  
Details of known / suspected / unknown accused with full particulars  
(यदि आवश्यक हो तो अलग से पन्ना संलग्न करें)  
(Attached separate sheet, if necessary)

(1)

(2)

As per Annexure-I

(3)

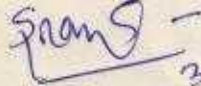
8. अभियोगी / सूचनाकर्ता द्वारा सूचना दिए जाने में विलंब का कारण :  
Reasons for delay in reporting by the complainant / informant  
**No delay.**
9. अपहृत / सम्बद्ध सम्पत्ति का पूर्ण विवरण : (यदि आवश्यक हो तो अलग से पन्ना संलग्न करें)  
Particulars of properties Stolen (Attach separate sheet, if necessary)  
**Rs.280.70 Crores of Punjab National Bank**
10. अपहृत / सम्बद्ध सम्पत्ति का कुल मूल्य :  
Total value of property stolen  
**Rs.280.70 Crores of Punjab National Bank**
11. मर्ग / अकाल मृत्यु सूचना क्रमांक :  
Inquest Report / U.D. case No. if any  
**N. A.**
12. प्रथम सूचना विवरण :- (यदि आवश्यक हो तो अलग से पन्ना संलग्न करें)  
First information contents (Attach separate sheet, if required)

A written complaint dated 29.01.2018 signed by Sh. Avneesh Nepalia, DGM, Punjab National Bank, Zonal Office, Mumbai has been received in this office on 29.01.2018.

The allegations mentioned in the complaint prima facie disclose that Shri. Nirav Modi, Sh. Nishal Modi, Smt Ami Nirav Modi, Sh. Mehul Chinubhai Choksi, all partners of M/s Diamond R US, M/s Solar Exports and M/s Stellar Diamonds in conspiracy with Sh. Gokulnath Shetty, Deputy Manager (retd), Punjab National Bank, Sh. Manoj Hanumant Kharat, SWO Punjab National Bank and other unknown persons committed the offence of cheating against Punjab National Bank and caused a wrongful loss. The public servants committed abuse of official position to cause pecuniary advantage to M/s Diamond R US, M/s Solar Exports and M/s Stellar Diamonds and wrongful loss of Rs.280.70 Crores to Punjab National Bank during 2017.

The facts disclose commission of cognizable offences of criminal conspiracy, cheating and abuse of official position by the aforesaid accused persons. Hence a Regular Case U/Sec.120-B r/w Sec. 420 IPC and Sec. 13 (2) r/w 13 (1) (d) of PC Act, 1988 is registered against Sh. Nirav Modi, Sh. Nishal Modi, Smt Ami Nirav Modi, Sh. Mehul Chinubhai Choksi, all partners of M/s Diamond R US, M/s Solar Exports and M/s Stellar Diamonds, Sh. Gokulnath Shetty, Deputy Manager (retd.), Punjab National Bank, Sh. Manoj Hanumant Kharat, SWO Punjab National Bank and other unknown persons and entrusted to Sh. D. Damodaran, Inspector of Police, CBI, BS&FC, Mumbai for investigation.

A copy of the complaint and list of LOUs is enclosed herewith.

  
31/01/2018  
**SHARADA RAUT,  
SUPDT. OF POLICE,  
CBI: BS&FC: MUMBAI**

13. कार्यवाही जो की गई : चूँकि उपरोक्त विवरण क्रमांक 2 में उल्लिखित धारा(ओं) के अंतर्गत घटने वाले अपराध को उद्घाटित करता है

Action taken : Since the above information reveals commission of offence(s) u/s as mentioned at Item No. 2

- (1) मामला पंजीकृत किया गया एवं जांच प्रारंभ हुआ अथवा  
Registered the case and took up the investigation or

- (2) **Regular case registered and entrusted for investigation.**  
निर्देशित (जांच अधिकारी का नाम) रैंक न. जांच हेतु लिया गया  
Directed (Name of IO) Rank No. Took up for investigation

**Sh. D. Damodaran, Inspector of Police,  
CBI, BS&FC, Mumbai**

- (3) कारण से जांच के नामजूर अथवा  
Refused investigation due to or

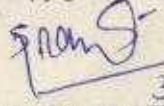
- (4) पुलिस थाना को स्थानांतरित किया गया जिला क्षेत्राधिकार के आधार पर  
Transferred to PS District on point of jurisdiction

**N. A.**


अभियोगी / सूचनाकर्ता को प्र.सू. पत्र पढ़ाकर / पढ़कर सुनाया गया, जिन्होंने सही-सही अभिलिखित होना स्वीकार किया। इसकी एक प्रति अभियोगी / सूचनाकर्ता को नि:शुल्क प्रदान की गई।

FIR read over to the complainant/informant, admitted to be correctly recorded and a copy given to the complainant/informant, free of cost.

