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# *Whistle blowing*

Effective means  
to combat economic  
crime









# Contents

<b>06</b>	<b><i>Whistle blowing – A myth or a reality?</i></b>
<b>07</b>	<b><i>Whistle blower protection –A comparative view</i></b>
<b>08</b>	<b><i>Question of Effectiveness of the system</i></b>
<b>09</b>	<b><i>Best practices in designing and implementing effective whistle blowing mechanism</i></b>
<b>17</b>	<b><i>Internal Audit – Lending credibility to a whistle blowing programme</i></b>
<b>18</b>	<b><i>Key takeaways</i></b>



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# Foreword

The manner of conducting business is increasingly coming under the scanner due to recent economic crimes that have taken place globally and locally. There is a strong need for a system where the government, shareholders and other stakeholders are rest assured that any misconduct/wrong doing can be reported in a fearless manner. Such efforts will help in increasing transparency in the organisation. Can whistle blowing as a part of good governance help in detecting and fighting economic crime? In order to understand the effectiveness of a whistle blowing mechanism, it was felt necessary to assess the awareness, usability and reliability of the grievance reporting systems among Indian companies across various sectors.

We conducted a web based survey which was completed by 89 professionals belonging to a broad spectrum of industry sectors. This pioneering research project aims to highlight certain aspects of whistle blowing systems in the Indian corporate scenario. Broadly, the survey covers elements like existence of a formal mechanism in companies, its implementation and level of commitment from the management in addressing the complaints. The current regime on whistle blowing mechanism in corporate India straddles along voluntary requirements. Our survey reveals that a large number of organisations confirmed existence of a formal mechanism. Another significant observation from the survey is management's responsiveness and commitment towards sensitive issue of organisational transparency.

The imperative need to combat fraud and misconduct can be seen in an emerging strong culture of having formal mechanisms in place. This is only our first step in contributing towards a common understanding and spreading awareness for enhancing organisational transparency and compliance. We are pleased to present our findings and analysis of the survey conducted on 'Corporate Grievance Reporting Practices in India.' Subsequent to the survey, we held round table discussions with participation from the general counsels, heads of legal and heads of internal audit across industries to obtain their insights into this topic of whistle blowing and measures to enhance effectiveness of whistle blowing mechanism.

We express our gratitude to survey and round table discussion participants who took time and shared their views about this sensitive issue. We hope that you find these insights useful and relevant to understand the current perspective on whistle blowing system in India.



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# Whistle blowing – A myth or a reality?

“  
Foreign Corrupt Practices Act (FCPA)  
and the U.K Bribery Act enforcement  
actions have increased the pressure on  
companies to be more proactive to deter  
fraud and misconduct ”

– Round table discussion participant

**71%** of the survey  
respondents confirmed having a  
formal whistle blowing  
mechanism in place.

**32%** of the survey  
respondents (who did not have a  
grievance mechanism in place)  
expressed strongly to have a  
grievance reporting mechanism  
to report corporate misconduct.

**60%** of the survey  
respondents (who have a  
grievance mechanism in  
place) affirmed seriousness of  
their organisation to  
implement an effective system.

There has been an inherent need to regulate company activities in order to fulfill ethical responsibilities. The Association of Certified Fraud Examiners (ACFE) Report to the Nations on Occupational Fraud and Abuse 2010 states that fraud is a global problem. The reporting of fraud is critical in developing an effective fraud prevention and detection system. As a result of the corporate and accounting scandals in the U.S., the Sarbanes - Oxley (SOX) Act was launched in 2002. The burgeoning Indian industry has steadily felt the cascading effects of SOX, affecting the way in which compliance systems are designed. Despite the efforts of regulators and huge investments made by companies in instituting internal controls and mechanisms, the instances of economic crime and its resultant financial and non-financial damages remain. Developing and deploying systems and controls is not enough. An ethical corporate culture is the foundation for systems and controls in a company.

A steady rise in the percentage of frauds being detected through the system is reflective of importance of organisational transparency. Our survey confirms an increase in the need to have formal mechanisms instituted in organisations.

Furthermore, findings reveal a distinctive reason for a steady spurt in the need for formal grievance reporting mechanisms. Employees feel free to express their concern when such systems are officially ingrained in companies. Our whistle blowing survey 2011 reveals that it has a positive impact on employees' morale.

The awareness levels among companies are affirmative of companies bringing in robust controls against unethical business practices. We have attempted through this white paper to bring out the significance of a whistle blowing system and elements in the business environment that will enhance its effectiveness.

The focus is primarily on people, culture and controls. The analysis encapsulating the focus, has been presented in four segments:

- Whistle blower protection – a comparative view
- Question of effectiveness of the system
- Best practices in designing and implementing effective whistle blowing mechanisms
- Internal Audit: Lending credibility to a whistle blowing programme



# Whistle blower protection – A comparative view

“  
The reason for non-reporting of wrong doings can be attributed to general level of corruption and lack of proper legal framework in India ”

– Survey participant

**97%** of the survey respondents' organisation allowed anonymity of the complainant.

However, only **78%** had a supporting non-retaliation policy for the user of the grievance reporting system.

**42%** of the survey respondents (who did not have a grievance mechanism in place) believed that lack of a whistle blowing policy was a deterrent to report misconduct and any wrong doing.

Regulations in India do not mandate companies to set up whistle blowing framework and provide protection to whistle blowers who voice concerns in good faith whereas in developed economies, there are well defined regulations that encourage whistle blowing practice to enhance corporate transparency.

