Contingency plan during strikes in banks / natural calamity- Arrangements for feeding of ATMs

The need for replenishing cash in the ATMs of banks, especially in times of strikes in banks/natural calamity so as to mitigate hardships caused to bank customers, was examined by RBI. As a first step in this direction, the use of other bank’s ATMs for cash withdrawals was made free of charge with effect from April 1, 2008 vide our circular DPSS No. 2007-2008/260 dated March 10, 2008. However, this measure would not suffice when there is an industry-wide strike call / other emergency and the ATMs of banks run out of cash.

2. It has now been decided that as a customer service initiative, RBI will allow the banks to replenish cash at their ATMs by withdrawing cash from RBI in the event of strike in the entire Banking Sector excepting RBI or in the event of any natural calamity in the region/country. Banks may avail of this facility on the days of strike / natural calamity and for this purpose, they will be required to:


(ii.) Authorize RBI in the form of a standing instruction (as per enclosed ‘Letter of Authorization’) to debit their current accounts with RBI for handing over the cash to the outsourced agency appointed by them.
(iii.) Submit on every such occasion, a bearer cheque signed by the authorized signatory payable to "Ourselves" with the signature of the recipient attested on the obverse of the cheque.

(iv.) Submit a letter stating that the bank desires to withdraw cash from their current account with RBI on that day as a special case.

(v.) The ceiling for withdrawal of cash under this contingency will be Rs. ten crore at a time i.e. per transaction. However, depending upon the need for cash to be replenished in the ATMs, a bank may avail of this withdrawal facility more than once during the working hours on a particular day.

(vi.) The Regional Director of RBI for the respective State will be the final authority for deciding on whether there is an emergency and the facility can be made available.

(vii.) Banks will have to keep RBI informed about any change of outsourcing agency in this regard.

3. Banks may approach the Deposit Accounts Department of RBI where their current account is maintained for working out the modalities on the above lines.

Yours faithfully,

(A K Bera)
Chief General Manager-in-Charge