

11:46 AM | 13 MAR **LIVE**
MARKET STATS ▾சென்செக்ஸ்
34,002 ▲ 84.22நிஃப்டி 50
10,456 ▲ 34.90கோல்டு (எம்சிஎக்...
30,321.00 ▼ -11.00யுஎஸ்டி/ஐஎ...
64.95 ▼ -0.10**CREATE
PORTFOLIO****ஈ-டி**
மார்க்கெட்ஸ்...CHOOSE
LANGUAGE
TAM

PNB scam: IMF official calls for governance reforms at PSBs

BY PTI | MAR 12, 2018, 09.57 PM IST

Post a Comment

The [International Monetary Fund](#) has said banking reforms like insolvency code and recapitalisation will be ineffective unless governance standards are improved.

"Reforms like the IBC Code, bank recapitalisation have taken place. However, for a lasting impact, these efforts are not enough and should be accompanied by governance reforms particularly for public sector banks," the multilateral body's deputy managing director [Tao Zhang](#) said at an event at the NSE here this evening.

There is a need to look at the "deeper issue" of governance at the banks, he told reporters later.

Without naming the Punjab National Bank, he said the scam has "revealed the necessities and urgencies to improve the internal controls", which is crucial not only for improving banks but also "financial stability".

Banks should continue working on improving their balance sheets on a priority basis, he said, stressing that the asset quality situation of the domestic banks has deteriorated compared to their peers elsewhere.

He said the financial regulators in India should focus on monitoring and regulating services instead of only institutions.

RELATED COMPANIES

EXPAND

PNB

Big Change:
[The end of Five-Year Plans: All you need to know](#)



Upgrade to a modern PC. So much more to love.

Intel



Do You Know Why You Are Paying Too Much for Car Insurance

Coverfox.com

The Rs 12,700-crore [PNB scam](#), allegedly perpetrated by diamond trader [Nirav Modi](#) and his uncle Mehul Choksi in collusion with a few officials of a branch of the state-run bank came to light last month, wherein the duo is alleged to have used a key loophole on the international trade finance front (SWIFT) to defraud the bank.

The duo and thier officials allegedly got letters of undertaking from the [Brady House](#) branch of [PNB](#) without having the required securities and also proper trades records in place for many years.

The Fund official also spoke about financial technology firms, saying capital invested in the over 1,500 firms in the country is expected to go up by 1.7 times by the turn of 2020.

India should focus on rapidly developing the sector so that efficiencies get enhanced but also safeguard against risks and also fight misconduct, he added.

Stay on top of business news with The Economic Times App. [Download it Now!](#)

Powered by

[Live Market](#)
[News](#)
[Portfolio](#)
[Mobile](#)
[Live TV](#)
[Biz Listings](#)

[Industry](#)
[Newsletters](#)
[Commodities](#)
[Speed](#)
[Blogs](#)
[RSS](#)

[About Us](#)
[Create Your Own Ad](#)
[Advertise with Us](#)
[Terms of Use & Grievance Redressal](#)
[Privacy policy](#)

FOLLOW US

Download it from
[APP STORE](#)

Download it from
[GOOGLE PLAY](#)

Download it from
[Windows Store](#)

Other Times Group news sites

[इकनॉमिक टाइम्स](#) | [ईकोनोमिक्स टाइम्स](#) | [Pune Mirror](#) | [Bangalore Mirror](#) | [Ahmedabad Mirror](#) | [ItsMyAscent](#) | [Education Times](#) | [Brand Capital](#) | [Mumbai Mirror](#) | [Times Now](#) | [Indiatimes](#) | [नवभारत टाइम्स](#) | [महाराष्ट्र टाइम्स](#) | [ವಿಜಯ ಕರ್ನಾಟಕ](#) | [Go Green](#) | [AdAge India](#) | [Eisamay](#) | [IGN India](#) | [NavGujarat Samay](#) | [Times of India](#) | [Samayam Tamil](#) | [Samayam Telugu](#) | [Miss Kyra](#) | [Bombay Times](#) | [Filmipop](#) | [BrainBaazi](#) | [BrainBaazi APP](#)

Living and Entertainment

[Timescity](#) | [iDiva](#) | [Entertainment](#) | [Zoom](#) | [Healthmeup](#) | [Luxpresso](#) | [Gadget Reviews](#) | [Titanium & Platinum Credit Card](#) | [Online Songs](#) | [MensXP](#) | [Hotels](#) | [Travel Destinations](#) | [Cricbuzz](#) | [Recipes](#) | [Gaana](#) | [Happytrips](#) | [Getsmartapp](#)

Interest Network

[itimes](#)

Hot on the Web

[Share Market](#) | [GST](#) | [Income Tax Slabs](#) | [Aadhaar Card](#) | [How to Save Income Tax](#) | [Axis Bank IFSC Code](#) | [Tax Saving Guide](#) | [Sensex Today](#) | [Nifty Bank](#) | [Sensex](#) | [Income Tax Calculator](#) | [Karnataka Election 2018](#)

Services

[Book print ads](#) | [Online shopping](#) | [Matrimonial](#) | [Astrology](#) | [Jobs](#) | [Tech Community](#) | [Property](#) | [Buy car](#) | [Bikes in India](#) | [Free Classifieds](#) | [Send money to India](#) | [Used Cars](#) | [Restaurants in Delhi](#) | [Remit to India](#) | [Buy Mobiles](#) | [Listen Songs](#) | [News](#) | [TimesMobile](#) | [Real Estate Developers](#) | [Restaurant Deals in Delhi](#) | [Car Insurance](#) | [Gadgets Now](#) | [Free Business Listings](#) | [CouponDunia](#) | [Remit2India](#) | [Techradar](#) | [AliveAR](#) | [Getsmartapp App](#) | [ETMoney Finance App](#) | [Feedback](#) | [Auto](#)

In Case You Missed It

[All about PNB Fraud](#)

[GST](#)

[GST Rates](#)

[Bank FD Rates](#)

[PNB Fraud](#)

[Nifty](#)

[Jaguar Land Rover](#)

[IPO](#)

[Aadhaar Card](#)

[Income Tax](#)

[Sensex](#)

[Crude Oil Price](#)