

CONFLICT OF INTEREST POLICY



PRERAK

Saksham Centre, Gariyaband Road,
At/Post - Rajim, District - Gariyaband,
Chhattisgarh State, India-493885.
Cell : +91-94242-18653
E-mail: prerak.gbd@gmail.com
Website: www.prerak.org.in



PRESIDENT

PRERAK SAMITI

ABOUT PRERAK

PRERAK was started in 1988 for promoting the social, economical, political, educational and cultural life of the under privileged and marginalized sections of the society. It was founded by a few intellectual and experienced community volunteers to empower these communities and provide them with the required skills and capacity to fight against any social injustice. At PRERAK, we focus on preparing innovative strategies to create awareness in communities about their fundamental rights and duties and help them utilize their rights to live with dignity.

PRERAK, the social development organisation was registered under Madhya Pradesh society registration act 1873, Foreign Contribution Regulatory Act under the ministry of Home Affairs, Government of India, PWD act under the Department of Panchayat and Social Welfare and also 12A Income Tax Act under Government of India, ministry of finance.

CONFLICT-OF-INTEREST POLICY:

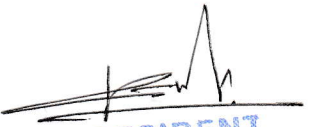
STATEMENT OF POLICY

This policy is intended to serve as a guideline for the Board of Trustees and maybe subject to modifications by the Board based on the organizational growth, needs and context.

It is in the best interest of Organization to be aware of and properly manage all conflicts of interest and appearances of a conflict of interest. It is designed to help trustees, officers, employees and volunteers of Organization identify situations that present potential conflicts of interest and to provide a procedure to appropriately manage conflicts in accordance with legal requirements and the goals of accountability and transparency.

A conflict of interest is defined as an actual or perceived interest by a (staff member/trustee) in an action that results in, or has the appearance of resulting in, personal, organizational, or professional gain as a direct result of her/his association with the organization.




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Decisions taken by anyone in the organization (including staff, trustees, volunteers, etc.) which are likely to result in benefit to the organization but also result in personal benefit to the persons participating in that decision making process are likely to lead to a conflict of interest.

All staff, volunteers and trustees of the organization will strive to avoid any conflict of interest between the interests of the Organization on the one hand, and personal, professional, and business interests on the other.

The purpose of this policy is to protect the integrity of the organization's decision-making process, to enable our stakeholders to have confidence in our integrity, and to protect the integrity and reputation of volunteers, staff and board members.

Examples of conflicts of interest include:

1. A trustee who is related to a member of staff and there is decision to be taken on staff pay and/or conditions.
2. A trustee who is also on the board of another organization that is competing for the same funding.
3. A trustee who has stake in a business that may be awarded a contract to do work or provide services for the organization.

Upon appointment each trustee will make a full, written disclosure of interests, such as relationships, and posts held, that could potentially result in a conflict of interest. This written disclosure will be kept on file and will be updated as appropriate.

In the course of meetings or activities, trustees will disclose any interests in a transaction or decision where there may be a conflict between the organizations best interests and the trustee's best interests or a conflict between the best interests of two organizations that the trustee is involved with.

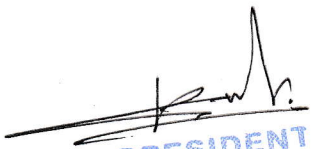



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DISCLOSURE POLICY AND PROCEDURE

1. Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:
 - a. The conflict of interest is fully disclosed
 - b. The person with the conflict of interest is not involved in any discussion or decision in this regard
 - c. There is a comparable quote or valuation; and
 - d. The [Board or a duly constituted committee] has determined that the transaction is in the best interest of the organization.
2. Disclosure involving trustees should be made to the entire Board and documented.
3. The [board or a duly constituted committee thereof] shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorised as just, fair and reasonable. The decision of the Board of Trustees on these matters will rest in their sole discretion, and their concern must be the welfare of the organization and the advancement of its mission.
4. All decisions made by Board on such matters shall be minuted and filed.
5. This policy document must be read and understood by all trustees upon the start of office.
6. Any disclosure of interest made by trustees where they may be involved in a potentially conflicting situation(s), must be minuted, filed and updated appropriately by all specified parties.
7. The Conflict of Interest Statement (format below) should be prepared and submitted at the first board meeting in the financial year. The statement and disclosure should be updated once annually after that at the first Board meeting of the financial year. If there are no changes, then the previous year's disclosure statement should be signed, dated afresh and submitted again.




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CONFLICT OF INTEREST STATEMENT FOR THE TRUSTEES/OFFICERS (PARTNER)

I, a Trustee/ Officer of _____ fully endorse and agree with the Organization's Conflict of Interest Policy.

1. No trustee of the Board, or any of its Committees, or an Officer shall derive any personal profit or gain, monetary or material, directly or indirectly, through their participation in Organization's activities, except for reasonable remuneration for services actually provided to the Organization, after suitable Board approval and disclosure of the amounts paid as a note in the audited accounts.
2. Each trustee/ Officer shall disclose to the Board any personal interest, which he or she may have in any matter being discussed by the Board and shall refrain from voting on the decision.
3. Every trustee/ Officer will disclose to the Board their affiliations, be it any capacity, with all other agencies and organizations.
4. No trustee/ Officer shall obtain/use contacts and references from Organization to further their own personal business or the business of the other organizations that they may be affiliated with.

I confirm that I am directly related to the following individuals by birth or marriage (parents, children, siblings, first cousins, in-laws):

Full Name	Relationship	Organizations where interested as Employee/ Owner/ Partner/ Director/ Trustee/ Member etc.
1		
2		
3		
4		



5		
6		

At this time, I am a Trustee, a committee member, founder, Owner, Partner, Shareholder or an employee of the following organizations:

1. _____
2. _____
3. _____

This is to certify that I, except as described below, am not now nor at any time during my trusteeship / employment as Officer have been:

1. A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party; doing business with Organization which has resulted or could result in personal benefit to me.
2. A recipient, directly or indirectly, of any salary payments or loans or gifts of any kind or any free service or discounts or other fees from or on behalf of any person or organization engaged in any transaction with Organization

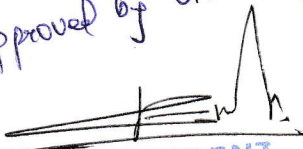
Any exceptions to 1 or 2 above are given below with a full description of the transactions and of the interest, whether direct or indirect, which I have (or have had during the past year) in the persons or organizations having transactions with Organization.

Signature:

Name:

Date:



Approved by Governing Body

 PRESIDENT
 PRERAK SAMITI