



Whistle-blowing and Reporting Helpline Solution



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It is an established fact that some of the best sources of information about any wrongdoing in a company are its employees, directors, vendors, suppliers and other stakeholders. Companies with successful whistle-blower mechanisms have been able to take timely corrective actions and saving millions of rupees in fraud losses.

Regulatory bodies in India have also recognised the effectiveness of such hotlines and made it mandatory for listed companies to establish a whistle-blower mechanism. The Companies Act, 2013 and the SEBI's (LODR) Regulations, 2015 agreement have expressly instructed companies to establish whistle-blower/ vigil mechanism.



The Companies Act, 2013



Section 177(9)

Companies shall establish a vigil mechanism for directors and employees to report genuine concerns.

Section 177(10)

- a. Provides for adequate safeguards against victimisation of people who use vigil mechanism
- b. Provides for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Companies Rules, 2014

- a. Audit Committee shall oversee the vigil mechanism through the Committee. In case of other companies, the board of directors shall nominate a director to play the role of Audit Committee
- b. In case of frivolous complaints, the audit committee or nominated director may take suitable action against the concerned director or employee including reprimand.

Applicability

- a. Every listed company
- b. Companies which accept deposits from the public
- c. Companies which have borrowed money from banks and public financial institutions in excess of INR50 Crores (INR500 million).

SEBI's (LODR) Regulations, 2015



Regulation 4(2)(d)(iv)

The listed entity shall devise an effective whistle-blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

Regulation 22

- a. The listed entity shall formulate a vigil mechanism for directors and employees to report genuine concerns
- b. The vigil mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

Regulation 46(2)(e)

The listed entity shall disseminate the details of establishment of vigil mechanism/ whistle-blower policy on its website.

Schedule II Part C, Para A, Clause 18

The role of the audit committee shall include review of the functioning of the whistle-blower mechanism.

Schedule V Para C, Clause 10(c)

The disclosures shall be made in the section on the corporate governance of the annual report, capturing details of establishment of vigil mechanism, whistle-blower policy, and affirmation that no personnel has been denied access to the audit committee.

Experience matters

A pioneer in third-party whistle-blower hotline services in India



Experienced forensic professionals manage our hotline. They have deep probing skills and are empathetic while handling the complaints. They understand the cultural nuances of complainants and handle complaints with empathy and independence



We are an independent third-party - whistle-blowers are comfortable reporting their genuine concerns without any fear of retaliation and retribution



We don't outsource - Entirely run and managed by KPMG employees. No part of the services is outsourced



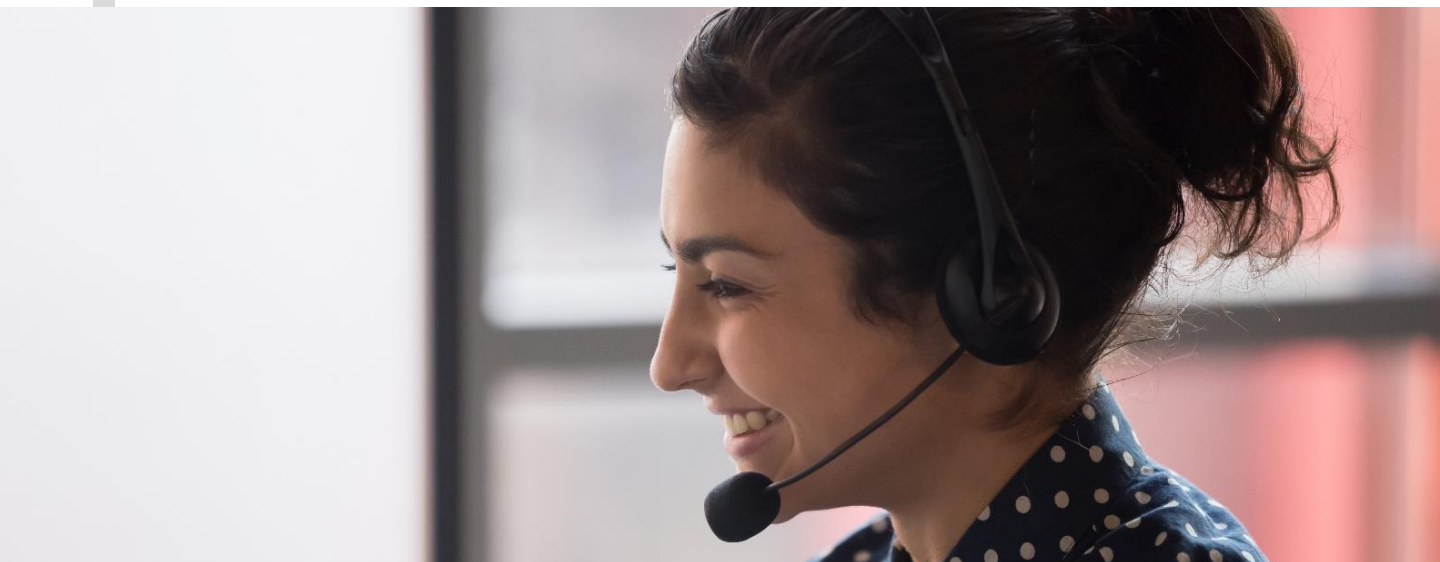
We support in **Indian and global languages** such as English, Hindi, French, German, Spanish, Arabic and Portuguese



