

NEW DELHI: Public money is "extremely safe" in state-owned banks, Finance Minister [Piyush Goyal](#)

said today against the backdrop of several cases of frauds, including the \$2 billion scam at PNB, unearthed recently.

Speaking to reporters after meeting several heads of PSBs, he said the government is open to the question of giving more powers to the Reserve Bank for effectively regulating [public sector banks](#)

"Public money is extremely safe in PSU banks. Government stands behind them 100 per cent," Goyal said.

He stated however that he was not "sure" as to how safe the public money is with private companies which have huge income tax dues.

He said the frauds were perpetrated by private companies and not the PSBs.

In reference to recent suggestion by RBI Governor Urjit Patel that the central bank lacked powers to effectively deal with the PSBs, Goyal said RBI has powers, but if additional powers are needed the government was open to the idea.

He also said that PSBs would support credit needs of genuine companies, and focus on MSME sector.

Various investigating agencies are probing the over \$2 billion fraud allegedly committed by diamond jeweller Nirav Modi and his associates. Several other scams too have surfaced in the recent past involving PSBs.