

PRESS RELEASE

Feb. 16, 2018

Randeep Singh Surjewala, Media Incharge, AICC; Shaktisinh Gohil, Spokesperson, AICC, Gourav Vallabh and Pawan Khara have issued the following statement to the press today:-

1. 'Bank Loot Scam' Has Peaked to Rs.21.306 crore

India's biggest 'Bank Loot Scam' has got bigger over last 24 hours to Rs.21,306 crore as layers of conspiracy get unearthed by the hour.

Punjab National Bank has already admitted exposure of **Rs.11,400 crore in the 293 'Letters of Understanding' (LoUs)**. In addition, exposure of **30 Banks in loans extended to four companies** i.e. 'Firestar International Private Limited', 'Firestar Diamond Fze', 'Gitanjali Gems Limited' and 'Gitanjali Exports Corporation' is **Rs.9.906 crore**. Copy showing details of these loans extended by each Bank to these companies is attached as **Annexure A-1**. Thus, total exposure comes to **Rs.21,306 crore i.e. Rs.11,400 crore + Rs.9,906 crore**.

In addition, PNB stock has depreciated eroding Rs.7,000 crore in value. Incidentally, Government owns 57% shares in PNB and the remaining is owned by financial institutions/common investors. If you add the erosion of value of 7,000 crores, **total exposure comes to Rs.28,306 crore**.

In addition, **exposure of Banks to three more companies** i.e. Diamonds RUS, Solar Exports and Stellar Diamonds, is yet to be disclosed by the Banks and Modi Government. Experts estimate this exposure to be in the range of Rs.3,000/Rs.5000 crore. This will further enhance the total figure of the Scam.

No wonder, **'UDAAN'** is the buzzword of Modi Government, wherein every **Scamster can 'fleece and fly' – 'unchecked and undetected'**.

2. Prior Knowledge of Modi Government, its Agencies and Governments of Maharashtra/Gujarat Exposed.

Modi Government i.e. Prime Minister's Office, Enforcement Directorate, Ministry of Corporate Affairs, Serious Fraud Investigation Office (SFIO), SEBI as also two BJP's State Governments i.e. Government of Maharashtra and Government of Gujarat were aware of the ongoing scam pursuant to a series of complaints filed as early as on **7th May, 2015**. Details are as follows:-

- (i) A complaint dated **7th May, 2015** was filed to Ministry of Corporate Affairs by one Shri Vaibhav Khuraniya & R.M. Green Solution Private Limited. Copy was also sent to Prime Minister's Office, Enforcement Directorate, Serious Fraud Investigation Office. A copy of the complaint is attached as **Annexure A-2**. A copy of the courier receipt is attached as **Annexure A-3**. A copy of the reply dated **26th May, 2015** received from Prime Minister's Office is attached as **Annexure A-4**.

- (ii) A similar complaint was filed to Deputy Commissioner of Police, Mumbai. First page of the complaint containing receipt of DCP, Mumbai is attached as **Annexure A-5**.
- (iii) Another person named Digvijaysinh Jadeja filed an FIR in Ahmedabad Economic Offences Wing, Gujarat against Mehul Choksi and others for defrauding him. The matter went to Gujarat High Court, where Government of Gujarat was a party, In Special Criminal Application No. 4758 of 2015, Digvijaysinh Jadeja filed an affidavit on 20th July, 2016 specifically pointing out that **Mehul Choksi and others owed a debt of Rs.9,872 crore to Banks and are likely to escape from India**. Copies of the pages 1, 2, 31 and 32 of the affidavit are attached as **Annexure A-6**.
- (iv) A complaint dated 26th July, 2016 was filed by one Shri Hariprasad to Prime Minister's Office, which has already been placed in public domain yesterday.
- (v) On 3rd May, 2017; Shri Vaibhav Khuraniya also emailed the complaint Annexure A-2 to SEBI, which was duly registered. A copy of the online complaint registration receipt is attached as **Annexure A-7**.

Clearly, everyone in Government of India, including Prime Minister's Office were aware of the fraud being committed.

3. Prime Minister knows Mehul Choksi? Modi Government denies it? Nirav Modi is in Business Delegation in Davos, Switzerland. Modi Government denies knowledge?

In a public event on 'Gold Monetization Scheme', Prime Minister Shri Narendra Modi publicly acknowledged Mehul Choksi as 'हमारे मेहल भाई'. Please see the attached video as **Annexure A-8**. Law Minister on 15th February, 2018 feigns ignorance.

Despite the entire fraud happening, Nirav Modi was in Business Delegation in World Economic Forum from 23rd to 26th January, 2018. **PMO, PIB and MEA tweeted the picture of business delegation comprising of Nirav Modi and others with Prime Minister**. Same are annexed as **Annexure A-9**. Law Minister and Government feign ignorance. Nirav Modi was also part of Business Delegation to Davos in the year 2016 too, when Finance Minister, Shri Arun Jaitley had represented India.

4. 'The Great Escape' as Agencies Look On

Nirav Modi leaves India on 1st January, 2018. His maternal uncle and co-accused, Mehul Choksi leaves India on 4th January. Nirav Modi's wife, Ms Ami Nirav Modi and brother, Nishal Modi leave India on 6th January.

Nirav Modi conveniently attends World Economic Forum in Davos between 23rd -26th January, 2018 after escaping from India. CBI registers a case only on 31st January, 2018. CBI issues a Look Out Notice on 15th February, 2018. **These dates themselves tell a story about 'The Great Escape'.**

5. Entire Audit and Fraud Detection Mechanism Failed. Deleberately?

Every bank goes through four kinds of audit i.e. **Statutory Audit** (Looks into bank's balance sheet), **Internal Audit** (conducted by bank staff), **Concurrent Audit** (Audit of Bank transaction) and **RBI Inspection**. Despite this, the entire fraud escaped everybody's attention. Obviously, someone was protecting this network of fraud.

6. Banks ignored 'Red Flag' by Rating Agency CARE in June, 2016

On June 07, 2016; rating agency – CARE withdrew the ratings assigned to the bank facilities of Firestar International Private Limited. Banks ignored it completely for unexplainable reasons.

Questions:

1. Why does the Modi Government not answer the five questions asked yesterday?
2. Has the size of bank loot scam peaked to Rs.21,306 crore? What is the total loss to Banks? Why is Government mum?
3. Did the Prime Minister, PMO, ED, Corporate Affairs Ministry, SFIO, SEBI and Governments of Maharashtra and Gujarat have prior knowledge of the Scam as early as on 7th May, 2015? Why did they not take action?
4. Does Prime Minister know accused-Mehul Choksi? If yes, why is Modi Government denying it? Did the PMO, PIB and MEA not tweet the picture of Business Delegation comprising of Nirav Modi with Prime Minister?
5. How did Modi Government and the agencies permit Nirav Modi/Mehul Choksi and others to escape from India?
6. How did the entire fraud escape the four stage audit system of Banks? Why did the banks not get alerted despite the withdrawal of ratings by rating agency CARE?