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Punjab Private Security Companies (Regulation and Control) Ordinance 2002

THE PUNJAB PRIVATE SECURITY COMPANIES (REGULATION AND CONTROL) ORDINANCE, 2002

(Pb Ord. No.LXIX of 2002)

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THE PUNJAB PRIVATE SECURITY COMPANIES (REGULATION AND CONTROL) ORDINANCE, 2002

(Pb Ord. No.LXIX of 2002)

[19 October 2002]

An Ordinance to provide for regulation, licensing and control of private security companies in the Province of Punjab.

Whereas it is expedient to provide for regulation, licensing and control of private security companies in the Province of Punjab and for matters connected therewith and ancillary thereto;

And whereas the Provincial Assembly of the Punjab is dissolved and the Governor is satisfied that circumstances exist which render it necessary to take immediate action;

And whereas under Article 4 of the Provisional Constitution (Amendment) Order No.9 of 1999, as amended by the Chief Executive Order No.11 of 2000, the Governor of a Province may issue and promulgate an Ordinance;

Now, therefore, in exercise of the aforesaid powers and all other powers enabling him in that behalf, the Governor of the Punjab is pleased to make and promulgate the following Ordinance:-

1. Short title, extent and commencement.— (1) This Ordinance may be called the Punjab Private Security Companies (Regulation and Control) Ordinance, 2002.

(2) It extends to the whole of the Punjab.

(3) It shall come into force at once.

2. Definitions.— In this Ordinance unless there is anything repugnant in the subject or context—

(a) “**company**” means a company incorporated under the Companies Ordinance, 1984 (XLVII of 1984);

(b) “**Government**” means the Government of the Punjab;

(c) “**licence**” means a licence granted under this Ordinance for carrying on the business of a Private Security Company by providing for consideration, security guards or security arrangements for the protection of persons or property or to prevent theft or unlawful taking of property;

(d) “**licensee**” means the holder of a licence;

(e) “**Licencing Authority**” means the Government of the Punjab or an officer nominated by Government to exercise all or any of the powers of the Licencing Authority;

(f) “**prescribed**” means prescribed by rules made under this Ordinance;

(g) “**Private Security Company**” means any company incorporated under the Companies

Ordinance, 1984 (XLVII of 1984), carrying on, maintaining or engaged in the business of providing for consideration, security guards or making other arrangements for the security of other persons and their property and cash-in-transit, functioning under a valid licence issued by the Licencing Authority; and

- (h) “**security guard**” includes any watchman or other person engaged by the licensee for the protection of persons or property or to prevent theft or robbery at the protected places and who possesses required training as prescribed by the Licencing Authority under the rules.

3. Ordinance not to apply to Civil and Armed Forces, etc.— The provisions of this Ordinance shall not apply to—

- (a) any member of armed forces, police or any civil armed force; and
- (b) any inspector, guard, watchman, or other persons employed by an individual employer for inspection, protection, guarding of his residence, commercial or business premises or for the protection of persons or property of such employer who is not engaged in the business of **Private Security** Company.

4. Private Security Companies’ employees not to wear certain uniform.— No person employed by the **private security** company shall wear uniform akin to uniform of armed forces, police or any civil armed force and shall wear the uniform as may be prescribed by the Licencing Authority:

Provided that no other **private security** guard employed by private organizations or individual employer shall wear the uniform prescribed for security guards of registered **private security** companies.

5. Prohibition of maintenance of a company without a licence.— No person shall carry on the business of a **Private Security** Company or maintain or provide security guards or security arrangements for consideration unless he holds a licence for the purpose issued under this Ordinance.

[2]**5-A. Prohibition of cash-in-transit.**— No **Private Security** Company shall undertake the business of transit of cash or valuable articles unless a No Objection Certificate has been issued by the Licensing Authority in this regard.]

6. Procedure for grant and renewal of licence, etc.— (1) Whoever desires to engage or to assist in the business of maintaining a **private security** company shall make an application for grant of a licence to the Licencing Authority and shall with his application furnish such information, attach documents and pay such fee in the form and manner as may be prescribed.

(2) On receipt of an application under sub-section (1), the Licencing Authority may, after such verification and enquiry as it may deem necessary and subject to such conditions, including furnishing of security, as may be prescribed, grant or refuse to grant the licence.

