	<p style="text-align: center;">Hygienia Business Assurance LLP (HBAL)</p>	<p style="text-align: center;">PROCEDURE MANUAL</p>	
<p>DOC.NO. HBAL-IS-P3.2-01</p>	<p>ISSUE 01</p>	<p>REVISION 00</p>	<p>12 APR 2024</p>

PROCEDURE FOR MANAGEMENT OF IMPARTIALITY AND CONFLICT OF INTEREST

1. PURPOSE

To provide a framework for the operation of the Hygiene Rating Scheme (HRS) in an objective and impartial manner to enhance client confidence in HBAL Inspection Services.

2. SCOPE

This covers impartiality issues related to FSSAI’s Hygiene Rating Scheme.

3. RESPONSIBILITY

3.1 Chairman & Managing Director is responsible for the management of impartiality in the operation of the Hygiene Rating scheme.

3.2 Technical Manager of HBAL-IS is responsible to ensure implementation of management of impartiality in the operation of inspection schemes.

4. PROCEDURE


4.1 The HBAL-IS undertakes inspection activities in an impartial manner without any discrimination.

4.2 HBAL-IS has ensured impartiality in its operation. The Technical Manager is responsible for managing HBAL-IS without any predominance by any one interest and to oversee activities of the Hygiene Rating Scheme to ensure impartiality.

4.3 HBAL-IS is responsible for the impartiality of its Hygiene Rating Auditing activities and it does not allow commercial, financial or other pressures to compromise impartiality. HBAL-IS doesn’t have any direct relationship with the Food Establishments (FEs) other than Audit work as a third-party conformity assessment.

4.4 HBAL-IS is a legal entity. The information on activities performed by the HBAL is maintained up to date in the context of conflict of interest.

4.5 HBAL-IS has conducted risk analysis (See Annex A) and it identifies risks to its impartiality on an ongoing basis at least once a year unless any aspect of risk comes to

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notice. It has included those risks that arise from its activities, or from its relationships, or from the relationships of its personnel.

4.6 The relationships do not necessarily present a risk to impartiality. But the Inspection Services anticipates that their staff may encounter situations where undue pressure is applied and has established the following measures to counter such pressures:

- a) Guidance to staff on acceptable behavior (See HBAL-IS -P6.1-02), and
- b) Creation of systems to record and respond to such instances.

4.7 When a risk to impartiality is identified, HBAL-IS has developed measures to demonstrate how it eliminates or minimizes such risk through risk analysis (See Annex A). It ensures that all the decisions taken are based on objective evidence of conformity or nonconformity obtained during the inspection process by competent auditors.


4.8 HBAL-IS has the following statement from the top management expressing commitment to impartiality.

STATEMENT OF IMPARTIALITY

The Management of HBAL recognizes and understands the importance of being impartial, and of being seen to be impartial, in carrying out its Inspection activities through:

- Identification of potential conflict of interest,
- Elimination / resolution of any conflict,
- Impartiality of HBAL personnel,
- Ensuring objectivity in Hygiene Rating Auditing activities
- Ensuring no sub-contract work is received from any HRAA.
- Ensuring HBAL compliance to QCI/FSSAI HRAA requirements.
- Ensuring no trainings are conducted by HBAL

Chief Executive / head,
Hygienia Business Assurance LLP

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4.8 HBAL-IS is independent to the extent that is required with regard to the conditions under which it performs its services (See Figure 01 – HBAL Divisions). Depending on these conditions, it conforms to the requirements stipulated in QCI – Requirements for Hygiene Rating Audit Agency.


