

A failure of internal controls: RBI

OUR BUREAU



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The Reserve Bank of India on Friday said it has already undertaken a supervisory assessment of the control systems at PNB and will take appropriate supervisory action.

The central bank, in a statement, said the fraud in PNB is a case of operational risk arising on account of delinquent behaviour by one or more employees of the bank and failure of internal controls.

Further, referring to reports to the effect that the RBI has directed PNB to meet its commitments under the LoU to other banks, the central bank said it has not given any such instructions.

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