The law in US on this subject may not be ideal (while passing the 2002 Sarbanes-Oxley Act, the Senate Judiciary Committee found that whistle blower protections were dependent on the "patchwork and vagaries" of varying state statutes). It is still noteworthy that the US started to provide for protection of whistle blowers way back in 1863 under the False Claims Act in the context of fraud by suppliers to the US Government during the Civil War. The Act protected whistle blowers and even promised them a percentage of the money recovered. The 1986 revision now includes a specific protection provision (31 U.S.C. § 3730 (h)) for employees to protect them from discharge, demotion, suspension, threats, harassment, or discrimination. Over the years, in a large number of other areas ranging from defence contractors to insurance to private sector to securities, various US States have provided for laws and rules to protect whistle blowers. The Dodd Frank Wall Street Reform and Consumer Protection Act further enhanced the whistle blower programme by paying awards to eligible whistle blowers who voluntarily provide the SEC

with original information about violation of the federal securities law that leads to successful enforcement action in which SEC obtains monetary sanctions totaling more than 1 million USD. In the UK the Public Interest Disclosure Act 1998 provides the framework of legal protection for whistle blowers from victimisation and dismissal.

## A small headway

The Public Interest Disclosure and Protection to Persons making the Disclosure Bill, 2010 that has been tabled in Lok Sabha *inter alia* seeks to establish a machinery to register complaints on any allegations of corruption or willful misappropriation of power against a public servant, to provide for the inquiry process and to provide safeguards against victimisation of the person who makes such complaints. While protection is envisaged for whistle blowers there is also a provision to prevent and penalise false complaints. Unlike US and some other international jurisdictions this bill does not cover public/private companies.

While corruption and abuse of power in India has reached menacing proportions, India still has a long way to go to protect whistle blowers. The above bill is a small step in that direction. Notwithstanding the evolutionary process of law making, and vagaries of implementation, let us hope that the public spirited citizens of India will nevertheless continue to fight this battle and continue to blow the whistle without waiting for legislative protection.

# Question of effectiveness of the system

“ Mechanism is used for personal grudge or to settle scores ”  
– Round table discussion participant

“ Whistle blowing mechanism is not a complaint register ”  
– Round table discussion participant

Whistle blowing programmes have received acceptance in the corporate space however organisations have to overcome several bottlenecks in the effective implementation of the mechanism. The round table discussion focussed on challenges faced by organisations at the time of development as well as implementation of a whistle blowing mechanism.

One of the grave concerns of the round table discussion participants was that the mechanism was being used to raise individual grievances (for example, friction between superior and subordinate, complaints received during the time of half yearly and yearly appraisals, etc). It was cited in the discussion that approximately 80% of the complaints received through the system are HR driven complaints and significant effort of the compliance team is spent in cleaning up or filtering the complaints.

The effectiveness of the mechanism is reliant on several factors such as tone at the top, accessibility to the mechanism, awareness and knowledge on the correct use of the mechanism, timely training to reinforce the message of good code of conduct, and well planned work flow for handling complaints. A lapse in any of the stages of implementation often results in a tedious and unyielding mechanism. The round table discussion participants considered the filtration of complaints process as a critical link to a robust mechanism as the process offers a takeaway for management to deal with other critical issues that may potentially hamper productivity and work environment.

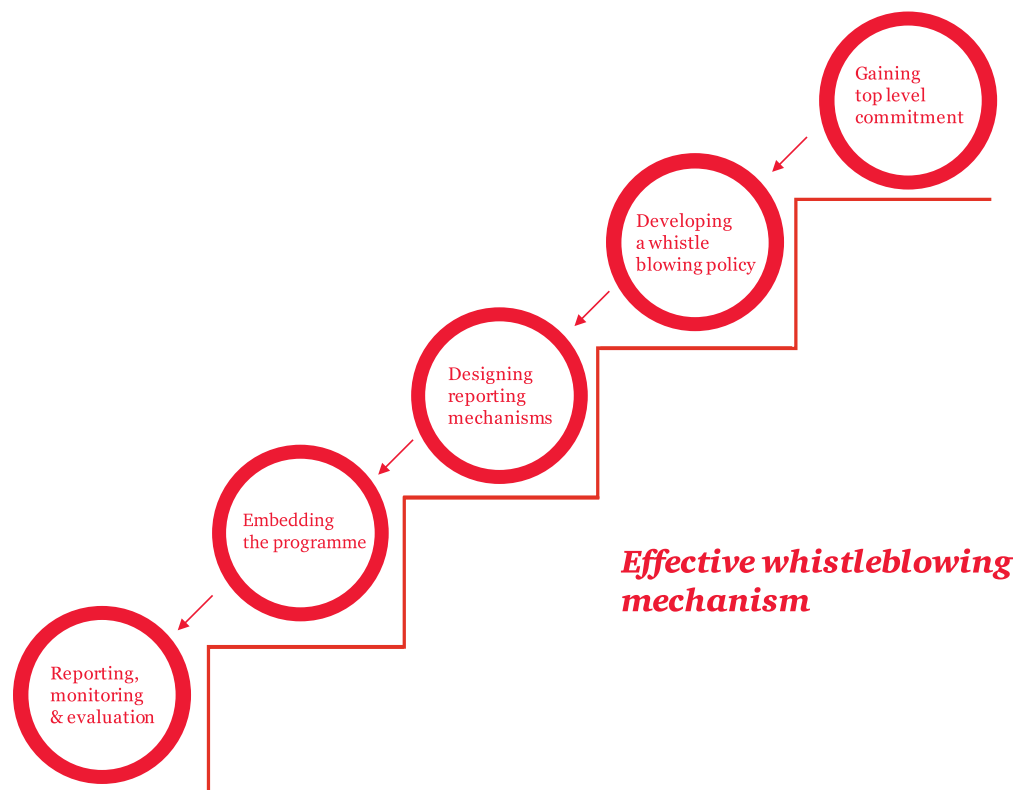
Resolving and managing issues in the development and implementation of the mechanism can culminate into a robust mechanism.





