

IPE GLOBAL CENTRE FOR KNOWLEDGE AND DEVELOPMENT, NEW DELHI

CONFLICT OF INTEREST (CoI) POLICY

A. General

IPE Global Centre for Knowledge and Development (IPE CKD) (hereinafter referred to as “the Company”) respects the privacy of all its workforce involving employees (including those on contract), subcontractors, sub-consultants and/or any other parties having business relations with the Company. However, the Company expects its workforce to conduct themselves ethically and with integrity and to avoid any conduct that results in a conflict of interest (CoI) during normal course of conducting business.

B. Acknowledgement

Each staff member is required to sign a declaration form annexed towards the end of this policy stating that:

1. He/she has read and understands the CoI policy;
2. He/ she will report to their line manager and/or project manager any past, present, or future relationship that may result in an actual or potential CoI.

C. Purpose

The purpose of Conflict of Interest policy (hereinafter referred to as “the Policy”) is to provide guidance in identifying and handling actual or potential conflicts of interests involving the Company. In addition, the Policy aims to protect the integrity of the decision-making process of the Company by avoiding legal, financial, corporate, ethical and other conflict of interests.

D. Definitions

1. Conflict of Interest (CoI)

Conflict of Interest for the purposes of this Policy is defined as any personal interest which may affect or be seen to affect impartiality in any matter relevant to duties. This expressly includes any family or friends who may benefit or be seen benefit personally, financially or professionally from your position within the Company or any of its projects.

Because of activities performed or relationships with other persons, either:

- an individual is unable to render impartial assistance or advice to a client;
- an individual’s objectivity in performing work for a client is or might be impeded, or;
- an individual has an unfair competitive advantage.

2. Actual CoI

Actual Conflict of Interest arises where there is real or material conflict between an individual and his or her responsibilities in the best interests of the Company. In short, personal/ private interests **interfere** with official responsibilities.

3. Potential (or Perceived) CoI

Potential (or Perceived) Conflict of Interest exist in situations there is a **reasonable perception (or view)** that personal/ private interests **may** interfere with official responsibilities in future, based on current circumstances or change in circumstances.

E. Scope

This policy applies to the entire workforce in the Company involving employees (including those on contract), subcontractors, sub-consultants and/or any other parties having business relations with the

Company. Also, this policy applies to all operations, dealings and transactions in all countries where the Company operates.

F. Policy

1. Policy Statement

The Company is committed to the transparent disclosure, management and monitoring of actual or potential conflicts of interest. All employees (including those on contract), subcontractors, sub-consultants and/or any other parties having business relations with the Company's staff members are duty bound to avoid business, financial including procurement or other direct or indirect interests or relationships which conflicts with the interests of the Company or which divide his or her loyalty to the Company.

Any activity which even appears to present such a conflict will be avoided or terminated unless, after disclosure to appropriate levels, it is determined that the activity is not harmful to the Company or otherwise improper.

2. Policy Details

Without limiting the general scope of the policy, the following relationships and course of conduct will be deemed to involve a conflict of interest that violates such policy except in special circumstances that may be specifically approved by the Company's management.

- i. Concurrent employment with any other firm if such employment encroaches materially on time or attention that should be devoted to the Company's affairs.
- ii. Concurrent employment with any other firm or person that is a present or potential competitor, subcontractor, supplier of material or services, or customer of the Company.
- iii. Holding by an employee or any member of the employee's immediate family of a financial interest in any competitor, supplier of material or services, or Client of the Company to the extent that the employee's responsibilities include direct dealings with the competitor, supplier, or Client in his/her capacity as an employee of the Company. The term "financial interest" includes any possible form of ownership or partial ownership.
- iv. Acceptance by an employee or his or her immediate family of membership on the board of directors of any competitor, supplier of material or services, Client of the Company or as a consultant or advisor to any such board of directors or to the management of such firm or person.
- v. Lending money, guaranteeing debts, borrowing, or accepting gifts or favours so as to place an employee or his or her immediate family under obligation to a present or potential competitor, supplier of material or services, or customer of the Company.
- vi. Participation by an employee in any voluntary organisation, whether civic, professional, or otherwise, in which the employee may be expected to divulge privileged or confidential information or trade secrets of the Company or take any other action which may subvert the Company's interest, reputation, or goodwill.
- vii. Speculative dealing by an employee or his or her immediate family in acquisition of an interest in a firm with which the Company, to the employee's and/or his or her immediate family's knowledge, is negotiating or contemplating negotiation for a merger or acquisition.
- viii. Any misuse of confidential information available to or gained by an employee by reason of the employee's employment with the Company. Confidential information includes