We have a **secure facility** that helps preserve our clients' confidentiality



Our clients span **across industry segments** already servicing more than **200 companies in India**



How can we help?



Operating a whistle-blower hotline

Multiple reporting channels available to whistle-blowers to report incidents through phone (toll-free), email, web portal, QR code scan to report, chatbot and post box.

Multilingual capability - services offered in English, Hindi along with multiple Indian regional languages such as Gujarati, Marathi, Tamil, Telugu, Kannada, Malayalam, Punjabi, Bengali, Odia, Urdu, Nepali and Assamese. We also support global languages like French, German, Spanish, Arabic and Portuguese.

Integrated case management tool

Designated ethics committee members are provided access to our case management system -Whistle-blower Reporting & Management Tool ('WRMT') which allows them to:

- Access the incident report along with any supporting documents submitted
- Live dashboards with trend analysis
- Plan and track investigation
- Incident closure with next action steps.

Development/ review of whistle-blower policy

- Help ensure compliance to the Companies Act, 2013, Companies Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requirements
- Define the policy's scope after assessing relevant risks, based on the industry the company is in and its Code of Conduct.

Assistance in creating awareness

- Create content for promotional collateral such as sample posters, email teasers/ snippets, danglers, pocket cards, etc.
- Conduct in-person workshops along with annual refresher courses
- eLearning modules with customised content based on the company's code of conduct and whistle-blower policy.

Designing of complaint-handling framework

- Assist in designing a framework to handle the complaints received
- Define roles, responsibilities and duties of various participants - whistle-blower, ethics committee, investigators and others involved in the process
- Share tools and create templates for managing complaints in a standardised manner.



Did you know?



60%

of the people prefer reporting their complaints in regional language

40%

of complaints are received outside working hours including weekends

Increased reporting of ESG violations



Financial Fraud and Harassment are the most reported incidents

~70%

of frauds are discovered through whistle-blowing complaints

71%

of the whistle-blowers choose not to disclose their identity with the company but are comfortable disclosing it with a third-party whistle-blower hotline

54%

of the whistle-blowers prefer phone for reporting the complaint, followed by email 34% and web portal 11%



Source: As per statistics from KPMG Whistle-blowing and Reporting Helpline Solution

Operating structure of the Whistle-blowing and Reporting Helpline Solution

Source

Employees, directors, vendors or suppliers



01

Channel

Phone (toll-free), email, web portal with QR code, chatbot and post box



02

Process

The incident report is prepared in an 'as-is' manner and undergoes three level of quality checks



03

Case Management Tool

Whistle-blower Reporting and Management Tool allows client ethics committee members to access incident dashboard



04

Output

Incident report is shared with the client through secure email and uploaded on the case management tool



05

Client

The incident is investigated by the client and the feedback is shared with KPMG Whistle-blowing and Reporting Helpline Solution



06

Our experience cuts across industries



A large Indian conglomerate with presence in metals, cement, telecom, apparel, and financial services



A leading courier and cargo airline company



A large group of companies with presence in cement, sugar, refractories and power



A non-banking finance company



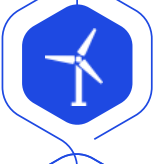
Leading infrastructure group



A leading manufacturer of four wheeler, LMV, MPV and HPV



A leading multinational bank



A leading wind turbine manufacturer



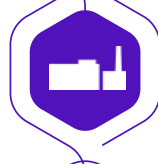
A leading eCommerce company



A leading consumer goods manufacturer



A leading two wheeler motorcycle manufacturer



A large natural gas distribution company



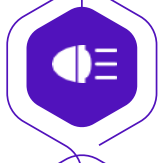
A leading premium, luxury and sports eyewear company



A leading manufacturer of consumer products



A large group of automotive components companies



A large solar energy company



A leading four wheeler company



A leading coffee manufacturer and large chain of stores

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30 years
and beyond

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