

Government of India
Ministry of Industries and Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan,
Block no. 14, CGO complex,
Lodhi Road, New Delhi-110003.

Dated: 9th October, 2019

OFFICE MEMORANDUM

Subject:-Amendment to consolidated Model CDA Rules 12(4) & 14-A for Central Public Sector Enterprises (CPSEs), 2019.

The undersigned is directed to refer to DPE OM of even no. dated 11-12-2017 vide which consolidated Model Conduct, Discipline and Appeal (CDA) Rules, 2017 were forwarded to the concerned administrative ministries / departments for adoption by their respective CPSEs while framing / updating their CDA rules.

2. Model CDA Rules for CPSEs amended earlier are based on the provisions of CCS (Conduct) Rules, 1964, amendment thereof and inputs received from CVC from time to time. Accordingly, on the lines of DoPT OM No. 11013/6/2018-Estt.-A-III dated 07-02-2019 and DoPT OM No. 11013/2/2019-Estt.-A-III dated 06-08-2019, regarding amendment of CCS(Conduct) Rules, 1964, Rule 16(1) and Rule 13, the corresponding model CDA Rules 14-A and Rule 12 (4) are modified as under:

Rule 14-A. Speculation of stock / shares of companies

Employee shall not speculate in any stock, share or other investment. It may also be explained that frequent purchase or sale or both, of shares, securities or other investments shall be deemed to be speculation within the meaning of this sub-rule.

With a view to enable the administrative authorities to keep a watch over such transactions, an intimation may be sent in the Proforma (on the lines of proforma annexed to DoPT OM dated 07-02-2019) to the prescribed authority if the total transactions in shares, securities, debentures or mutual funds scheme, etc. **exceed six months' basic pay of CPSE employee** during the calendar year (to be submitted by 31st January of the subsequent calendar year).

Rule 12: Gifts

4. In any other case, an employee of the CPSE shall not accept or permit any other member of his/her family or any other person acting on his/her behalf to accept any gifts without the sanction of the competent authority if the value thereof exceeds rupees **Five Thousand** in the case of Executives and & rupees **Two Thousand** in the case of Non-Executives;

Provided that when more than one gift has been received from the same person/firm within a period of 12 months, the matter shall be reported to the competent authority if the aggregate value of the gifts exceeds Rs.25,000/- and Rs.15000/- in case of Executives and Non-Executives respectively.

3. Further, as shares, securities, debentures etc. are treated as movable property for the purpose of Rule 16(4) of the Model CDA Rules, if an individual transaction in respect of above instruments exceeds the amount prescribed in Rule 16(4), the intimation to the prescribed authority would still be necessary. The intimation prescribed in Para 2 above will be in addition to this, where cumulative transaction(s) i.e. sale, purchase or both in shares, securities, debentures or mutual funds, etc. in a year exceed the limits indicated in Para 2 above.

4. All the administrative Ministries/Departments concerned with CPSEs are requested to issue suitable instructions to CPSEs under their administrative control to amend their respective CDA Rule(s) accordingly.


(Rajesh Puri)
Deputy Director
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To :

All administrative Ministries / Departments of CPSEs.

Copy to:

- 1) Chief Executives of all CPSEs.
- 2) M/o Personnel, Public Grievances & Pensions, D/o Personnel & Training, North Block, New Delhi.
- 3) NIC, DPE with a request to upload on DPE's website under What's New and Guidelines/Chapter-II.
- 4) Hindi Section, DPE, for Hindi version.