

Guidelines to curb practice of Associations formed/patronized by CPSE/PSB officials, their spouses etc. obtaining donations from contractors or persons having commercial relations/official dealings with the CPSEs/PSBs regarding

The Commission had observed instances of obtaining of donations by associations/organisations formed/patronised by employees, their spouses, etc. from the contractors, vendors, customers or other persons having commercial relations /official dealings with the CPSEs /PSBs. Considering the fact that such contributions may lead to unethical practices and misuse of power, the Commission advised the administrative ministries, i.e. Department of Public Enterprises(DPE) and Department of Financial Services (DFS) as well as the Department of Personnel & Training (DoPT) to examine the issue of incorporating suitable and specific provision in the Conduct Rules governing the conduct of the officers/officials or issue necessary instructions to curb such practice of associations/organisations, formed by employees, their spouses, dependents, etc. obtaining donations, advertisements or sponsorships from contractors or other persons having commercial/business dealings with the CPSE/PSBs.

2. The DPE reported to the Commission in December,2015 [[DPE OM dtd. 14.12.2005](#)] that instructions have been issued to all administrative Ministries/Departments advising them to further issue necessary instructions to all CPSEs under their administrative control to curb the practice and to suitably amend the Conduct, Discipline & Appeal (CDA)

Rules to incorporate a specific provision as advised by the Commission.

3. The DFS also reported in January, 2016 [[DFS letter dtd 28.1.2016](#)] issuance of appropriate instructions to all Public Sector Banks / Public Sector Insurance Companies / Financial Institutions to curb the practice of obtaining donations for associations of employees / their spouses/dependents, etc. from the contractors/ or persons having commercial / business relations with their organisation.

4. DFS has further advised by letter dated [28.03.2016](#) that violation of these instructions by any officials will be viewed seriously and delinquent officials will be liable to be proceeded for disciplinary action and as for offence of bribery under Prevention of Corruption Act, 1988.