4.9 HBAL-IS ensures that all Hygiene Rating Auditors sign a declaration of impartiality. *Which includes declaration to conduct audit as per audit man day also.*

4.10 HBAL-IS Technical Manager shall ensure that it conforms to the requirements stipulated below at all times:

- a) HBAL-IS and its personnel shall not engage in any activities that may conflict with their independence of judgement and integrity in relation to their Audit activities. HBAL-IS shall not be engaged in the design and establishment of a Food Establishment, supply, purchase, installation, maintenance of equipment, training and or services used in a Food Establishment.
- b) HBAL-IS shall not be a part of a legal entity that is engaged in the design and establishment of a Food Establishment, Supply, Purchase, installation, maintenance of equipment, training and or Services used and Food Establishment.
- c) HBAL-IS shall not be linked to a separate legal entity engaged in the design and establishment of a Food Establishment, supply, purchase, installation, maintenance of equipment, training and or Services used in a Food Establishment.


5. REFERENCES

Reference	Document Name
HBAL-IS -FM3.2-01	Impartiality and confidentiality statement from HBAL-IS personnel
HBAL-IS -FM3.2-02	Impartiality and confidentiality statement from Sub-contracted personnel


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Annex A - RISK ASSESSMENT OF CONFLICT OF INTEREST (Impartiality)

Sl. No	AREAS OF CONFLICT OF INTEREST	STATUS	CONTROL MECHANISM	THREAT MITIGATION
1.	Self interest	Controlled	Statement of impartiality taken signed by the auditors/Technical Experts	No risk exists
2.	Self-review	Controlled	Reports are submitted online on the Hygiene Rating portal by the Auditor along with the evidences. Software calculates the rating automatically and Hygiene Rating Certificate is available to download.	No risk exists
3.	Familiarity	Controlled	i) Specially trained professionally competent auditors are posted at different places to conduct audits and clear consignment submitted to them at different points of time. ii) They are rotated frequently to avoid familiarity	No risk exists
4.	Intimidation/undue pressure	Controlled	i) Professionally trained and competent auditors are assigned in Hygiene Rating Auditing work. ii) If such a situation arises it is reported to the top management iii) record and response to instances of undue pressures iv) Auditors are trained on acceptable behavior	No risk exists
5.	Inspection of a wholly owned subsidiary of concerned ministry	Controlled	Hygiene Rating Auditing services are provided in a professional manner as it is done for any other organization	No risk exists
6.	Client paying for the Hygiene Rating Audit is a threat to impartiality	Controlled	Invoice is generated by accounts team and funds are transferred directly into HBAL bank account. Hygiene Rating Auditor doesn't get involved in the payment part. Cash payment for the audit fees is not accepted.	No risk exists
7.	Offer or provide consultancy	Controlled	Neither HBAL nor its personnel provide any consultancy relating to Hygiene Rating services	No risk exists


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8.	HBAL personnel involved in providing consultancy for a client	Controlled	If anyone has provided consultancy, he/she shall not be involved in inspection of the client for at least two years following the end of consultancy.	No risk exists
9.	The personnel-internal or external, having commercial, financial or other pressures to compromise impartiality	Controlled	i) An undertaking is taken from all HBAL-IS personnel, internal or external that they will declare their financial /commercial interests that might compromise with impartiality	No risk exists
10.	Relationships of HRA personnel both internal and external	Controlled	ii) HBAL-IS shall require personnel, internal and external, to disclose affiliation /relationship that may present them or the IS with a conflict of interest iii) HBAL-IS to maintain up-to-date records of qualifications, training, experience, affiliations, professional status & competence & any relevant consultancy services that may have been provided	No risk exists
11.	If any relationship* observed/ comes to knowledge of HBAL	Controlled	Concerned Hygiene Rating personnel are not sent or get involved in those establishments for Hygiene Rating Audits. This applies to any previous relationship a personnel may have with a client. Hygiene Rating Auditor can only conduct a maximum of Three Consecutive Audits at any one place / client. Auditor can be replaced before if any concerns are observed / identified.	Minor Risk**
12.	Affiliations/association with any consultancy organizations or professional bodies	Controlled	i) All HBAL-IS Auditors are required to sign declaration of independence ii) The HBAL-IS personnel are required to declare their affiliations/ associations with any consultancy organizations or professional bodies.	No risk exists