information pertained to in non-disclosure agreements the Company may sign from time to time with its clients.

G. Roles and Responsibilities

1. Director - Operations

As the custodian of IPE CKD Conflict of Interest (Col) Policy, Director - Operations approves the Policy and its subsequent revisions.

2. Human Resources

Human Resources Department is responsible for implementation of this Policy and is accountable for establishing and maintaining ethical culture.

3. Head – Risk Management

Head – Risk Management is responsible for monitoring the obligations under this Policy, throughout the Company. Also, reports on the Company's principal consolidated actual and perceived Col situation on a periodic basis to the Senior Management.

4. Department Heads/ Managers

Department heads/ managers are required to take active steps to ensure that every individual staff member who are responsible to them are aware of the Policy and understand and adhere to this policy.

5. Individual Staff Member

Individual staff members have an obligation to review the interaction between their official responsibilities and their private and/or personal interests on a regular basis to ensure that they do not conflict. It is reiterated that responsibility for the disclosure of conflict of interest situations rests with the individual staff member.

6. Subcontractor/ Sub-consultant

Each subcontractor/ sub-consultant will verbally notify his/ her reporting manager of any actual or potential Col within 2 working days of receipt of a work assignment or task order. The Company may disclose specific Col circumstances to the Client.

The Company inserts the required Col flow-down clauses in each subcontract document. If requested by the Client, each subcontractor must prepare and follow an appropriate Col plan.

H. Disclosure

Staff members and other personnel are duty bound to disclose any and all actual or potential Col situations immediately upon identification. An individual can get in touch with the Nodal Officer for recording the possible or actual Col issue. The details of Nodal Officer are given below:

Mr. Sudarshan Panda

Vice President

Direct : +91 11 40755962
Mobile : +91 9650544955
Email : spanda@ipeglobal.com

Alternatively, staff members can disclose their concerns through email: hotline@ipeglobal.com. The disclosure may be made in the format attached as Annexure A.

I. Management of Conflict of Interest

As the Company's representative, it is important to preserve fairness and independence of official decision making, at all times. Col situations do not necessarily indicate corruption or wrongdoing. However, if not

managed appropriately, such situation can compromise a professional integrity or may lead to potential fraud situation.

On receipt of disclosure of actual or potential Col situation, the above-mentioned nodal officer will submit a report to the management with a copy to Director - Operations. The report shall summarise:

1. Whether the Conflict of Interest exists.
2. Nature of Conflict of Interest.

If the Conflict of Interest is found to exist, the management will provide an individual with an opportunity to resolve the Col situation, where circumstances so permit. The individual involved must cooperate to achieve a resolution to the conflict issues in the best interest of the Company. This may include the individual being reassigned to other work/project or removed from the decision-making authority with respect to the conflict situation, depending upon nature of the conflict. The resolution of the conflict will be at the discretion of the management of the Company.

Employees having fiduciary responsibilities – such as procurement should disclose to appropriate person (preferably his/ her line manager) private interests, past, present and future relationship that may result in actual or potential Col. Such disclosures will enable the managers to advise their team members on steps to appropriately manage risks through recusals, transfer of duties, etc.

For managing Col in Procurement, please refer guidelines on “Managing Conflict of Interest in Procurement of Services”. The same is annexed with this Policy as Annexure B.

