

REPORT DETAILS

Report Submission Date

8/9/2019

Reported Company/Branch Informati

Location Deloitte India Gurugram, Harayana, India

Deloitte India Mumbai, India

(earlier offices of BMR which was acquired by Deloitte in 2017.

City/State/Zip: GURGAON, INDIA)

What is your relationship to the Deloitte firm

Other

Please identify the person(s) engaged in this behavior

Parul Jain - Partner (Deloitte India Tax team, Gurugram)

Shefali Goradia - Partner (Deloitte India Tax team, Mumbai)

What is the general nature of this concern:

Theft of Intellectual Property of a competitor firm and misuse of confidential and privileged information of clients for winning business and personal gain

Please provide specific information regarding when this incident occu

2010 onwards till date

How long do you think this concern has been going o

More than a year

How did you become aware of this concern

Other

If other, how?

Shared with me by someone who has evidence of this criminal act is afraid of reporting this act.

Details

I wish to inform you about unethical, unprofessional and criminal conduct of two of your partners, namely Ms. Parul Jain and Ms. Shefali Goradia who are part of the Tax teams of Deloitte India in Gurgaon and Mumbai respectively and joined your firm as part of the BMR acquisition. Both these ladies were employed in a law firm Nishith Desai Associates some years back. Ms. Goradia left that firm to join BMR around 2008. In 2010, Ms. Goradia convinced Ms. Jain to leave Nishith Desai Associates and join BMR. Ms. Goradia offered Ms. Jain an accelerated promotion to partnership if she came to BMR with confidential documents of Nishith Desai Associates including client documents, correspondence, contacts, intellectual property such as research material, and helped BMR poach clients of Nishith Desai Associates. Ms. Jain made copies of the data of Nishith Desai Associates that she had access to before quitting that firm and joining BMR in the end of 2010. Many of the documents that she stole were marked attorney client privileged and contained sensitive client information such as offshore structures, tax audit reports, transactions, contracts etc. She and Ms. Goradia then used this data to poach many clients of Nishith Desai Associates, e.g. Redfort Capital, Sequoia Capital, Westbridge Capital, Nexus Venture Partners, Bessemer Venture Partners, Inventus Capital, Zephyr Peacock and many others. Ms. Jain was promoted to the rank of a partner as a reward for this unethical act in spite of long absence from work.

Ms. Goradia and Ms. Jain tried to do the same thing in 2016 and 2017 when they along with another partner Mr. Kalpesh Desai made a similar offer to the law firm Khaitan and Co that the three of them would come to that law firm with the IP of BMR and help it poach clients of BMR. However, that deal did not go through.

Given the past behavior of Ms. Goradia and Ms. Jain, one can safely assume that they will indulge in such unethical and criminal behavior again in the future for personal gain. Even the clients' confidential data is not safe with them and this can cause severe damage to the reputation of the profession of Chartered Accountancy. Please investigate to verify what has been mentioned above and take appropriate action.

Follow-Up Notes

8/20/2019 1:58 AM

This ethics issue was reported some 10 days back. Your FAQ suggests checking for acknowledgement for the report within 3 days. Where do I see the acknowledgment?

9/30/2019 2:01 AM

Kindly refer to your last comment wherein you had asked me if I can speak/meet with you to provide you more details qua my report of this ethics issue.

I have spoken to the person who had informed me about this ethics violation. That person also has evidence of the act of crime committed by the partners reported. That person has agreed to talk to you, in case needed, and provided you shall keep the identity of that person confidential. Furthermore, that person prefers if you initiate the contact first as that person does not want it to be recorded anywhere that it was that person who suo moto reached out to you and provided information, but did so because you asked for it.

In case speaking to that person will help in your enquiry, then do let me know and I will do the needful.

9/30/2019 2:04 AM

Kindly refer to your last comment wherein you had asked me if I can speak/meet with you to provide you more details qua my report of this ethics issue.

I have spoken to the person who had informed me about this ethics violation. That person also has evidence of the act of crime committed by the partners reported. That person has agreed to talk to you, in case needed, and provided you shall keep the identity of that person confidential. Furthermore, that person prefers if you initiate the contact first as that person does not want it to be recorded anywhere that it was that person who suo moto reached out to you and provided information, but did so because you asked for it.

In case speaking to that person will help in your enquiry, then do let me know and I will do the needful.

10/16/2019 1:56 AM

As per my information there was a call last week as was decided. Subsequent to that call, the witness has sent the evidence to your partner via courier as was agreed on the call.

