

NEW DELHI: [Nirav Modi](#) group's exposure was not limited to only [Punjab National Bank](#)

's (PNB) Brady House branch in Mumbai, as the firms had availed loan facility from its Hong Kong and Dubai branches too, according to an internal report of the bank submitted to investigative agencies.

As per the report, Nirav Modi group companies [Firestar Diamond](#)

Ltd Hong Kong and Firestar Diamond FZE Dubai availed some credit facilities from the Hong Kong and Dubai branches of Punjab National Bank (PNB) as well.

The sanctioned credit facilities to both the companies were recalled soon after investigation and linkage with the group which defrauded the bank of about Rs 14,000 crore.

"As per the investigation finding there is no reporting of any trail of fraudulent transaction of other Nirav Modi Group accounts where fraud has been detected or reported with these two accounts. As such, these two accounts are not treated as fraud," the report said.

Another group firm, the US-based Firestar Diamond Inc filed for bankruptcy under Chapter 11 in the New York Southern Bankruptcy Court in last week of February soon after the multi-crore fraud was unearthed by the bank.

PNB also joined the bankruptcy proceedings as it apprehended that a major part of the fraud money was routed to the US-based firm.

The 162-page report alleged that a group of employees at the Brady House branch issued fake letters of undertaking over several years to help diamantaire Nirav Modi and his uncle [Mehul Choksi](#) raise billions of dollars in foreign credit, leading to the country's biggest-ever bank fraud.

The report was presented along with internal e-mails as part of the evidence to investigative agencies.

The bank reported a loss of Rs 13,416.91 crore for the January-March period as against standalone profit of Rs 261.90 crore in the fourth quarter of the preceding fiscal, 2016-17.

With regards to provision made for the loss incurred on account of Nirav Modi fraud, the bank provided Rs 7,178 crore, 50 per cent of the total amount of Rs 14,356 crore in the fourth quarter of 2017-18. The remaining amount will be covered in the three quarters of the current fiscal year.

PNB paid Rs 6,586.11 crore to other banks to discharge its liabilities towards Letters of Undertakings (LoUs) and Foreign Letters of Credit (FLCs) issued fraudulently and in unauthorised manner to certain overseas branches of Indian banks through the misuse of [SWIFT](#) system of the bank, which was then not integrated with [CBS](#)

(Core Banking Solution).