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Security Industry's Guiding Light

RK Sinha, MP
Chairman, SIS Group

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ST SPECIAL: FOR THE DOG - BOMB SNIFFING IS A GAME!

RK Sinha-the man, his dreams and his goal

The industry's hopes rest on him

Mr. R.K Sinha, fondly known as RK in political circles and the security industry fraternity is a man of many hues. A first generation entrepreneur, Mr. Sinha started Security & Intelligence Services (India) Limited from a rented garage as office space in Patna, Bihar in 1974.

Today, SIS Group is recognised as one of the leaders in security and business support services in Asia Pacific (Ranked # 14 in the world by revenue) with over 80,000 permanent employees and a turnover in excess of US\$ 500Mn (2013/14 – INR 3410 Crores).

A graduate of Political Science and Law, Mr. Sinha started his career as a journalist specializing in crime and political reporting. He received accolades for his work as a war correspondent during the Indo-Pak war of 1971. Mr. Sinha also authored “Janandolan” which is widely recognised as the first, authentic research book on the student movement in India led by revolutionary leader Jai Prakash Narayan between 1970 – 1975.

It was help the Indo – Pak security the SIS drive

Mr. RK Sinha's inclination to retired ex-servicemen after the war that led him to create a services company. With time, Group grew with his passion, and vision for the business.

Today, Mr. Sinha is widely recognised as a pioneer and Industry leader. He represents the private security industry before

government bodies for legislation and regulatory matters regularly.

RK is also a renowned expert and well known speaker on subjects

like security, loss prevention, training and disaster management. He is a regular faculty at universities across India and the US apart from delivering papers at various industry forums across the world. In recognition of his contribution to the industry, he was felicitated with the Lifetime Achievement Award by the Central Association of Private Security Industry (2013).

Mr. Sinha has also been a champion of social initiatives. His focus has been on skill development and job creation for the youth. Under his leadership, SIS Group and various social and charitable organisations in Bihar and Jharkhand have imparted skills to over 2 lakh youth and created permanent employment for over 75,000 individuals from underprivileged sections of our society. He has also led various social initiatives like dowry free community marriages, temple construction, public libraries, free ambulance service, flood and disaster relief work in the state of Bihar over the last four decades. On the personal front, Sinha is a deeply spiritual man committed to his family.

Mr. GB Singh, group editor of Security Today and Security Update magazines, who has had a long and valued relationship with Mr. Sinha, interacts with him on his new innings in the Rajya Sabha that the private security industry in India is excited about and which may finally get the industry the kind of recognition it deserves. Mr. Sinha spells out his plans, his aims and his role in Parliament as well as making attempts to realise the dreams of 50 lakh private security guards in the country.

Excerpts from the interview:

Mr. Sinha, congratulations on being elected to the Rajya Sabha. It is a matter of pride for the security industry to have one of its captains as an MP. What are the issues you intend to pursue for the benefit of the industry?

Well, GB, you have known me for decades. It is a matter of pride for me that I am a part of the Indian private security industry. I am whatever I am because of this industry. In my capacity as a Member of Parliament, while I shall pursue the interest of my nation and particularly the people of my home state, I am also duty bound to pursue matters for the benefit of more than 50 lac security guards, thousands of security entrepreneurs and lacs of retired ex-servicemen who are associated with the private security industry.

While the list of issues to be taken up for PSI is long, my first priority would be implementation of the Private Security Agencies Regulation Act, in letter and

spirit. Even as most states have adopted the PSAR Act, implementation is way below expectation. In several states, the Controlling Authority is short staffed, speed of processing license applications is extremely slow and consequently, majority of security companies remain unlicensed and unregulated. There is also no enforcement action on non-compliant agencies which dilutes the importance of the Act.

At the root of this problem is the lack of centralized tracking by the Ministry of Home Affairs, Government of India. Given the scale of operation of the private security industry and the role it plays in securing our nation, we definitely need a dedicated desk under a senior officer in the MHA to oversee PSAR related issues on a day to day basis. A monitoring committee with representatives from industry and state level controlling authorities is also an idea that needs to be pursued.

What other issues that are on top on your agenda?

Two other matters that need immediate attention are (1) categorisation of security guards under skilled worker category and (b) regulation of cash logistics industry by the RBI.

The first one, in my view, is more a case of oversight by multiple government departments. Post PSARA, which mandates training and certification of all security guards as an eligibility condition, and also keeping in mind the skill requirements by customers that guards are expected to have, ranging from using computers to handling baggage scanners and other gadgets, it is only appropriate that security guards receive wages commensurate to skilled workers. This matter has to be taken up with the Ministry of Labour, Government of India, as well as State Labour Departments. I have discussed this matter already with the highest leadership of the new government, I am confident that we will see that justice is done for lacs of security guards across the country.

Similarly, the Cash Management Services sector also needs to be regulated urgently. Cases of attacks and incidents at ATMs and Cash Vans are in the news every day. RBI, as the ultimate regulator for cash management operations needs to specify guidelines to improve security standards and mitigate risks in cash management operations. The current situation is a matter of great concern for the private security industry, the banking sector and even the general public who use ATMs and visit branches.