# Best practices in designing and implementing effective whistle blowing mechanism

There is no 'one size fits all' solution when it comes to the development of whistle blowing arrangements. In contrast, organisations should seek to tailor the design of their whistle blowing arrangements according to their unique operational and cultural circumstances. Developing effective whistle blowing arrangements is no easy task. We have set up five stages, each of which should be a milestone in any design and implementation project plan. By giving appropriate consideration to each milestone, organisations can expect to provide whistle blowing arrangements that are suitably fit for purpose.



“  
The tone at the top can ensure  
good governance and build  
confidence in the system ”  
– Round table discussion participant

The HR head (14%) followed  
by the CEO/Managing  
Director (13%) and Audit  
Committee (12%) were  
regarded significant as  
process owners of the system.  
However the compliance  
committee was regarded less  
significant and received only  
9% of the total votes.

## Gaining top level commitment

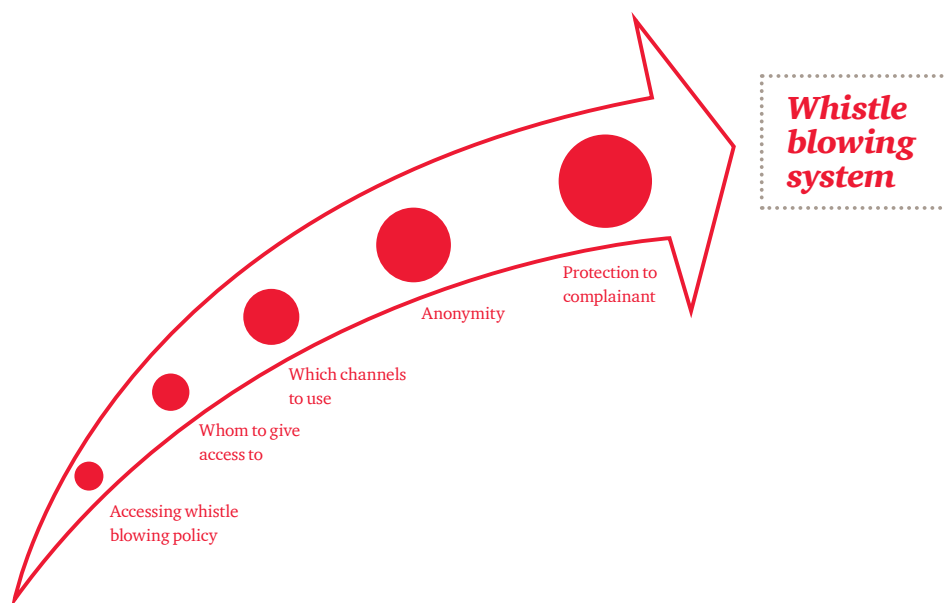
The onus of an effective whistle blowing mechanism relies on the management echelons. The importance of senior management attitude or “the tone at the top” in creating an environment that nurtures speaking up and reporting wrongdoing. An organisation’s attitude to business ethics originates from and is cultivated by its CEO, Board and senior management through the policies and procedures they design. They must lead by example.

The mechanism must not be incorporated only for superficial reasons of ‘goodness.’ The fight against unethical behaviour in an organisation must be initiated by influencing the culture of its people. This culture must trickle down from top of the corporate pyramid. The culture will encourage employees from the lowest levels too to report misconduct or any irregularity within the organisation. Bringing a transition in the corporate culture cannot be done overnight. Top level commitment should not be restricted to vocalising and mentoring an organisation’s whistle blowing arrangements. An organisation’s senior management must also be actively involved, supporting the implementation, briefing and training for the whistle blowing scheme as well as ‘buying in’ to the principles.

Gaining top level commitment does not cease with instituting a whistle blowing mechanism and training. Operational responsibility for whistle blowing arrangements should rest with the body or function that drives compliance within the organisation (who may or may not be accountable to the audit committee). Whether this responsibility lies with the board, an executive committee or another delegated function, the arrangement will be most effective where the ultimate process owner is also responsible for compliance risk management.

**30%** of companies informed of the reporting mechanisms to their employees through code of conduct and ethics manual while **27%** were informed in induction training/employee handbook

**62%** of survey respondents confirmed that the employees were sufficiently aware of the existence of the whistle blower arrangements.



## Developing a whistle blowing policy

An organisation's commitment to an open and effective whistle blowing mechanism is embodied in its formal policy. The underlying essence of a whistle blowing policy lies in identifying risks and mitigating them through the use of a formal mechanism. Types of risks include the following:

- Malpractice, fraud or corruption;
- Illegal or criminal offences;
- Environmental damage;
- Health and safety risks; and
- Concealment of information relating to any of the above.

After ascertaining the fundamental purpose, organisations must then consider the following questions:

### a. Accessing whistle blowing policy

The employees must have easy access to the policy relating to whistle blowing in order to understand the mechanism and also to be aware of various usability and reliability nuances of the system. The most popular way in which the organisation can make its employees aware of the existence of the policy is through the code of conduct or ethics manual. Our survey results reveal that induction trainings are well accepted too. The inclusion of whistle blowing mechanisms in the induction training can be a great way to bring in new employees into the culture of compliance and regular trainings can strengthen the culture.