J. Awareness Training

To ensure that all staff members are aware of their responsibilities regarding Conflict of Interest, a plan for dissemination and awareness of this Policy among all employees of the Company is critical. In this regard, Nodal shall identify actual or potential organisational and personal Col situations and disseminate them to each staff member.

Examples

John is procurement specialist for a project been undertaken by IPE CKD. He is required to develop a tender for an Outreach Programme to be conducted under the project. Until three years ago, John worked was self-employed as a ‘PR’ consultant, having worked for a number of different companies in various capacities, for their public and outreach activities. He hasn’t really kept in touch with former colleagues, although suspects many of them are still there. He appreciates that it is a rapidly changing and highly competitive industry and wonders if any of his former employers will tender.

How to identify conflict of interest?

Even though John hasn’t kept in touch with his former colleagues, he may be perceived to have friends/associates still in the business, who could influence his ability to be impartial in carrying out his duty to award the best tender.

After three years absence, John may no longer have current ‘inside’ knowledge but does he (or the Company) stand to gain (or lose) now or in the future from his involvement in the tender process?

Would John be comfortable in defending his involvement in the tender process if an unsuccessful tenderer went to the Client and started asking questions about John’s previous connections? The perception of a conflict of interest could undermine the Client’s confidence in the Company and cast doubt on its objectivity.

How to manage conflict of interest?

Regardless of whether John continues to be involved in the tender, he should disclose his conflict of interest to his line manager.

It may be prudent to restrict his involvement by refraining from being part of the decision making once the tender specifications have been developed. Alternatively, the Company may engage an independent person to oversee the process.

If feasible, it may be wise for John to recuse himself from this particular tender process altogether.

K. Interpretation of the Policy

This Policy cannot describe all CoI situations that may arise involving the Company. Therefore, employees (and other individuals) must use their respective good judgment to avoid any appearance of impropriety.

If any individual has any question whether a transaction or course of conduct constitutes conflict of interest, it is the responsibility of that individual to obtain an advice from his/her line manager and act in accordance with that advice. Alternatively, the concerned individual can get in touch with the nodal officer listed under point (H) above to clear any misconceptions.

L. Policy Revisions

Any revisions in this Policy including amendments or changes under respective clauses will be duly notified to employees through email communication. Also, such revised Policy or notification/ circular/ internal communication on such revisions will be updated in the HR Documents section of Darwinbox (HR ERP) and IPE CKD Website (www.ipeckd.org). The employee shall be deemed to have read, understood and acknowledged the changes thereof which will supersede the terms of current Policy or any subsequent document/communication related to the Policy.

IPE GLOBAL CENTRE FOR KNOWLEDGE AND DEVELOPMENT

DISCLOSURE OF CONFLICT OF INTEREST SITUATION

With regard to my employment/ agreement with IPE CKD (hereinafter referred to as “the Company”), following Conflict of Interest (Col) situation **is perceived/ has arisen** (strike out whichever is not applicable) where my private interests influence or may be seen to influence, my actions as a representative of the Company, which may prevent my impartial and unprejudiced participation in the **procurement/ contract management/ project** (strike out whichever is not applicable). The nature of the Col is elucidated below:

S. No.	Vendor/ Supplier/ Client/ Consultant (Name of Organisation)	Name of Personnel	Relationship	Description of Col (use additional sheets as necessary)

I hereby confirm that disclosure made above is correct to the best of my knowledge and belief. In addition, I refrain from participating in the discussions and decision making of this **procurement/ contract management/ project** (strike out whichever is not applicable, also give details of relevant project name).

I also declare that I'll inform the management should my circumstances change in any way that affects this disclosure.

Signature	:	
Name	:	
Designation	:	
Date & Place	:	

MANAGING CONFLICT OF INTEREST IN PROCUREMENT OF SERVICES

These guidelines are meant for managing **Conflict of Interest (Col)** in procurement of services under different procurements being managed by the Company for client financed projects or otherwise. These are applicable to everyone involved with the Company, including employees and suppliers (including consultancy subcontractors).

