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Government of India  
Ministry of Home Affairs  
(Police Modernization Division)

26, Mansingh Road, Jaisalmer House  
New Delhi, dated .03.2016


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OFFICE MEMORANDUM

Subject:- Draft SOP for secured cash handling & transportation by Private Security Agencies under Private Securities Agencies (Regulation) (PSAR) Act,2005.

The undersigned is directed to request NIC, MHA to upload draft SoP on the above mentioned subject on MHA website under the head Police Modernization Division under intimation to this Office. A copy of draft SoP is enclosed herewith.

Encl: As above.

  
(Amrik Singh)

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To

→ Ms M P Sugandhi,  
Technical Director, NIC, MHA,  
North Block, New Delhi.

copy to SO (IT) with the request to upload it.





## DRAFT SoP

### Basic Operating Guidelines for Secured Cash Handling & Transportation by Private Security Agencies

Public and private sector banks are outsourcing secured transportation of cash and valuables to private security agencies. These agencies are handling movement of public money between currency chest and bank branches, bank branches and customer sites (fuel stations, toll collection points etc) as well as replenishment of cash at ATMs. Industry and media reports estimate that there are over 8000 privately owned cash vans plying across the country. These cash vans, owned by non bank entities like private security agencies are ferrying over INR 15,000 crores currency each day. They are also holding over INR 5,000 crores currency overnight on behalf of banks at their private cash vaults.

In recent years, there has been a spurt in attacks, hijacking and looting of cash vans and ATM fraud. This has not only resulted in loss of public money but also increase in crime. Privately owned cash vans and currency vaults have become soft targets and are resulting in serious crimes across states. The risk of large volumes of cash falling into the hands of undesirable elements is ever increasing. State Police departments have also sought better risk mitigation arrangements from time to time.

Keeping in mind the criticality of the secured cash movement function in day to day banking operations, as also the expected increase in the banking and ATM operations in the coming years, it has become necessary to lay down and enforce **basic operating guidelines and risk mitigation procedures for secured cash handling and transportation by licensed private security agencies under the provisions of Private Security Agencies Regulation Act (2005).**

All Private Security Agencies operating Cash Vans are required to have certain basic infrastructure, resources and other assets / equipment to be considered capable to provide Secured Cash transportation, overnight vaulting and ATM cash replenishment operations. The basic requirements that they should comply with includes:

**1. Use of Specially Designed and Fabricated Cash Van:**

All Cash transportation and ATM cash replenishment activities must only be carried out in secured cash vans owned by the licensed private security agency meeting guidelines laid out below.

- **Make** - LMV (Light Motor Vehicle) or any other vehicle of similar type.
- **Layout** – Cash Van should have 2 independent compartments. Compartment for storing cash should be physically separated and locked from passenger compartment.
- **Cash Compartment Security** - The cash compartment should be inaccessible from outside the van unless operated internally through manual/ electronic lock. Cash compartment must be specially reinforced with steel with only one door.
- **Cash Box Security** - Each of the cash boxes must be secured to the floor with separate chains and have 2 padlocks that can be opened or locked only by using separate keys available with different custodians. Cash for each bank should be carried in a separate box with the name of the bank written on it.
- **Other Security Features** – Every Cash van should be equipped with CCTV camera with DVR with 30 days backup footage to track activities of crew within cash van. It should also be equipped with hooter, fire extinguishers

and emergency lights to ensure quick reaction in case of an attack.

**2. Requisite number of trained staff per cash van:**

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All Cash transportation and ATM cash replenishment activities must only be carried with requisite number of trained staff directly employed by the licensed private security agency.

Every cash van must have the following minimum staff on board for every single cash transportation service.

- Driver - 1
- Armed Security guards – 2
- ATM Officer / Custodians – 2

Cash Van must always be escorted by two trained armed security guard on board. More than two armed security guard may be deputed on a cash van depending on the amount of cash carried and as per individual company's insurance guidelines/ client contract/terrain of operation.

**3. Antecedent check of all personnel involved in cash transportation operations:**

All Cash transportation and ATM cash replenishment activities must only be carried out by operational staff who have undergone thorough antecedent check. Licensed private security would be responsible to comply with the following checks before an individual is allowed to participate in cash transportation and ATM cash replenishment operations

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- **Police Clearance Certificate** – Every individual must obtain a PCC from his local police station
- **Residence Verification** – Licensed private security agency must use its own resources to conduct a physical verification of residential address of every individual including general conduct check. The individual must be occupying the residential address for atleast three years to be considered eligible for employment with a licensed private security agency involved in cash handling and transportation operations
- **Previous Employer Check** - Licensed private security agency must use its own resources to conduct reference check with 2 previous employers of the individual
- **Guarantors** – Every individual seeking employment with a licensed private security agency engaged in cash handling and transportation operations must produce two guarantors of good standing. Atleast one of the two guarantors should be a serving / past government servant.

4. **Adequate training and certification of all personnel involved in cash transportation operations:**

All personnel involved in Cash transportation and ATM cash replenishment activities must be adequately trained and certified. Every licensed private security agency involved in cash transportation and cash handling operations will ensure that all personnel employed by them for such operations are imparted necessary training as prescribed below.