“ Provide access to external stakeholders like vendors, suppliers, lenders, etc to the whistle blowing mechanism as they act as an important source of information on potential wrong doing in an organisation. However the mechanism was successfully implemented for employee use only ”

– Round table discussion participant

**57%** of the respondent organisations (who have a formal whistle blowing mechanism) do not give access to external stakeholders.

“ Use of third party vendors helps to create a whistle blowing mechanism (web-based portal) and to address complaints effectively ”

– Round table discussion participant

#### *b. Intended users*

Organisations should consider who their policy is intended for. Traditionally, whistle blowers have been an organisation's employees. Our survey also revealed that external stakeholders like customers, suppliers, lenders and the like were not given access to the mechanism. A similar whistle blowing survey was conducted by PwC UK and the results were contrary. An overwhelming 55% of the companies in the UK gave access to external stakeholders.

Providing access to whistle blowing arrangements to third parties and the public will reflect high standards of ethical practice and the recognition that third parties are a vital source of information in relation to inappropriate practices. In advanced economies, it is quite common to provide access to such a system to third parties, since third parties can provide useful and valuable information regarding possible malpractices.

**13%** organisations have designated telephone hotline with a designated officer within the company.

**9%** organisations allowed reporting of grievances through external independent agencies.

#### *c. Channels for communication and reporting*

An organisation should develop channels for reporting complaints, misconducts and grievances and ensure employees are educated on the importance of reporting issues through the designated channels. By ensuring the creation of designated channels for whistle blowing organisations enable whistle blowers to make disclosures in a convenient manner. The whistle bower may choose a channel as per his comfort level and it may range from sending e-mails to designated persons, having face to face conversations to web-based reporting.

Our survey revealed that email to designated officer with the company (28%) was the preferred choice for reporting misconduct in organisations having a formal mechanism. Other popular choices include making a face-to-face complaint (22%) and email to common mail (19%). The trend of having dedicated telephone hotlines is also catching up steadily. An important observation from the survey results was that less significance was given to external independent agencies for receiving complaints. Most organisations may not prefer external organisations as this would expose slack corporate governance and unethical behaviour of the company.

**19%** participants (whose organisations do not have a formal grievance reporting system) opined perceived risks to be one of the reasons for not reporting any wrong doings in the organisation.

#### *d. Anonymity & protection to whistle blowers*

The whole concept of whistle bower programmes revolves around the fact that employees or stakeholders observe and report an activity within the work environment which is unlawful and unethical. The individual then independently “blows the whistle” or reports the matter to the senior management/personnel designated to take such cases forward, without the fear of any kind of harassment or retaliation (which is a significant impediment to effective whistle bower reporting). Among the top reasons to protect whistle blowers is the probability that many people do not even consider blowing the whistle, not only because of fear of retaliation, but also because of fear of losing their relationships at work and outside work. Legislation affords some level of protection, but organisations

should develop and implement whistle blowing mechanism which includes measures to protect persons from victimisation where they expose corruption and unethical practices. There are many ways in which a superior can take subtle reprisal against a whistle bower without resorting to blatant harassment, termination, and the like. This can include changing the scope of the job of the employee to create a misfit between the employee and the job, slowing promotions or denying salary increase on grounds of performance, etc.

Rather than allow fear to hinder antifraud efforts, leading companies establish and enforce a zero-tolerance policy for retaliation against whistle blowers.



## Designing reporting mechanisms

A sound reporting system instills confidence in employees and promotes trust in the integrity and effectiveness of the whistle blower mechanism and is vital to the successful design and operation of the whistle blower policy. Whistle blowing reporting mechanisms are channels through which an organisation is notified of its people's concerns on conduct of business activities. They act as an organisation's risk management safety net.

The extent to which the safety net is effective will depend on:

- Whether or not it reflects the purpose for which it was intended
- Whether or not it reflects the factors that impact the decision of a potential whistleblower to raise a concern

*Dedicated investigation teams (28%), compliance function (21%) and internal audit (19%) were regarded responsible for investigating the complaint.*

The reporting mechanism would typically include the lines of reporting. Once the complaint has been received then who would decide whether the complaint warrants further investigation, who would investigate the complaint and how the outcome of the investigation will be broadcasted either individually or collectively? It is very critical for the effectiveness of the whistle blowing system that the outcome of the investigation of complaints is shared with employees. This would help persuade likely perpetrators not to resort to unethical and illegal means.

*The survey respondents chose the compliance committee and the CEO/Managing Director (15% each) to decide whether the complaint requires further investigation.*

**29%** organisations used email to management for further circulation to their teams in order to communicate the outcome of investigation of serious complaints.



“ Closing the communication loop by effectively addressing each complaint received enhances the robustness of the mechanism ”  
– Round table discussion participant

**63%** of the survey respondents said that their organisation provides training to employees for using the system.

**54%** of the survey respondents opined that organisational transparency and employee morale and retention are top most benefits of a whistle blowing mechanism.

## **Embedding the programme**

Embedding a programme not only involves developing a culture of compliance within an organisation but also managing complaints effectively with the support of top management. Therefore, all whistleblower allegations must be appropriately considered, investigated and the whistle blowers must be kept updated about the investigation. If organisations embed in their work culture reporting of wrongdoing and respond to allegations expeditiously, the effectiveness of the whistle blowing mechanism not only increases manifold but the main purpose of fraud deterrence is also well served. Corporate culture coupled with timely effective trainings boosts the confidence in the system as a whole.