(3) A licence issued under sub-section (2) shall be non-transferable, valid for a period of three years and shall be renewable on an application made in the form and on payment of such fee as may be prescribed.

(4) A licensee shall furnish annual performance report before the Licencing Authority on such form and within such period as may be prescribed.

(5) The Licencing Authority shall, through a notification in the official Gazette, prescribe the fee payable for issuance of licence or renewal thereof.

(6) A licence shall not be granted if —

- (a) satisfactory evidence has not been produced of the good moral character of partners and

officers of the company holding managerial or executive positions; or

- (b) satisfactory evidence has not been produced to show that the applicant is a fit and proper person to hold a licence; or
- (c) the applicant has been convicted of any offence involving fraud or moral turpitude or if the applicant is a company, any of its officers holding a managerial or an executive position or, as the case may be, any of its partners has been convicted of any offence involving fraud or moral turpitude; or
- (d) it is not in the public interest to do so; or
- (e) the **Private Security** Company is not registered under the Companies Ordinance, 1984 (XLVII of 1984); or
- (f) the **Private Security** Company has not obtained a No Objection Certificate from the Ministry of Interior, Government of Pakistan:

Provided that reasons for refusal to grant a licence shall be recorded in writing and be communicated to the applicant.

(7) The Licencing Authority may, at any time, vary or revoke any of the conditions of a licence or impose any additional condition thereto.

(8) The Licencing Authority shall, before taking any action under sub-section (7), notify to the licensee its intention of the proposed action and provide him an opportunity to show cause against such action.

7. Registration of existing companies.— (1) A company already functioning under a No Objection Certificate granted by Government shall not continue for more than three months from the commencement of this Ordinance unless an application for licence has been made within thirty days of such commencement.

(2) Where an application as aforesaid has been made in respect of an existing company and such application is rejected then notwithstanding the period of three months provided in sub-section (1) the company may be continued for a period of thirty days from the date on which the application is rejected or if an appeal is preferred, until such appeal is dismissed.

8. Appeal.— Any person aggrieved by an order of the Licencing Authority made under section 7 may, within thirty days, prefer an appeal against such order to the officer notified in this behalf by Government whose decision thereon shall be final.

9. Exhibition of licence.— Every licensee shall exhibit his licence or a certified copy thereof at a conspicuous place at his principal place of business and at every branch where the licensee carries on the business of **Private Security** Company.

10. Penalties.— Any person who—

- (a) contravenes any of the provisions of this Ordinance or any rule made thereunder; or
- (b) carries on the business of **Private Security** Company without a licence; or
- (c) fails to comply with the conditions of the licence; or
- (d) fails to exhibit the licence or certified copy thereof at a conspicuous place in the office or place of business of the **Private Security** Company; or
- (e) not being the holder of a licence keeps, uses or exhibits any sign, writing, painting or other mark

implying that he holds a licence to carry on the business of a **Private Security** Company; or

- (f) being a licensee or an applicant for grant of a licence knowingly makes a false or incorrect statement or omits to furnish any particular which he is required to furnish; or
- (g) being a licensee, violates the relevant provisions of the Companies Ordinance, 1984 (XLVII of 1984),

shall be punishable with imprisonment for a term which may extend to three years, or with fine which may extend from twenty thousand rupees to two hundred thousand rupees or with both, and in case of default of payment of fine, the offender shall be liable to imprisonment which may extend to one year.

11. Revocation of a licence.— (1) The Licencing Authority may, by an order in writing, revoke a licence –

- (a) if it is satisfied that the licensee—
 - (i) has ceased to carry on the business for which he has obtained the licence or a licensee being a company, has applied for liquidation, winding up of the company or the company has been dissolved; or
 - (ii) has obtained the licence by providing false information in contravention of the provisions of this Ordinance; or
 - (iii) is no longer a fit and proper person to continue to hold a licence; or
 - (iv) has been convicted of any offence involving fraud or moral turpitude or any of the officers of the licensee holding a managerial or executive position, partner, employee or security guard has been convicted of any offence involving fraud or moral turpitude; or
 - (v) is contravening or has contravened any of the provisions of this Ordinance or the rules made thereunder; or
- (b) if it is found that the security guards employed by the company do not possess the prescribed qualifications or training; or
- (c) if the company fails to provide services to its clients as per agreement signed by it or as per the prescribed procedure; or
- (d) if it is considered necessary to do so in the public interest.