**Basics of Cash Handling and Transportation operations:**

- Scope of service
- Team composition
- Role of Driver, Armed Guard, Cash custodian

- Functioning of Cash Vans
- Contact details of concerned agencies
- Threat/risks involved
- Reporting procedure

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**Threat/ Risks:**

- Criminal/miscreant action
- Tailing by vehicle-borne criminals
- Specific threats to stationary and moving vehicle
- Insider's threat
- Fraudulent practices by team members
- Loss of life and medical emergency
- Road accident and vehicle breakdown
- Fire accident

**Safety and Security of Cash Van:**

- In-built safety features of the Cash Van carrying cash/ valuables
- Cash boxed for carrying cash/ valuables
- Locking and security systems
- Weapon and ammunition
- Communication equipment
- Global Positioning System
- Fire extinguishers
- Distress alarm
- First-aid kit

**Concerned Agencies:**

- State Private Security Agencies Regulation Act Controlling Authority
  - Police station, PCR vans, police helpline
  - Controlling supervisor / Operations manager at Licensed PSA
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- Concerned Bank representative
  - Ambulance and hospital services

**Weapons, Ammunition and Documents:**

- Authorised Weapon –civil bore, licenced and serviceable
  - Ammunition – authorised, safe and serviceable
  - Documents – gun licence, identity card and permission to carry weapon during restrictions imposed by authorities.
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- Real weapons carried by miscreants
  - Other objects which can be used as weapon by miscreants

**Emergency / Incident Response:**

- Distress alarm procedure
- Seeking help from concerned agencies
- Use of weapon to deter and resist criminals and miscreants
- Ensure safety of team members and consignment
- Disengage from situation and drive vehicle to safety
- Evacuation of the injured

**Other Internal Organisational Procedure**

- Antecedent Check procedure
- Minimum wage Act & benefits
- Provident Fund Act & benefits
- ESIC Act & benefits
- Leave entitlement and application procedure
- Other company rules
- Obligations as employee

Compulsory induction training of 160 hours should be imparted as per conditions of Private Security Agencies Regulation Act (2005). Training Content is available through Security Sector Skill Development Council under National Skill Development Council (NSDC), Ministry of Skill Development, Government of India. Refresher training should be conducted once every two years for all personnel.



**5. Live GPS tracking of Cash Van during operations:**

All Cash transportation and ATM cash replenishment activities must only be carried out in secured cash vans fitted with GPS tracking device. The licensed private security agency should ensure that each van should be monitored at all times during operation through a redundant communications protocol. GPS installed should have controlling technology for disabling / immobilizing the van whenever required remotely.

**6. Guideline for maximum cash carrying limit in a single cash van:**

All Licensed Private Security Agencies involved in Cash transportation and ATM cash replenishment activities will ensure that no cash van should carry more than ₹5 Crores per trip. Cash vans should compulsorily be deployed for carrying cash of value more than ₹5 Lakhs per trip.

**7. Guideline for private cash vaults used for holding and overnight vaulting of Bank currency:**

All Cash handling including counting, sorting, bundling and ATM cash replenishment activities must only be carried out in secured premises. The licensed private security agency must meet the guidelines laid out below.

- **Location of private cash vault premises** – Premises used for cash handling operations should be located to ensure safety of operations. This may include areas closer

to bank's cash withdrawal centres or police stations. Secluded areas with poor connectivity should be avoided.

- **Design of Premises:** The premises should be sufficiently sized to include 2 physically independent areas. One for general office purpose and other for secured cash processing/handling. This zone should accommodate space for cash deposit, collection, sorting, counting and delivery/dispatch cash on secured vehicles.
- **Cash Vault:** A secured area should be designed to store cash. Design of cash vault must comply with the following RBI norms.
  - In smaller cities with limited overnight vaulting requirements of less than ₹10 crores, a strong room with defender safes is necessary
  - At operation centres with overnight vaulting requirements between ₹10–100 Crores, vaulting facility should be created as per RBI C Class vault norms
  - At large operation centres with overnight vaulting requirements of greater than 100 Crores, vaulting facility may be suitably enhanced in consultation with concerned banks
  - All overnight vaulting facilities should have provision to store currency of multiple banks in separate and exclusive bins
- **Security of Cash Vault:** Following basic security aspects should be ensured by the Licensed private security agency at its Cash vault used for secured handling of cash on behalf of banks.

- Premises should be under 24x7 electronic (CCTV) surveillance and monitoring
- Adequate number of armed private security guards should be deputed round the clock
- Cash processing and vault areas should have restricted and controlled access (preferably through interlocking systems and frisking).
- Vault operations should always be done under dual custody.
- Main vault area should adhere to all safety norms like fire fighting systems, smoke detection systems, Emergency lighting, Control room for monitoring the movement of vehicles, Auto-dialer and Burglar security systems.

#### 8. Guideline for Risk Mitigation

In order to reduce instances of crew pilferage losses and ATM fraud, ATMs be fitted with one time electronic combination locks (OTC).

For replenishment of cash in ATMs, Cash transportation agencies must collect cash from Bank in first half of the day. No cash loading of the ATMs or cash movement should be done after 8. PM in urban areas and after 5 PM in rural areas. In naxal affected districts, Cash Vans must conduct operations only between 9 AM to 3 PM.

All State Controlling Authorities for Private Security Agencies Regulation Act (2005) are advised to enforce the above guidelines on all cash van agencies and review compliance from time to time.