The perceived benefits of proper implementation of a whistle blower system will encourage organisations to ensure that the whistle blowing mechanism is embedded within the organisation's culture.

## Reporting, monitoring and evaluation

Apart from developing a whistle blowing policy and reporting mechanism, constant monitoring and evaluation of the existing systems is essential to ensure that the systems in place are functioning effectively throughout the period of evaluation and also serve the purpose they are established for.

### Reporting

Organisations should set up a body or committee to receive periodic reports and analyse the same. The body or committee should review the report and understand the nature of complaints received, the frequency of such complaints and manner in which they were dealt with. The body or committee may review the manner in which investigations were conducted, the outcome of the investigations and the manner in which the wrong doers were dealt with.

Organisations commit considerable time and resources in evaluating internal control frameworks. Strong controls are effective at mitigating risk and help protect an organisation's bottom-line. An organisation's whistle blowing arrangements should be monitored and reviewed for the same reasons. Steps should be taken by the body charged with governing an organisation's whistle blowing arrangements to ensure that they operate appropriately.

### Monitoring and Evaluation

Periodic monitoring of the whistle blower mechanism is essential to identify the loop holes which may exist and have gone unnoticed in the past. Monitoring may be done on an ongoing basis or periodically. Evaluation involves assessing the design and operations of the system on a timely basis and taking corrective actions when necessary.

After monitoring and evaluating the systems, it is critical to report and address deficiencies so as to enable the system to function effectively. Hence as a part of the monitoring and evaluation system, reporting of deficiencies should also be included. Systems should also be in place to appropriately address the deficiencies thus identified.

The periodic monitoring and evaluation of the whistle blowing mechanism maybe done by a person who is independent of the mechanism.

**63%** of the survey respondents held that their management is effective in handling complaints received through the system.

**44%** of the survey respondents held that their organisations whistle blowing system is quite effective.



# Internal Audit – Lending credibility to a whistle blowing programme

*Internal audit was regarded responsible for investigating the complaint by 19% of the survey respondents.*

Internal Auditors have always been viewed as the ethical leaders in an organisation because of their strong personal professional standards, supported by well-recognised professional codes of conduct. Their role in re-emphasising a sense of security in the minds of the whistle blower is of utmost importance in helping an individual “blow the whistle.” Internal auditors should use their best endeavours to ensure that the organisation has appropriate and effective policies and procedures that enable success of the whistle blower programme and lend credibility to the same. In most organisations, the Internal Audit function is entrusted with responsibility of fostering a culture of ethical behaviour. The internal audit functions must set forward a clearly worded code of conduct which sets a tone for all company personnel and must test the effectiveness of these policies frequently and create awareness, amongst employees, on the existence of fraud preventive measures within the organisation. Internal auditors monitor business activities to ensure that they are aligned with relevant ethical standards as well as legal and regulatory requirements.

Response time for investigation and coming out with results is also critical for preserving the programmes reputation and long-term viability. Internal Audit function can play a significant role in enhancing the robustness and credibility of the programme. To ensure that all inquiries are carried out objectively, thoroughly and efficiently, forward-thinking companies establish guidelines stipulating which personnel should be involved in the process, what their roles and responsibilities are, which techniques are appropriate for interviewing and gathering information, how and when to approach suspected perpetrators, whistle blowers, and witnesses and whether to use internal teams or to hire external forensic professionals to conduct the investigation etc.

Apart from supporting investigations, also perform root cause analysis to find out how the fraud occurred, and they update controls and procedures where needed. Internal Audit facilitates learning through trainings and knowledge transfers. Another effective fraud deterrent measure is conducting random audits which target high-risk areas, identified by assessing whistle blower data continuously to identify trends and highlight opportunities for performance improvement.



# Key takeaways

Through this white paper we have attempted to show the existing presence, awareness and effectiveness of grievance reporting mechanisms in India. Observing the regulatory framework and our survey results, it is evident that India has a long way to go before potential of whistle blowing is completely realised. The steps taken by organisations and the law makers at large are making a considerable mark.

The 5 step approach presented in the paper is only a framework and can be sewn to individual organisation's requirements. We present you a quick look at ten steps as a guide to best practices in designing and implementing effective whistle blowing arrangements.

01

Gain top level commitment through appropriate ethical culture

02

Ensure that governance & control mechanisms are in place with appropriate ownership

03

Be clear about the purpose of the whistle blowing policy

04

Identify who will be able to use the reporting mechanism

05

Determine reporting mechanisms and whether these will be in-house or through external service providers

06

Embed the programme at all levels in the organisation

07

Ensure that effective communication, guidance & training are in place

08

Consider case management & feedback strategies

09

Adopt effective reporting procedures

10

Monitor, review & adapt whistle blowing policy and mechanism

## Methodology

The survey was conducted in 2011 and subsequent round table discussions were held in 2012. 89 professionals from India completed our online questionnaire. The targeted sample profile spanned across CEOs and senior professionals in functions like ethics and compliance, internal audit, risk management, finance, legal and human resource. Respondents were asked to respond to a set of core questions on corporate grievance reporting mechanisms and specific questions related to functioning of such mechanisms. The profile of participants of the round table discussion comprised of heads of legal, heads of internal audit and general counsels.