10/30/2019 1:57 AM

Please confirm the receipt of the courier that was sent to your senior partner investigating this case about 2-3 weeks ago.

11/6/2019 2:00 AM

Last week I had asked confirmation of the receipt of the courier which was sent by the witness to your partner about a month back. Please provide me confirmation that the partner did receive it.

11/25/2019 4:05 PM

It is now been several months since I reported this matter to you My source has also sent the evidence of the reported criminal act. However, I am yet to see any updates on your inquiry. Please let me know if the investigation is still going on in this matter and if there is any progress. I am assuming that the investigators did receive the evidence sent via courier.

Follow-Up Questions/Comment

8/25/2019 2:12 PM posted by Organization

Dear Reporter

We have taken note of the information provided by you. The firm treats all such matters seriously. We are looking into the matter.

In case we need any further information we would reach out to you.

Regards

Ethics Team

9/16/2019 1:53 AM posted by Reporter

Please check with the concerned Deloitte India firm if they have been seriously looking into this matter. Last week I noticed that the partners mentioned in my report were representing Deloitte India at the prestigious IFA Congress in London and were engaging in the same unethical acts that I had reported. Either Deloitte India has not looked into this matter at all, or they are rewarding such unethical and unprofessional behaviour.

9/17/2019 6:41 AM posted by Organization

Dear Reporter,

At Deloitte we investigate into such matter reported to us and as mentioned earlier, we are looking into the matter.

We request if you could provide us with details on the unethical acts engaged by the individuals mentioned in your report at the IFA Congress.

Also, we would appreciate, if you could meet with us or speak with us on the phone, so that it would help us to inquire into the matter. We have zero tolerance towards retaliation and as a policy no reprisal is taken against anyone who in good faith reports a concern to us.

Regards

Ethics Team

9/20/2019 2:02 AM posted by Reporter

Thank you for reassuring that the matter is being looked into. Below are my answers:

1. Unethical acts at IFA Congress: Engaging and doing business development with business partners and clients who used to be partners and clients of Nishith Desai Associates.

2. Meeting or Speaking with you: The whistleblower protection is very weak in India. I have also heard of cases where senior leadership of Deloitte India has acted against those who have raised their voice against irregularities. Therefore I feel uncomfortable speaking over a regular phone. However, I am happy to answer your queries over your chat or speaking to you over a secure mechanism such as Wire. I had sent you a message on your chat system last week when I noticed the presence of the reported partners at the IFA Congress last week. However, I did not receive a response.

Please ask whatever questions you have and I will answer them to the best of my abilities.

10/1/2019 3:24 PM posted by Organization

Dear Reporter,

Thank you for your comment.

As mentioned earlier, we consider such allegation to be serious and are looking into the allegation. An independent team of senior partners are looking into the matter and they can either meet or talk with the person concerned, at a place convenient to share the evidence. Please be assured that the identity of the said individual will be kept completely confidential. Further, we have a non-retaliation policy for such matters reported in good faith.

We look forward to hear from you when the person would like either to meet or have a call with us.

Best regards,

Ethics Team

10/2/2019 1:07 AM posted by Reporter

I acknowledge receiving your reply. The concerned person, i.e. the witness is ready to have a call. Please advise if your investigating team will contact or vice versa. In the latter case, please indicate the contact details, and I shall communicate it to the witness. In the former case, I can share the contact details of the witness after taking permission from that person. In fact, I will suggest that this call happens on a secure channel such as the wire messenger system. Please also suggest a few days and times which are convenient for your investigators for the above mentioned interaction and I shall communicate accordingly to the witness.

10/7/2019 11:11 AM posted by Organization

Dear Reporter,

Thank you for the message.

Our partners can talk to the concerned person on 10 October or 11 October between 4.00 pm to 5.00 pm. Please confirm the date and time feasible for the said person. Once we hear from you, we would set up a chorus call and share the details.

Regards

Ethics Team

10/10/2019 2:18 AM posted by Reporter

The person is available on October 10 between 4-5PM IST.

10/10/2019 5:05 AM posted by Organization

Dear Reporter,

Thank you for confirming the date and time. Please note the chorus call details

Number:

• +91 22 6629 0000 [Tata] or +91 22 3065 0000 [Reliance] or
• 1 800 200 1331 or 1 800 209 1331 (Accessible from all carriers)

Guest Passcode: 0004684#

Regards

Ethics Team

10/10/2019 8:54 AM posted by Reporter

I acknowledge this message and will be passing on the details to the concerned person.

Chat Transcripts

There are no chat transcripts for this incident.