पढ़ कर सुनाया व सही स्वीकृत होना पाया।  
R.O.A.C.


  
31/01/18  
**SHARADA RAUT,  
SUPDT. OF POLICE,  
CBI: BS&FC: MUMBAI**

14. अभियोगी / सूचनाकर्ता के हस्ताक्षर  
Signature/Thumb impression  
For Punjab National Bank

  
31/1/18  
Deputy General Manager  
Zonal Office, Mumbai

15. न्यायालय को भेजने का दिनांक एवं समय  
Date and time of despatch to the court

थाना अधिकारी के हस्ताक्षर  
Signature of Officer in-charge  
Police Station  
नाम / Name  
(पद) / Rank

No.  
  
31/01/2018  
**SHARADA RAUT,  
SUPDT. OF POLICE,  
CBI: BS&FC: MUMBAI**

प्रथम सूचना रिपोर्ट का आइटम 7 लगाएं

Attachment to item 7 of First Information Report

संदिग्ध व्यक्ति की शारीरिक विशेषताएं, विरूपता तथा अन्य विवरण :-

Physical features, deformities and other details of the suspect/accused : (If known / seen)

क्र.सं. Sl. No.	*लिंग (Sex)	*जन्म की तारीख / वर्ष Date/Year of Birth	*शारीरिक गठन (Built)	*ऊंचाई से. मी. में (Height) (in Cms)	*वर्ण (Complexion)	*पहचान चिह्न (Identification Mark/s)
1	2	3	4	5	6	7
	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.

विरूपता/विलक्षणता (Deformities/ peculiarities)	दांत (Teeth)	बाल (Hair)	आँख (Eye)	आदतें (Habits)	पहनावा (Dress Habit/s)
8	9	10	11	12	13
N. A.	N. A.	N. A.	N. A.	N. A.	N. A.

भाषा / बोली (Language/Dialect)	स्थान / Place of				
	जले का निशान (Burn Mark)	श्वेत कुष्ठ (Leucoderma)	तिल (Mole)	जख्म चिह्न (Scar)	गोदना (Tattoo)
14	15	16	17	18	19
N. A.	N. A.	N. A.	N. A.	N. A.	N. A.

अभियोगी / सूचनाकर्ता, द्वारा संदिग्ध / अभियुक्त के बारे में एक या अधिक विवरण दिए जाने पर ही इसमें प्रविष्टि की जाए।

These fields will be entered only if complainant/informant gives any one or more particulars about the suspect/accused.

## Annexure - I

### Details of known / suspected / unknown accused with full particulars

- (1) Sh. Nirav Modi, 4, Grosvenor House, 2<sup>nd</sup> floor, Pedar Rd., Mumbai-26, partner of M/s Diamond R US, 1110 Prasad Chambers, Opera House, Mumbai, M/s Solar Exports, 15, Nagindas Mansion, 4<sup>th</sup> floor, 61 BJSS Rd., Opera House, Mumbai and M/s Stellar Diamonds, 5, Nagindas Mansion, 4<sup>th</sup> floor, 61 BJSS Rd., Opera House, Mumbai.
- (2) Sh. Nishal Modi, 4, Grosvenor House, 2<sup>nd</sup> floor, Pedar Road, Mumbai-26, partner of M/s Diamond R US, M/s Solar Exports, and M/s Stellar Diamonds, Mumbai.
- (3) Smt. Ami Nirav Modi, Samudra Mahal Premises, CHS Ltd, Dr. Annie Basant Road, Worli, Mumbai, partner of M/s Diamond R US, M/s Solar Exports, and M/s Stellar Diamonds, Mumbai.
- (4) Sh. Mehul Chinubhai Choksi, Gokul 99, 9 & 10 th Floor Near White House, Walkeshwar, Mumbai, partner of M/s Diamond R US, M/s Solar Exports, and M/s Stellar Diamonds, Mumbai.
- (5) Sh. Gokulnath Shetty, Deputy Manager ( retd.), Punjab National Bank, 8 Sujata Plot no.12/324, TPS III, Kastur Park, Borivali (W), Mumbai.
- (6) Sh. Manoj Hanumant Kharat, SWO, Punjab National Bank, Panchashil Niwas, Yashin Nagar, Tal- Karjat, Dist- Ahmednagar.
- (7) And other unknown persons.