## Acknowledgements

The editorial team for this whitepaper consisted of following individuals



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**Joyceline D'souza**- Associate, Forensic Services

**Brand & Communications**

# Appendices

Table 1 – Participating industry groups

	% Organisations
Manufacturing	26%
Financial Services	12%
Technology	9%
Automotive	7%
Energy, Utilities and Mining	7%
Engineering and Construction	6%
Chemicals	5%
Communication	5%
Insurance	3%
Retail and Consumer	3%
Hospitality and Leisure	3%
Pharmaceuticals and Life Sciences	2%
Government and Public Sector	1%
Others including Conglomerates, Infrastructure development, Market research and Consulting	11%

Table 2 – Organisation types participated in survey

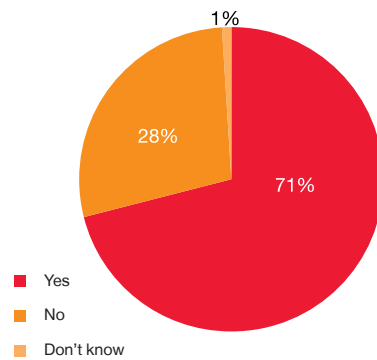
	% Organisations
Listed on Stock exchange	47%
Private - equity investors	19%
Multinational Company	7%
Private - Founder/Entrepreneur controlled	8%
Private – Family controlled	5%
Government/Public Sector	1%
Other	13%

Table 3: Size of participating organisations

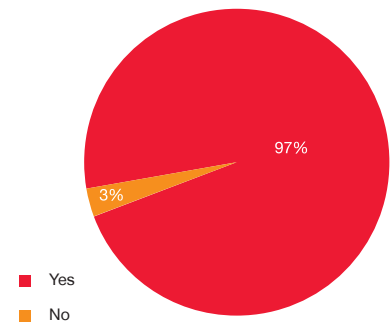
	% Organisations
Up to 200 employees	14%
201 – 1,000 employees	18%
1,001 – 5,000 employees	25%
More than 5,000 employees	43%



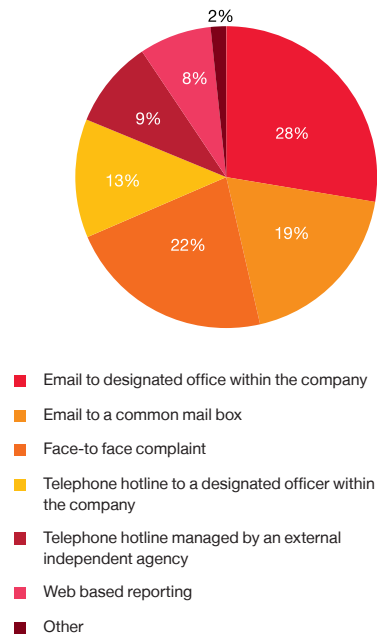
*Q.1 Does your organisation have a formal mechanism or system in place to report complaints/misconducts/grievances?*



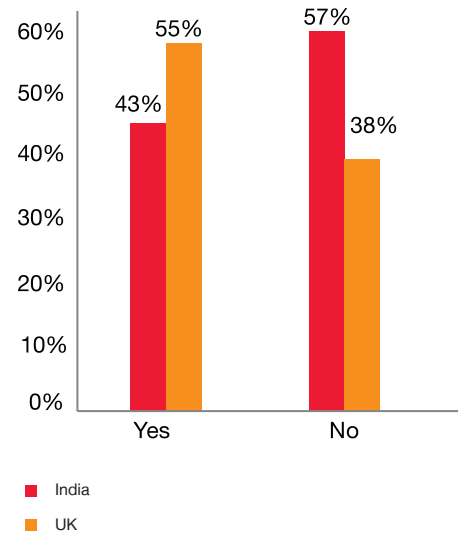
*Q.3 Is the person's identity kept anonymous who has reported a complaint or any grievance through the system as specified in Q-1?*



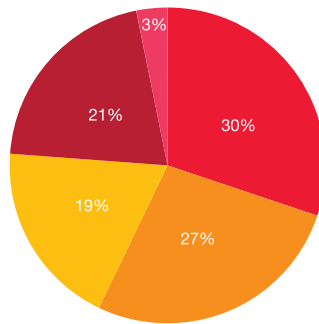
*Q.2 What are the channels available in the system referred to in Q1, used to report any complaints/ misconduct/ grievances?*



*Q.4 Do external stakeholders have access to the system specified in Q-1?*

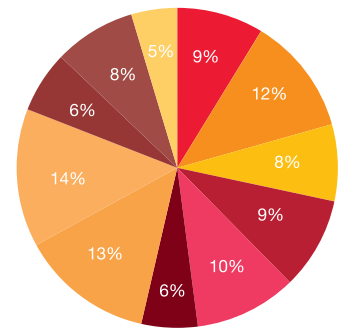


*Q.5 How are individuals informed of the existence of the system specified in Q-1 above?*



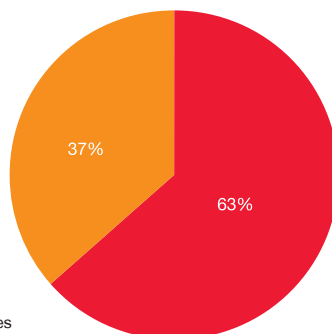
- Code of conduct or Ethics policy manual
- Employment Handbook/Induction Training
- Periodic Compliance Training
- Regular communications (posters/circulars/town halls)
- Other

*Q.7 Who is the process owner of the system you specified in Q-1 above?*



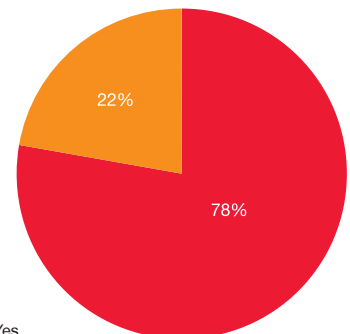
- Board of Directors
- HR Head
- Audit Committee
- Internal Audit
- Compliance Committee
- Chief Compliance Officer
- Independent Ombudsman
- CEO/MD
- Head of Legal
- Head of line of business
- Other

