

VIGILANCE ALERT

No. : 01/2025

Date : 10.01.2025

Sub : Vigilance alert on the compliance of Cash Insurance and Labour Laws

During a vigilance investigation, it has come to the notice of the Vigilance Department that cash was withdrawn beyond the limit set in the insurance policy and that there was non-compliance with the minimum wage provisions under applicable labour laws. This situation represents a 'Red Flag' from a preventive vigilance perspective and requires immediate corrective action.

As per the money insurance policy, the cash carrying limit and money stored in the safe after business hours are covered only within the limits defined in the policy purchased for the specified business premises. Any cash carried or kept in the safe beyond these limits will not be covered by the insurance company.

According to the Contract Labour (Regulation and Abolition) Act, 1970 (CLRA Act), The Principal Employer holds primary responsibility for compliance with labour laws and ensuring the welfare of contract labourers, including ensuring that the minimum wages are paid.

To prevent the recurrence of such incidents, all concerned are hereby advised to adhere to the following:

1. **Immediate Corrective Action:** Any instance of non-compliance, whether regarding cash insurance or labour laws, must be addressed immediately to prevent future issues and potential liabilities.
2. **Compliance with Labour Laws:** Officials must ensure that all statutory laws applicable to contract labour, are fully complied with, including payment of minimum wages as per legal requirements.
3. **Cash Handling and Insurance Compliance:** All staff must ensure that the cash carried and stored in safes is within the insured limit as specified in the money insurance policy. Any excess cash must be handled appropriately to avoid the risk of insurance non-coverage. Additionally, payments through banking channels or online payment options should be explored as alternatives to cash payments for better transparency.

(15/10/25)
(Pankaj Kumar, IRTS)
Chief Vigilance Officer/CMPDIL

Copy to:

1. CMD, CMPDIL, Ranchi: For kind information
2. All the FDs: For kind information and further necessary action
3. All the RDs/GMs/HODs: For necessary action
4. Stat. Cell: For uploading on the Vigilance page of the CMPDIL website
5. Guard File