*Sharada Raut*

31/01/2018

**SHARADA RAUT, IPS  
SUPDT. OF POLICE  
CBI:BSFC:MUMBAI**

Zonal Office: 11<sup>th</sup> Floor, Dalamal House, Jamnalal Bajaj Marg,  
Nariman Point, Mumbai-400 021  
Tel-022/22832412 email-fgmum@pnb.co.in

Date: 29-01-2018

The Joint Director  
Central Bureau of Investigation  
Mumbai



**Reg: Criminal Complaint for registration of an FIR against accused persons for having committed offences of Cheating and Fraud thereby, causing a loss of Rs.280.70 crore to the Banks.**

Sir,

I, Avneesh Nepalia, s/o Sh. A.L.Nepalia, presently posted as the Deputy General Manager in the Punjab National Bank, Zonal Office: Mumbai, since 05.01.2018, am fully conversant with the facts mentioned hereunder and also authorised to report and lodge the complaint as under:

That at the bank branch office: Mid Corporate Branch, Brady House, Mumbai some fraudulent issuance of Letters of Undertakings (LOU) for & on behalf of a set of Partnership firms viz. M/s Diamond R US, M/s Solar Exports and M/s Stellar Diamonds, having partners Sh. Nirav Modi, Sh. Nishal Modi, Smt. Ami Nirav Modi and Sh. Mehul Chinubhai Chokshi, have transpired when on 16<sup>th</sup> January, 2018 the above said firms approached bank and presented a set of import documents to the branch with request to allow buyers' credit for making payment to the overseas suppliers. Since there was no sanctioned limit in the name of the above firms, the branch officials requested the firms to furnish at least 100% cash margin for issuing LOU for raising buyer's credit. At this, the firms contested that they have been availing this facility in the past also but the branch records did not reveal details of any such facility having been granted to the said firms.

*Sh. Anandaram  
PI for  
verification.  
[Signature]  
27*

On preliminary checking of records, it has been observed that Shri Gokulnath Shetty, the Dy. Manager (PF No. 107272, since retired 31.05.2017), who was posted at the said branch since 31.03.2010 and was working in the Foreign Exchange Department looking after the Import Section and Sh. Manoj Hanument Kharat had fraudulently issued LOUs without following prescribed procedure by obtaining required request applications, documents and approval of the authorities thereto and without making entries in the Bank system avoiding detection of the transactions, so made, transmitted SWIFT instructions to the overseas branches of Indian Banks for raising Buyers Credit & funding the Nostro Accounts of PNB. The funds so raised for payment of Import Bills have not been utilized for such purposes in many cases.



On scrutiny of the records of SWIFT messages, it has been revealed that the above named accused Shri Gokulnath Shetty and Sh. Manoj Hanument Kharat on 09.02.2017 issued 2 LOUs for & on behalf of M/s Diamond R US and M/s Solar Exports for USD 4415791.96 and USD 4335391.38, respectively, having due date of payment on 25.01.2018 favouring Allahabad Bank at Hong Kong. The accused again on 10.02.2017 had issued 3 LOUs for & on behalf of M/s Diamond R US, M/s Solar Exports and M/s Stellar Diamond for USD 5942017.70, USD 5843161.93 and USD 6093321.10, respectively having due date of payment thereof on 25.01.2018 favouring Allahabad Bank at Hong Kong. Shri Gokulnath Shetty and Sh. Manoj Hanument Kharat, further on 14.02.2017 had issued 3 LOUs for & on behalf of M/s Diamond R US, M/s Solar Exports and M/s Stellar Diamonds for USD 5856885.00, USD 5862251.03 and USD 5877064.00, respectively having due date of payment thereof on 25.01.2018 favouring Axis Bank at Hong Kong, as annexed in the list. They had, thereby, fraudulently issued 8 LOUs total amounting to USD 44225812.10 which is equivalent to Rs. 280,70,12,293.98 at the notional exchange rate of a Dollar @ Rs.63.47 per USD.

We have further to inform you that we are making an in-depth enquiry of the records of SWIFT messages to find out outstanding LOUs which are otherwise not available in the FINACLE system as these were issued without entering into CBS. While tracing some old entries, it transpires that buyers' credit based on fake LOUs might also have been paid through NOSTRO A/c. Once the enquiry is complete we will further inform the other fraudulent transactions, if any, done by the abovenamed accused.