(2) The Licencing Authority shall before revoking any licence under sub-section (1) give the licensee a notice to show cause in writing specifying a date, not less than thirty days from the date of the notice, on which the revocation shall take effect unless the licensee satisfies the Licencing Authority that the licence was not liable to be revoked.

(3) When the Licencing Authority revokes a licence under sub-section (1) it shall forthwith inform the licensee, by notice in writing of such revocation specifying date thereof and the Registrar of Companies concerned.

(4) The person whose licence has been revoked may, within thirty days of the receipt of the notice referred to in sub-section (3), prefer an appeal to Government whose decision thereon shall be final.

12. Effect of revocation of licence, etc.— (1) Where an order of revocation becomes effective under section 11, the licensee shall cease to carry on the business of a **private security** company.

- (2) Notwithstanding the revocation of licence, the enforcement of right or claim of any person against

the licensee or by the licensee of any right or claim against any person arising out of, or concerning any matter or thing done prior to the revocation of the licence shall not be affected.

13. Employment of staff by licensee, etc.— (1) The licensee may, in the conduct of his business, employ as many persons as he may consider necessary to be security guards and members of staff and shall at all times during such employment be responsible for the good conduct of each and every person employed by him.

(2) The licensee shall not employ as a security guard any person who—

(a) has been convicted of any offence involving fraud or moral turpitude or dismissed from Government Service on charges of misconduct; or

(b) is, in the opinion of the Licencing Authority, not a fit and proper person to be employed as security guard.

(3) Notwithstanding anything contained in sub-section (1), no person shall be employed by a licensee as a security guard until he has submitted to the Licencing Authority a statement containing complete particulars and other information of such person on the prescribed form and the Licencing Authority has conveyed its no objection in writing to the recruitment of such security guard by the licensee.

(4) Every licensee shall maintain a list of all the persons employed by him with their full particulars and antecedents at the place of his business.

(5) Every licensee shall, before deploying the security guard, get the security guard registered at the local police station of the area of his deployment.

(6) Every licensee shall make arrangements for insurance of every security guard employed by him, with a registered insurance company, in respect of serious injury sustained amounting to disability or death of security guard in the discharge of his duties.

14. Training of security guards.— The **Private Security** Company shall make arrangements for training and refresher courses of the guards employed by it through Elite Police Force Training School, Lahore or any other institution prescribed by the Licencing Authority.

15. Possession by licensee of arms, ammunition, etc.— (1) A licensee may possess and keep arms, ammunition and other equipment which may be necessary for performance of functions of the **Private Security** Company in accordance with the law and rules made thereunder for possessing and keeping of arms and ammunition, and shall use and retain such number of arms, quantity of ammunition and type of equipment in such manner as may be prescribed.

(2) A licence to retain arms, ammunition and other equipment may be issued by Government or the authority concerned on the directions of Government.

(3) No cash, etc., shall be transported except through special transporting vehicles approved by the Licencing Authority.

(4) No radio or wireless communication equipment or any other gadget shall be procured or used except with proper licence.

(5) All security companies using radio or wireless communication system shall submit their communication plans quarterly on the prescribed proforma to the Licencing Authority. Any change or addition thereto shall be intimated immediately.

(6) The list of all other security gadgets or equipment shall be submitted quarterly on the prescribed proforma to the Licencing Authority.

16. Identification papers.— (1) Every security guard shall at all times carry proper security papers and identification papers issued by the licensee in such form and containing such particulars as may be prescribed and produce such papers for inspection when so required by the Licencing Authority or any officer duly authorized by the Licencing Authority and shall surrender the identification papers to the licensee when he ceases to be such security guard with the licensee.

(2) Any person, other than a security guard, or, who has ceased to be a security guard, carrying identification papers of a security guard shall, in addition to any other punishment to which he may be liable under any other law for impersonation, be punishable with imprisonment for a term which may extend to one year or with fine or with both.

