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**Headline: - Money insurance: Can you insure cash kept in a bank locker?**

### [Money insurance: Can you insure cash kept in a bank locker?](#)



According to RBI rules, banks are not liable to provide compensation for the destruction of a locker's contents

In India, financial prudence is often equated with having a healthy savings account or investing wisely, but secure storage of money also forms a crucial part. Many consider bank lockers an immensely trusted part of this secure storage system, ideally used to store valuables like jewellery and essential documents. However, a common concern among locker holders is whether the cash kept in a bank locker is insurable via money insurance or any other policy.

A money insurance policy provides coverage for the loss of money. Money can take several forms, such as coins, bank and currency notes, cheques, postal orders, or current postage stamps. The policy covers some specific situations. The first is when money is transported from the bank to the insured premises to pay wages, salaries, and other earnings or for petty cash. The second applies to money under the insured's or authorised employees' personal supervision while going from the premises to the bank or Post Office. The insurance company gives this coverage to the bank within 48 hours of collection. The other two situations include when the money is present on the premises during working hours or secured in a locked safe or secure room within the premises.

Gurdeep Singh Batra, Head of Property UW (E&S), Risk Engineering, Global Accounts and Coinsurance, Bajaj Allianz General Insurance, said, "Cash or money is typically covered under a money insurance policy only when it is stored within insured premises for which other coverage options, such as fire, burglary, theft, accidental damage, etc., have been opted for. Hence, money stored in a bank locker is not generally covered under a money insurance policy specifically. However, we understand that with the revised RBI guidelines, banks are now mandated to safeguard against risks such as fire, theft, and building collapse when it comes to bank lockers, with their liability generally limited to 100 times the annual locker rent," he added.

Echoing this, Abhishek Bondia, principal officer and managing director at SecureNow.in, said, “While bank locker policies exclude cash or currency stored in the locker, money insurance only covers money stored in insured premises, not in a bank locker. Premises here means a factory, shop or office.”

As per the existing regulations of the Reserve Bank of India (RBI), banks are not responsible for the loss of contents stored in lockers. Banks are not liable to provide any compensation for the destruction of contents due to any reason, including natural disasters such as floods, earthquakes, or even a robbery. This might surprise many, but you must understand that when you rent a bank locker, you take on the complete risk associated with it.

So, where does this leave the idea of insurance of cash kept in bank lockers? Unfortunately, a money insurance policy does not cover this precise risk. However, certain insurers provide home insurance policies that have an extension to cover valuables, including jewellery, valuable assets and documents kept in bank lockers. However, there are certain limitations in terms of the maximum amount insured, which might not cover the entire value of the contents.

Naval Goel, Founder and CEO of PolicyX.com, said that some insurance policies cover your valuables kept in a bank's safe, but these valuables include jewellery and documents but not cash. “For instance, some traditional home policies cover jewellery and other valuables kept in the house and bank lockers impose sub-limits. In such policies, the locker cover is only up to 20 per cent of the total sum assured under the home insurance policy,” added Goel.