

FORENSIC SERVICES

Supporting businesses in minimising fraud and corruption

Today's competitive business climate and dynamic market environment have increased the threat of fraud and ethics violations. In recent years, there has been a significant rise in scams, corruption, and conflict-of-interest issues in business houses and other associations in India. These incidents have come to light due to growing public vigilance and the efforts of the government and judiciary, which shows the extent to which such issues have made its way into business ethics.

With the growing global need for transparency, incidents of fraud and ethics violations would impact businesses in their revenues and reputation. These incidents also receive significant attention in international media and could discourage organisations from doing business in India almost entirely. Moreover, for emerging companies in India, if control maturity is not aligned with the growth trend, it may jeopardise foreign direct investments and the opportunity of tapping into global markets.

Given this complex environment, we, at SKP, help businesses formulate strategies and implement measures to combat and minimise fraud and ethics violations. Our measures stem from our structured Fraud Control Framework.

FRAUD CONTROL FRAMEWORK

Our Fraud Control Framework comprehensively covers aspects that are essential for a business to promote ethics, as well as detect and minimise fraud and corruption. It also supports the organisation in augmenting its existing in-house teams. In addition, fraud reporting assists in ensuring appropriate and timely communication to stakeholders on fraud or ethics violations.



OUR SERVICES



Enhance whistle blowing

Improve policy: Formulate or improve an organisation's whistle-blowing policy.

Manage the whistle-blowing mechanism: Independently monitor the whistle-blowing email address and report to the business periodically on the concerns received.

Increase awareness: Help create awareness on whistle-blowing with training sessions, periodic internal communication, ethics-related posters, etc.

Effectiveness assessment: Conduct awareness assessment surveys and interviews to evaluate the effectiveness of the whistle-blowing mechanism.



Investigate concerns and violations

Investigations: Gather evidence in whistle-blower investigations or any suspected concerns or policy violations. Identify the perpetrator and quantify frauds, to the extent feasible.

Digital forensics: Conduct digital forensic reviews, including imaging, extraction and analysis of the digital information from company-owned assets.

Desktop background checks: Conduct desktop background checks for corporates and investors on the target and its promoters, including litigation searches (e.g. if convicted of bribery or any criminal offence), negative media searches and regulatory searches (debarred entities/individuals).

Anti-corruption compliance investigations: Assist in investigations with reference to anti-corruption compliance (Foreign Corrupt Practices Act (FCPA) and UK Bribery Act).



Enhance measures to minimise fraud

Fraud vulnerability assessment: Conduct vulnerability assessments of fraud risks for a select process.

Stakeholder engagement*: Assist internal audit/investigation teams in engaging with stakeholders for control strategies against vulnerabilities.

Fraud risk assessment and scoring: Conduct comprehensive fraud risk assessments of identified processes and score risks based on the existing level of mitigation controls.



Develop a mechanism to detect fraud

Fraud analytics dashboard: Develop and deploy a rule-based fraud analytics dashboard for select processes in order to periodically monitor control lapses.

Proactive investigation: Investigate a select process/area to identify indications of potential fraud/violations or non-compliance.

Develop a robust concern-handling process*: Support in reviewing trends of case closures and actions taken to identify opportunities for enhancing the concern-handling process or investigator efficiency.



Augment the investigation team

Co-source resources for investigations: Support the investigation team with trained resources based on specific requirements for case closure.

Knowledge-sharing sessions: Conduct knowledge-sharing sessions or workshops on investigation techniques and case studies.



Structure mechanism for fraud reporting

Fraud reporting*: Support in structuring protocols for reporting fraud and ethics violations.

Legal proceedings: Assist investigation and legal teams with evidence gathered during reviews for legal proceedings.



Promote an ethical culture

Enhance governance mechanism in investigations*: Support in enhancing the governance mechanism in investigations with a structured framework, standard operating procedure and communication protocols.

Periodic communication on ethics*: Support in periodic communication on ethics, including a structured mechanism to exhibit tone at the top.

*Note: These services would be provided as a part of setting up or enhancing fraud control units.

OUR SELECT EXPERIENCES

- Assisted in conducting a review to identify the root causes and quantify the extent of fraud losses due to an internal bank payment fraud for an **oil & gas major**.
- Investigated multiple misconduct incidents, including kickbacks from subcontractors and potential facilitation payments to public officials, for a **multinational engineering company**.
- Investigated potential misconduct by dealers in channel discounts/inventory reporting for a **multinational healthcare company**.
- Reviewed electronic communication to identify indications of misconduct concerns raised by the whistle-blower, for a **multinational home appliance manufacturer**.
- Conducted a review to ascertain the end-use monitoring of funds to identify indications of fund diversions by senior management, **for a US-based NGO**.
- Conducted a review to ascertain the end use of funds on behalf of the investor company for a **large multinational bank**.
- Forensic examination of allegations of fund diversion made against the finance controller of a **pharmaceutical company**.
- Investigated select clearing and forwarding agents to gather evidence on the misappropriation of stock and cash for a **leading multinational cosmetic company**.

WHY SKP

- Professionals with experience in handling investigations
- Access to forensic technology in gathering digital evidence
- Ability to bring in industry professionals to support project execution
- Supported various regulatory agencies to conduct investigation and inspections on their behalf
- Extensive experience in risk assessments and control evaluations
- Time-tested approach in gathering evidence and in anti-fraud advisory

ABOUT US

SKP is a long established and rapidly growing professional services group located in six major cities across India including Mumbai, Pune, Hyderabad, New Delhi, Chennai and Bengaluru, with a global desk in Canada. We specialise in providing sound business and tax guidance and accounting services to international companies that are currently conducting or initiating business in India as well as those expanding overseas. We serve over 1,200 clients including multinationals, companies listed on exchanges, privately held and family-owned businesses from more than 45 countries.

From consulting on entry strategies to implementing business set-up and M&A transactional support, the SKP team assists clients with assurance, domestic and international tax, transfer pricing, corporate services, and finance and accounting outsourcing matters, all under one roof. Our team is dedicated to ensuring clients receive continuity of support, right across the business lifecycle.

With skilled resources and referable experiences, we support corporates in detecting, responding and minimising fraud and ethics violations.

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