17. Power to inspect and search.— (1) Where the Licencing Authority is satisfied upon receipt of any information or after such enquiry as it may think necessary that there is sufficient reason to believe that any premises is used for carrying on business of a **private security** company by a person who is not the holder of a licence, it may, by warrant or writing under its hand, authorize any person named therein, or any police officer not below the rank of an Inspector, with such assistance and by such force as is necessary to enter for searching the premises and all persons found therein, to seize all documents and things reasonably supposed to have been used or intended to be used in connection with the business of a **private security** company which are found in such premises or in possession of such persons.

(2) The powers of inspection and search of Licencing Authority specified in sub section (1) may also be exercised by any person authorized by the Licencing Authority:

Provided that no female shall be searched except by a female Police Officer/Official.

(3) For the purposes of an enquiry, the Licencing Authority or any person authorized by it not below an officer of Grade 16, may for furtherance of such enquiry—

- (a) enter, inspect and examine by day or by night the place of business of every licensee ; and
- (b) require the production of records, accounts and documents kept by a licensee and inspect, examine and obtain copies thereof.

(4) Any person who—

- (a) refuses the Licencing Authority or any person authorized by it to enter or search any place; or
- (b) assaults, obstructs, hinders or delays the Licencing Authority, or the person authorized by it, entry in execution of the duty assigned under this Ordinance; or
- (c) fails to comply with any lawful demand of the Licencing Authority or the authorized person in execution of his duty under this Ordinance; or
- (d) refuses or neglects to give any information which may reasonably be required of him and which is in his power to give,

shall be punishable with imprisonment for a term which may extend to one year, or with fine or with both.

18. Liability of Directors, Officers, etc.— Where an offence under this Ordinance has been committed by a person who at the time of commission of the offence was a Director, Secretary, Manager, partner or an officer of the company or who was purporting to act in any such capacity, shall unless he proves that the offence was committed without his consent or knowledge and that on learning he exercised due diligence to prevent the commission of the offence, be deemed to have

abetted such offence.

19. Information to be passed on to Government.— The **Private Security** Company shall inform Government about the change as and when it occurs regarding directors, location, arms and ammunition, employees and guards, etc.

20. General.— (1) The provisions of this Ordinance shall be in addition to and not in derogation of the provisions of any other law for the time being in force.

(2) Nothing in this Ordinance shall be construed as conferring on a licensee or his employees any of the powers which by any law are conferred upon or exercisable by a police officer or officers of customs, immigration, prisons, or any other public officer:

Provided that all licensed **private security** companies including their directors, security supervisors and security guards shall have a right to defend their own bodies and the bodies of other persons and lawful property for which the **Private Security** Company has entered into an agreement to protect against any offence affecting the human body or such property.

(3) The **Private Security** Company shall not be construed as Private Military Organization for the purposes of Private Military Organizations (Abolition and Prohibition) Act, 1973.

21. Delegation of powers.— Government may, by notification in the official Gazette, delegate all or any of its powers under this Ordinance, either generally, or in respect of such company or class of agencies as may be specified in the notification, to any of its officers.

22. Indemnity.— No suit, prosecution or other legal proceedings shall lie against any person for anything which is done or intended to be done in good faith under this Ordinance.

23. Power to make rules.— (1) Government may make rules for carrying out the purposes of this Ordinance.

(2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following, namely—

- (a) the information and documents to be furnished by an applicant for a licence;
- (b) the taking and recording of photographs and fingerprints of the persons applying for a licence and of every person employed by a licensee;
- (c) the form of a licence and the identification papers of the security guards;
- (d) the uniform, badge or emblem to be worn by the employees of a licensee;
- (e) restraining the use of any arms, ammunition and equipment by a licensee and his employees;
- (f) regulating the activities of a licensee and the manner in which the business of a licensee shall be conducted;
- (g) training for security guards;
- (h) matters pertaining to the welfare of employees of **private security** companies;
- (i) compulsory insurance and compensation in case of serious injury amounting to disability or death of security guards in discharge of his duties; and
- (j) matters incidental to the above.

[\[Context↴\]](#) [\[Hide Context\]](#)

[\[1\]](#) Promulgated by the Governor of the Punjab on 19 October 2002; and published in the Punjab Gazette (Extraordinary), dated 19 October 2002, pages 3051-58. Under Article 4 of the Provisional Constitution (Amendment) Order 1999 (9 of 1999), it will remain in force notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

[\[2\]](#) Added by the Punjab **Private Security** Companies (Regulation and Control) (Amendment) Act 2004 (Act XIII of 2004) .

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