*Q.6 Does your organisation provide trainings to employees regarding the use of the system specified in Q-1 above?*



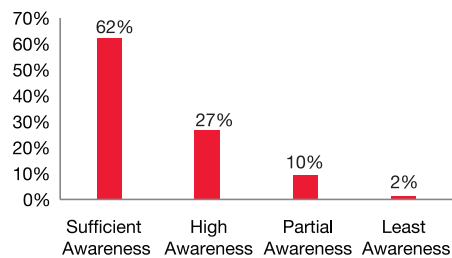
- Yes
- No

*Q.8 Does your organisation have a policy of non-retaliation to the user of the system specified in Q-1 above?*

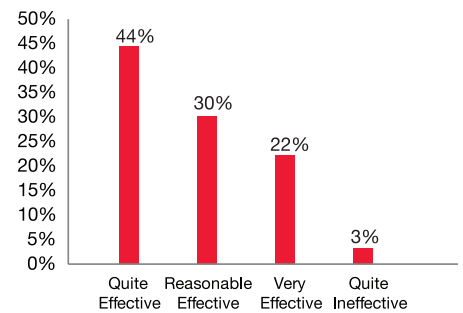


- Yes
- No

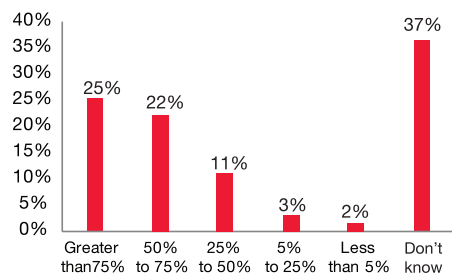
*Q.9 How aware are your employees, on the existence of the system specified in Q1 above?*



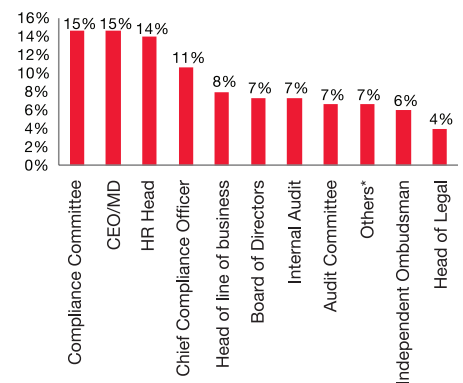
*Q.11 According to you, how effective is the system specified in Q1 above?*



*Q.10 Of the total complaints, what percentages are reported through the system specified in Q-1 above?*



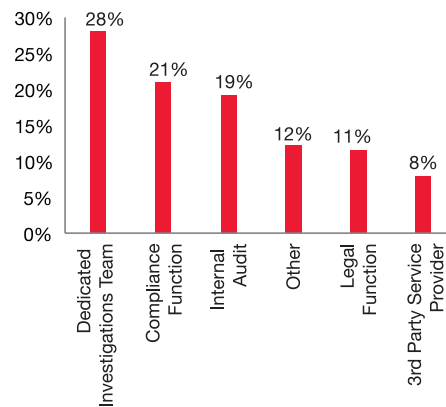
*Q.12 Who is responsible for deciding whether a complaint received in system specified in Q-1 above warrants further investigation?*



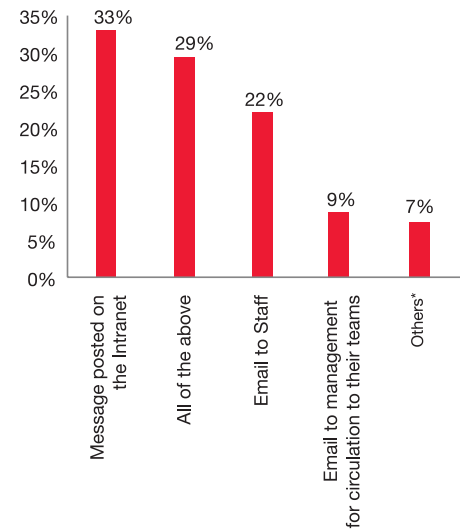
*\*Others including but not limited to CFOs, internal investigators, ethics officers, etc.*



*Q.13 Who is responsible for investigating the complaint received in the system as specified in Q-1 above?*

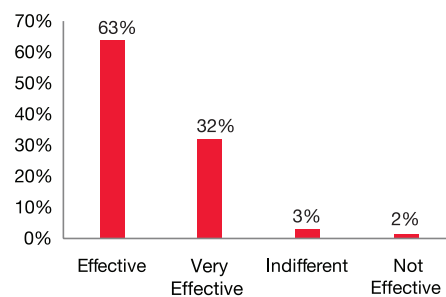


*Q.15 What methods of communication do you use to publish the outcomes of serious complaints reported through the system specified in Q1 above?*

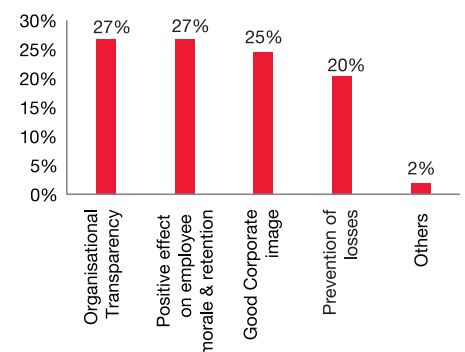


*\*Others include results communicated through special meetings, not communicated at all, communication only to affected parties and Business heads, communication only to the committee management and through monthly meetings*