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			iv) Auditors trained on acceptable behavior	
13	Receiving sub-contract work from any HRAA. Whether it is recognized, in process and not recognised HRAA	Controlled	Written declarations will be provided for not conducting any HRA activity contracted by another HRAA. Work order on the name of HBAL-IS shall be accepted directly from the department/ client.	No Risk
14.	<i>Manipulating audit manday</i>	<i>Controlled</i>	<i>An undertaking is taken from all HBAL-IS hygiene rating auditors that they shall strictly follow the allotted man-day. Apart from that, the Senior Quality Assurance Executive is independent to conduct internal audit.</i>	<i>Residual Risk**</i>
15.	<i>Influence of state food administration on hygiene rating audit scores</i>	<i>Controlled</i>	<i>A senior field officer is responsible to carry out all communication with the state food administration to conduct hygiene rating audits. Hygiene rating auditors will not have any sort of influence of state food administration or administration issued work orders.</i>	<i>Residual Risk</i>
16.	<i>Auditor conducting audit without visiting client physically</i>	<i>Controlled</i>	<i>Now various procedures are adopted to control this risk. Which includes following controls:</i> <ol style="list-style-type: none"> <i>1. Attendance sheet for opening and closing meeting</i> <i>2. Audit report is reviewed by the technical manager and verified.</i> <i>3. Feedback is taken for a particular audit.</i> <i>4. Senior quality assurance executive will conduct a quality audit for every audit.</i> <i>5. A surprise visit can be conducted by a Senior quality assurance executive.</i> <i>6. Fortnightly schedule for hygiene rating audits shall be shared with QCI to have a surprise visit.</i> 	No risk

Note: Technical Manager is responsible for updating above and Chairman & Managing Director must be notified should any concerns arises.

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* Ownership, governance, management, personnel, shared resources, finances, contracts, marketing and payment of a sales commission or other inducement for the referral of new clients, etc.

****Minor Risk Control Measures:**

1. Log of Hygiene Rating Auditors which contains information of the site audited and report. Prior to selection of the Hygiene Rating Auditor, Technical Manager will review consecutive audits carried out by the auditor for that particular client. If Hygiene Rating Auditor has conducted 3 consecutive audits then a new auditor will be allocated. Technical Manager has the authority to replace the Hygiene Rating Auditor within three years if deemed necessary.


Above also applies to Hygiene Rating Auditor who may have conducted the Hygiene Rating Audits with other CB prior to joining HBAL-IS.

2. Any HBAL-IS team member (including Hygiene Rating Auditor and Office staff) who may have relationship with the client shall not be involved in any of the audit process (Application review, planning, audit etc). In such instance, Technical Manager will allocate the required work to some other team member. If technical Manager is found to be in this position then Senior Quality Assurance executive and Chairman & Managing director will take control. All Staff signed Impartiality policy.

****Residual Risk**

1. *To control this residual risk HBAL Inspection Services has adopted three steps control*
 - a. *Attendance sheet with time: Opening meeting and closing meeting attendance for both auditor and auditee is required with time.*
 - b. *Feedback Form: Once a client receive hygiene rating certificate, senior administrative officer shall share a feedback link in which feedback will be received related to audit timing.*
 - c. *Quality Audit: Senior Quality Assurance Executive shall conduct quality audit for all the hygiene rating audits conducted by HBAL-IS. Verification for audit manday can be carried out through attendance sheet or through contacting the FBO directly.*
 - d. *Senior Quality Assurance Executive can also conduct a surprise visit in an hygiene rating audit being conducted.*

2. *To control this risk HBAL-IS has appointed various post which can mitigate any residual risk which are as follows:*

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- a. *Senior Field Officer: To contact authority who has issued work order to HBAL-IS. Hence hygiene rating auditor will not have any influence of authorities issued work orders.*
- b. *Senior Quality Assurance Executive: To review each and every report along with the evidence on which basis scores are given. Quality of audits will be ensured by senior quality assurance executive.*
- c. *Audit report is reviewed by Technical manager who is responsible for approving the audit. As previously no approval was required.*