What do you have to say about the electronic security segment of the industry?

High rates of import duties in a market heavily reliant on imports is a major cause of concern for the industry. Security equipment fall under different product categories and import duties for these products vary in

the range of 32-37 percent. High price of equipment in a price conscious market definitely inhibits growth, which in turn reduces volume play and capacity of the vendor to reduce prices. Unless prices become competitive, several companies and individuals who are inclined to ensure better security will not be able to afford it.

In the interest of homeland security, electronic security segment related issues need a re-look. We will need City Surveillance type large projects in several cities to safeguard against imminent risks. Public infrastructure like railways and other areas also needs large scale deployment of electronic security to strengthen the security framework.

Service tax related issues are also being debated upon by the guarding industry players. What is your take on the same?

Frankly, I believe that every responsible Indian must commit to meet all statutory obligations as citizens and corporates. Service Tax is one the principal sources of funding infrastructure development in the country. Under the new government, there will be greater focus on indirect taxation and simplification of tax regime overall.

With over 30,000 crores in annualised revenues last year and estimated revenue of over 50,000 crores by 2017/18, the private security industry has a major role to play. In one sense, we are the hands of the government, helping them to collect indirect tax from end users.

What has been your greatest satisfaction as a successful entrepreneur in the private security industry?

When people like me, Kunwar Vikram Singh, Pawanjit Ahluwalia and many others started out in the early 70s, people did not even recognize the term private security, forget having an industry status. We have certainly come a long way over the last four decades. Development of the sector in the last 10 – 15 years has been exceptional.

It is a matter of pride for me to see so many security entrepreneurs doing so well. We have not only done well for ourselves but also created job opportunities for lacs of fellow Indians from less privileged backgrounds. Today, when my old guards inform me that their children are receiving good quality education and most of them have built their own houses in their villages, I draw a deep sense of satisfaction. We all are fortunate to be involved in a sector that is truly a “social enterprise”— we can do well for ourselves and also make a contribution to making a better and more prosperous and safe India.

How do you foresee the Industry's future?

Indian Private Security industry has the potential to lead the global industry.

We have highly capable entrepreneurs who are both

passionate and sharp and now we also have a good number of professionals in the industry. When you combine these two forces and supplement this with capital availability both in terms of bank finance, private equity and public markets, we have all that it takes to build global security businesses.

Having said that, my only word of caution, to the current leaders of the sector, is to focus a little more on service quality. In our time, most of my colleagues and competitors used to be in touch with ground level operations. This industry is not about rocket science but one can't lose sight of basics. A satisfied customer and a motivated employee are the best ambassadors of the company. If service quality and manpower management are good, growth will never be a problem.

SIS Group is considered to be the bell-weather for the private security industry in India. What are the future growth plans of the company?

SIS has been clocking good numbers in terms of revenues and profits. We reported consolidated revenues of Rs 3400 odd crores last year and an employee base of 81,000. My son, Rituraj is taking care of the day-to-day operations of the company backed by a team of very capable and committed professionals.

I have taken the role of a mentor to steer the company when it needs my guidance and use my experience to tide over any concern. The team led by Rituraj has done well in shaping up the group and expanding its business over the last 12 - 13 years. For specifics about future growth plans, you should talk to him.

You were possibly the first entrepreneur in the industry to induct senior professionals from non-security sectors into senior positions. You also started developing your own cadre of managers modelled on Management Trainees way back in the 80's, could you share some insights with our readers about a leader's role in the hiring process?

I strongly believe that "people make the difference". Therefore, I have always laid great stress on recruitment - development - retention of professionals.

High caliber professionals need space to operate. An entrepreneur must learn to concede that. Similarly, a company must nurture its internal talent organically in addition to source the best talent in the market. People in the company should be developed by focusing on their areas of strength.

In a manpower-intensive business, culture is the backbone of the organization. The way one hires, retains and develops professionals, reflects on the entrepreneur himself. One has to learn to delegate. After all, delegating is not abdicating.

As a leader, you would have had to take several decisions which may not have been palatable for your employees. How do you handle such situations?

While taking decisions, I simply try to focus on doing the 'right thing' for the business. If a decision is in the interest of the business, it would mostly be good for the people involved. More often than not, I have seen that eventually people recognise and acknowledge the right decision, even if it was not a popular one. Also, when dealing with employee issues, it is more important to be fair than to be nice.

How do you motivate your own employees?

The principles of motivating people remain quite similar whether it is a team sport, fighting force or teams in the corporate world. A 'coach-like' approach is the key. Linking an individual's role to organisational goals is important. It engages people and drives performance. Positive recognition is the most essential. People like to be recognised and appreciated for a job well done. Also, to motivate, one must be able to inspire. And to inspire, one must work towards becoming a role model.

What has been your leadership mantra?

Leadership is about vision, the ability to look beyond the apparent, even in difficult times. It is about being able to build and carry teams - in good times and through rough patches. It is also about the ability to take decisions. It is good to be receptive to divergent views and inputs but a leader must have a mind of his own. Leadership is about taking the next step.



Mr. Rituraj Sinha, COO, SIS Group of Enterprises