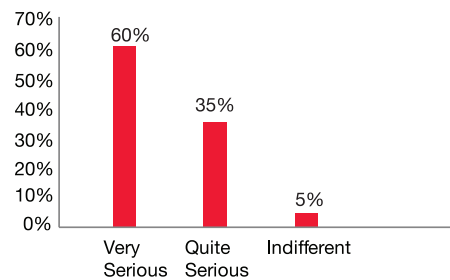
*Q.14 How would you rate the management's effectiveness/ responsiveness in investigating an allegation reported through the system specified in Q-1 above?*



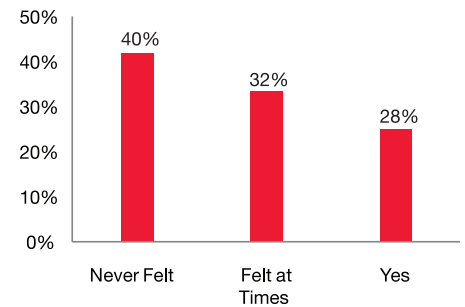
*Q.16 What benefits does your organisation expect to obtain through having a system specified in Q-1 above.*



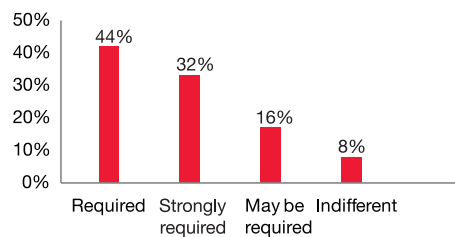
*Q.17 How would you rate your organisations seriousness to implementing an effective system specified in Q1 above?*



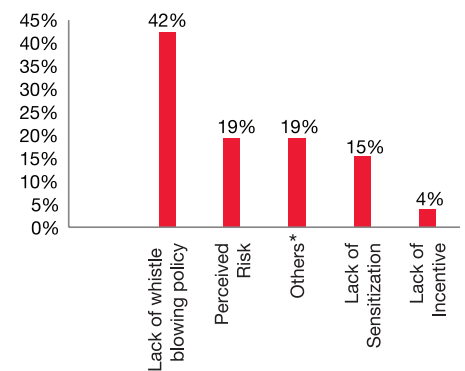
*Q. 19 Has there ever been an instance when you were aware of some wrongdoing, but did not report to the right person within your organisation?*



*Q.18 Do you feel the need to have a formal mechanism or system in place to report complaints/ misconducts/grievances?*



*Q. 20 What in your opinion, could be the reasons for the non-reporting of any wrong doings in your organisation?*



*\*Others include vindictiveness, apathy of top management, no clear policy or guidelines on escalation/reporting, wrong doing and general level of corruption*

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# About Forensic Services

PricewaterhouseCoopers Private Limited (“PwC”) – Forensic Services provides a national and global network of analysts, actuaries, accountants, lawyers, engineers, fraud examiners, and others who are leaders in their respective fields, offering a wide variety of skills to address the issues affecting parties involved in disputes. Our aim is to work in partnership with clients to implement fraud control methodologies, assist when incidents occur and to help with strategies and practices to reduce the risk of falling victim to fraud.

We are able to work discreetly and use a range of different skills to assist our clients with their needs. This approach includes the use of experienced investigators, forensic accountants, computer forensic specialists and background researchers.

The team combines proven evidence gathering skills with control methodologies to produce effective results for our clients. We offer a complete computer forensic service through our team of trained specialists. In addition to this we also test and advise on a range of technical IT security issues.

PwC Forensic Services also works collaboratively with PwC Internal Audit Services to enhance value for its clients. Together, we bring the deepest and most advanced knowledge of business risks, internal controls and internal audit, along with subject matter specialists who provide a perspective on industry specific risks and business practices.

# About PwC Risk Advisory Services

PricewaterhouseCoopers (“PwC”) – Risk Advisory Services aim to help management make well informed decisions. The insight and independent assurance we bring provides an invaluable safeguard in today’s complex operating environment. We work with our clients in their boardrooms and their back offices, helping them to protect and strengthen every aspect of their business from people to performance, systems to strategy, business plans to business resilience.

Our India Practice has over 350 professionals serving the clients..We work with clients to maximise the performance of their business while developing risk resilience in all aspects of their business. RAS’s offerings enhance value for their business by addressing the following:

- Developing an end-to-end view of risks and designing programs to strengthen the client’s business resilience
- Developing, improving or optimising the control environment and establishing mechanism/ assisting with testing effectiveness of controls
- Creating programs to ensure compliance with regulations
- Assisting the clients in securing business sensitive information
- Helping the clients in identifying mitigating risks associated with technology.



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# About PwC

PwC firms help organisations and individuals create the value they're looking for. We're a network of firms in 158 countries with close to 169,000 people who are committed to delivering quality in assurance, tax and advisory services. Tell us what matters to you and find out more by visiting us at [www.pwc.com](http://www.pwc.com).

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Providing organisations with the advice they need, wherever they may be located, our highly qualified, experienced professionals, who have sound knowledge of the Indian business environment, listen to different points of view to help organisations solve their business issues and identify and maximise the opportunities they seek. Our industry specialization allows us to help co-create solutions with our clients for their sector of interest.

We are located in these cities: Ahmedabad, Bangalore, Bhubaneswar, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai and Pune.

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