

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO. 4091

TO BE ANSWERED ON THE 10TH AUGUST 2018/SHRAVANA 19, 1940(SAKA)
Locker Service in Banks

4091. SHRI MOHITE PATIL VIJAYSINH SHANKARRAO:

SHRI P. KUMAR:

SHRI DHANANJAY MAHADIK:

SHRI SATAVRAJEEV:

SHRI P.R. SUNDARAM:

DR. J. JAYAVARDHAN:

DR. HEENA VIJAYKUMAR GAVIT:

SHRIMATI SUPRIYASULE:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) has issued instructions to Banks that the responsibility of safety of valuables kept by the customers in the banks lockers lies with the customers themselves and if so, the details thereof;
- (b) the number of instances of theft from bank lockers that have been reported during the last three years and the current year, State/UT-wise;
- (c) the action taken by the Government/RBI against those found involved therein along with valuables recovered during the said period;
- (d) whether the Government proposes to pay compensation to bank customers in case of theft from bank lockers, if so, the details thereof and if not the reasons therefor;
- (e) whether the Government is proposing any stringent rule for the banks, both for Public Sector Banks and private banks for their liabilities towards loss or damage of items kept by the customers in their lockers, if so, the details thereof;
- (f) whether the Government/RBI has also conducted any review of the security measures undertaken by the banks across the country in this regard, if so, the details and the outcome thereof; and
- (g) the steps taken/being taken by the Government/RBI to strengthen/revamp the security of the bank lockers in the country?

ANSWER

**Minister of State in the Ministry of Finance
(SHRI SHIV PRATAPSHUKLA)**

(a) to (g): Reserve Bank of India (RBI) has issued instructions to banks regarding the safety of bank lockers for exercising due care and necessary precaution for the protection of the lockers provided to the customer, reviewing the systems in force for their operation on an ongoing basis and taking necessary steps, having well-documented security procedures, properly training staff concerned in the procedure, and internal auditors ensuring that procedures are strictly adhered to. Further, as per an RBI communication to banks (in the context of an incident of bank burglary in which safe deposit lockers were broken open and jewellery reportedly taken away), the liability of the bank depends on the facts and circumstances of the incident and that despite the conditions of the lease agreement that lessees should insure the contents of the lockers, bank can be held liable if negligence is proved (having regard to the conditions of the strong room, the lockers, the safeguards, required in the light of the location etc.).

As per inputs from Public Sector Banks (PSBs), during the last three financial years and for the period up to 31.7.2018 in the current financial year, 43 cases of theft took place in the lockers of PSBs and the approximate amount of loss reportedly suffered by customers is Rs. 16.8 crore. State / Union territory-wise details of theft from bank lockers of PSBs, reported by PSBs during the said period, are at Annexure. PSBs have informed that FIRs were lodged in all the cases, some arrests have been made by the police, and valuables worth Rs. 6.5 crore have been recovered so far in respect of these cases.

As per inputs from PSBs, banks exercise reasonable care and precaution for the protection of the strong room and the lockers provided, and that security measures including security of locker rooms are reviewed periodically. To strengthen security of lockers, banks also monitor access to locker rooms by CCTV cameras and install burglar alarms. Liability to compensate is governed by provisions of extant applicable laws, such as the Indian Contract Act, 1872, and as such, no specific legislation in this regard is proposed.

Annexure

Details of theft from bank lockers reported by Public Sector Banks during the financial years 2015-16 to 2017-18 and till 31.7.2018 in financial year 2018-19

Amount in crore Rs.

S. N.	State / Union territory	Number	Amount
1	Andman and Nicobar Islands	0	0
2	Andhra Pradesh	0	0
3	Arunachal Pradesh	0	0
4	Assam	0	0
5	Bihar	2	2.60
6	Chandigarh	0	0
7	Chhattisgarh	1	Not ascertainable
8	Dadar and Nagar Haveli	0	0
9	Daman and Diu	0	0
10	National Capital Territory of Delhi	0	0
11	Goa	0	0
12	Gujarat	0	0
13	Haryana	0	0
14	Himachal Pradesh	0	0
15	Jammu and Kashmir	0	0
16	Jharkhand	1	Not ascertainable
17	Karnataka	0	0
18	Kerala	0	0
19	Lakshadweep	0	0
20	Madhya Pradesh	0	0
21	Maharashtra	30	3.26
22	Manipur	0	0
23	Meghalaya	1	Not ascertainable
24	Mizoram	0	0
25	Nagaland	0	0
26	Odisha	0	0
27	Puducherry	0	0
28	Punjab	0	0
29	Rajasthan	0	0
30	Sikkim	0	0
31	Tamil Nadu	3	0.44
32	Telangana	0	0
33	Tripura	0	0
34	Uttarakhand	0	0
35	Uttar Pradesh	4	10.50
36	West Bengal	1	0

Source: Public Sector Banks