In the light of the above, it is now transpired that the above named accused Shri Gokulnath Shetty and Sh. Manoj Hanument Kharat in connivance with the partners of the above firms namely Sh. Nirav Modi, Sh. Nishal Modi, Smt. Ami Nirav Modi and Sh. Mehul Chinubhai Chokshi and their authorised signatories Shri Hemant Bhatt & Ms Kavita Mankikar committed fraud upon the banks (PNB, Allahabad Bank, Axis Bank) to the tune of Rs.280.70 crore. Since the public funds to the tune of Rs. 280.70 crore seems to have been embezzled by committing fraud, we request you to lodge an FIR against the abovenamed accused and other unnamed public servants and having carried out investigation in the matter, book the accused as per law of the land for punishment.

We also request you that a look out notice be also issued against the above named persons so that they may not leave the country to avoid process of law against them. We hereunder furnish compliance of DFS check list.

Yours Sincerely,

(Avneesh Nepalia)  
Dy. General Manager  
Punjab National Bank  
Zonal Office  
Mumbai

For Punjab National Bank



Deputy General Manager  
Zonal Office, Mumbai

### Details of LOUs

LOU issued on	Name of the Domestic Importers	Amt of LOU (in USD)	Financing Bank	Name of the Overseas Exporter	Due Date
9.2.2017	Diamond R US	4415791.96	Allahabad Bank, HK	AURA GEM COMPANY LIMITED, SINO TRADERS LIMITED, TRI COLOUR GEMS FZE	25.1.2018
9.2.2017	Solar Export	4335319.38	Allahabad Bank, HK	AURA GEM COMPANY LIMITED, SUNSSHINE GEMS LIMITED, TRI COLOUR GEMS FZE	25.1.2018
10.2.2017	Diamond R US	5942017.70	Allahabad Bank, HK	SINO TRADERS LIMITED, AURA GEM COMPANY LIMITED, UNITY TRADING FZE	25.1.2018
10.2.2017	Solar Export	5843161.93	Allahabad Bank, HK	AURA GEM COMPANY LIMITED, SUNSSHINE GEMS LIMITED, PACIFIC DIAMONDS FZE	25.1.2018
10.2.2017	Stellar Diamond	6093321.10	Allahabad Bank, HK	SINO TRADERS LIMITED, SUNSHINE GEMS LIMITED, PACIFIC DIAMONDS FZE	25.1.2018
14.2.2017	Diamond R US	5856885.00	Axis Bank, HK	SINO TRADERS LIMITED, AURA GEM COMPANY LIMITED	25.1.2018
14.2.2017	Solar Export	5862251.03	Axis Bank, HK	UNITY TRADING FZE, AUROGEM COMPANY LIMITED, SUNSHINE GEMS LIMITED	25.1.2018
14.2.2017	Stellar Diamond	5877064.00	Axis Bank, HK	SINO TRADERS LIMITED, SUNSHINE GEMS LIMITED	25.1.2018



**Checklist to Ensure Filing of Complete Complaint by Bank in Fraud Case**

SL. NO.	DETAILS	REMARKS
1	The complaint has authorization from the competent authority to file the complaint.	Yes
2	The account has been declared NPA as per the laid down procedure.	-NA-
3	The dater of NPA and outstanding thereof have been mentioned.	-NA-
4	The NPA account has been declared as fraud, with the date of declaration.	Account has been declared as Fraud.
5	Where there is delay in filing complaint with CBI after declaration of fraud by the bank. The delay has been explained.	There is no delay in filing of the FIR
6	The ground for declaring the fraud by the bank is mentioned clearly.	Yes
7	Details of back ground of company, sanctioned credit facilities, primary and collateral security etc. are mentioned.	-NA-
8	Legal facts constituting cognizable offence have specific mention.	Yes
9	Name(s) and role of erring bank official(s) as per the Staff Accountability Report is /are clearly mentioned.	Yes
10	Findings of Forensic Audit Report, if conducted, and Internal Investigation Report are duly incorporated.	Facts revealed during in-house preliminary investigation report are mentioned in the FIR.
11	Details of crime proceeds / end-use of funds as per the findings of Forensic Audit are mentioned.	-NA-
12	In cases of uncertainty about the criminality on the part of bank officials, the bank has mentioned allegations against unknown public servants.	Yes
13	Roles of CA, Statuary Auditors, Stock Auditors, Empanelled Valuers etc., if any are mentioned.	As per in-house preliminary investigation report, no role of professionals is mentioned.
14	Availability of relevant original documents and their safe custody with the bank is mentioned.	Documents like SWIFT messages, MT-799 and other papers related to their current accounts are available.
15	The bank has ensured that there is no contradiction in complaints as to whether it is an act of crime or a business loss.	Yes.