Definitions

A **Vendor** for the purposes of these guidelines is a person or a company engaged under a term contract or on a job basis to provide specialist or professional advice and services or to provide any goods/works/services procured by the Company.

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Purpose

The purpose of these guidelines is to ensure that all goods/works/service procurements are a direct result of evaluations which are independent, impartial, and are based on principles of integrity. To ensure this, all evaluators are encouraged to be sensitive to situations that could lead to an actual or perceived conflict of interest and are required to sign a declaration mentioning that they don't have any conflict of interest with any of the vendors they would be evaluating.

The inherent purpose of these guidelines is to minimise the risk arising from Col situation in procurement of services (for example, where a selection has been made to favour a Vendor) and management of supplier/ Vendor (for example, where money loss happens because of poor performance of the Vendor being overlooked by staff of the organisation results).

Procedure

The project staff/evaluator is required to share with Team Leader/Line Manager, any information about conflicts of interest they may face. The concerned Team Leader/Line Manager, where needed, can help deal with the situation—for example by excluding an individual from a particular evaluation and delegate the supervision of relevant evaluation work to other members of project team as appropriate.

The broad areas that lead to potential conflict of interest and must be shared with Team Leader/Line Manager include:

- Staff/Evaluation Team Member is required to evaluate a vendor that s/he (or immediate family members) previously was working with in the last two years or immediate family members are currently working with. Likewise, a staff member is expected to disclose to Team Leader if s/he (or immediate family members) is seeking employment or being considered for employment with any of the Vendors that s/he is evaluating;
- Staff/Evaluation Team Member is required to evaluate a vendor with whom they (or immediate family members) have a personal relationship currently or in a previous capacity any time within two (2) years prior to joining the project. Any current or past financial/commercial interest within the last 2 years needs to be declared;
- Staff/Evaluation Team Member is required to evaluate a vendor that engaged in partnership with another entity in which a project staff member (or immediate family members) had a significant decision making, financial management, or approval responsibility or personal influence or financial stake in a previous capacity any time two (2) years prior to joining the project;

- Staff/Evaluation Team Member is required to evaluate a vendor through which s/he (or immediate family members) stands to benefit directly or indirectly, other than from the tasks to be carried out;
- Staff/Evaluation Team Member is required to evaluate a vendor in which s/he (or immediate family members) is a director, trustee or partner;
- Staff/Evaluation Team Member is required to evaluate a vendor through which s/he is subjected to any other situation that could cast doubt on his or her ability to perform the tasks impartially, or that could reasonably appear to do so in the eyes of a third party.

In each of the above-mentioned cases, Team Leader/Line Manager and Project Management Team would assess the materiality of the conflict of interest and decide whether any action, including removal by the concerned staff member from the evaluation process, is appropriate and necessary. In addition, any potential Col with the Company does not preclude any firm from bidding but in case it is mentioned upfront, the Company will ensure that concerned staff member is not a part of the evaluation process, as appropriate.

Any Col which could arise during the evaluation process and/or performance of the Contract must be immediately notified to Team Leader/Line Manager in writing without delay.

Where a Staff/Evaluation Team Member, becomes aware of any such situation which is not reported to Team Leader/Line Manager or where its felt that appropriate action has not been initiated by Team Leader/Line Manager, then the Staff/Evaluation Team Member, should immediately bring the same to the notice of Nodal Officer listed under point (H) of this Policy, who would maintain records and investigate such information and inform senior management, to ensure timely corrective action.

DECLARATION

I hereby declare that I have read and understood IPE CKD's Conflict of Interest (Col) Policy and I hereby agree to abide by it.

Neither I nor to my knowledge any member of my family has in the past and presently engaged in any activity that breaches this policy. I undertake to inform designated nodal officer(s) verbally or through email about any issue of Col that may crop up in future, at an earliest possible stage.

Name :

Designation :

Signature :

Date :

Place :