

# PNB fraud: Audit reveals LoUs worth Rs 25,000cr fraudulently issued

**Around 21 of the 23 exporters to whom LoUs were issued are controlled by Modi. 193 LoUs, valued at Rs 6,000 crore, were 'mis-utilised' to make payments to the bank**

[Moneycontrol News](#)

[@moneycontrolcom](#)

---

Punjab National Bank (PNB) 'fraudulently issued' Letters of Undertaking (LoUs) worth Rs 25,000 crore to the Nirav Modi group, The Indian Express [reports](#).

Belgian auditor BDO found that PNB issued 1,561 LoUs, valued at Rs 28,000 crore, to the Nirav Modi group. Of this, 1,381 LoUs worth Rs 25,000 crore were fraudulently issued.

Absconding diamantaire Nirav Modi is the prime accused in the PNB fraud, which was first revealed in February last year.

---

## RELATED NEWS

**Govt approves allocation of 5 coal blocks, to generate Rs 17,136 cr revenue**

Moneycontrol could not independently verify the report.

**CIC issues show-cause notice to RBI for casual approach to its notice**

The BDO's draft forensic report is

**Japan government approves economic stimulus package to combat overseas risks**

based on information till

June 2018. The

audit was commissioned by PNB, with the stated instruction to conduct a forensic audit on Modi and seven entities/subsidiaries of his group.

A whistleblower gave the 329-page report to the International Consortium of Investigative Journalists (ICIJ), which has partnered with The Indian Express for a series of reports on the findings.

Around 21 of the 23 exporters to whom LoUs were issued are controlled by Modi. 193 LoUs, valued at Rs 6,000 crore, were 'mis-utilised' to make payments to the bank.

BDO's audit indicates the full extent of the fraud, and has gone beyond the work done by the Central Bureau of Investigation (CBI) and the Enforcement

Directorate (ED).

The auditor has also prepared a list of assets owned by Modi and members of his family. The audit team found 20 properties listed as 'non-charged', indicating that they were never used as security for the transaction.

**Are you happy with your current monthly income? Do you know you can double it without working extra hours or asking for a raise? Rahul Shah, one of the India's leading expert on wealth building, has created a strategy which makes it possible... in just a short few years. You can know his secrets in his FREE video series airing between 12th to 17th December. You can reserve your free seat here.**

First Published on Dec 4, 2019 11:49 am

---

**TAGS** [#Business](#)

---

**MOST POPULAR**

---



Most expensive buildings in the world: Believe or not, Dubai's Burj Khalifa is not in top 10 list



Tesla unveils Cybertruck, a pick-up straight out of a movie



Saudi Aramco IPO: Top 10 initial public offers that had a bumper opening