

Whistleblowers' Rights: The Fight for What's Right!



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Introduction: The Cost of Silence [1]

On July 12, 2025, it was a normal working day, a notification suddenly popped up, “Air India Flight 171-a Boeing 787-8 Dreamliner has plummeted from the sky just seconds after take-off from Ahmedabad. The plane has crashed into a hostel and this devastating impact has claimed the lives of 260 people.” I froze after reading this news! The tragedy was immediate, but as soon as I processed the news, a lot of questions crossed my mind like any ordinary human being. Was this an accident? A technical failure? Or was it the result of ignorance and neglect? Soon it became clear that the real story had been unfolding for years.

The crash cast a harsh spotlight on Boeing, a company that had long been the subject of internal warnings. Just a year earlier, former quality manager **John Barnett**[1] had bluntly stated that Boeing prioritized production speed over safety, even refusing to fly on the Dreamliner himself. At the same time, engineer-turned-whistleblower **Sam Salehpour**[2] had cautioned that tiny gaps in the Dreamliner's fuselage were a ticking time bomb, a structural flaw that could lead to catastrophic failure.

This tragic event, far from being a random accident, appears to be a consequence of silence. Those who spoke the truth chose to speak up after retirement. This devastating loss serves as a stark reminder of the critical importance of whistleblowers.

[1] The article reflects the general work of the author on the date of publication and the views expressed are personal. No reader should act on any statement contained herein without seeking detailed professional advice.

[2] The man who blew the whistle on Boeing production standards case found dead - The Economic Times

[3] Boeing Whistleblower Sam Salehpour Said He Received ‘Physical Threats’ From Bosses

With the rise in whistleblower complaints in India, the need for a robust legal regime for protection of whistleblowers has gained importance and it is worth asking: **Does our existing legal framework offer real protection to those who speak up?** In this article an effort has been made to analyse the current legal stance for whistle-blower protection in our country.

Who is a Whistle-blower?

The term "whistle blower" refers to the act of revealing or exposing wrongdoing to put a stop to it. A whistle-blower is anyone who is typically an employee, group of employees, or even an outside person who is acting in good faith, shares or discloses a factual, written alert (not a guess or hearsay) pointing to wrongdoing or unethical behaviour within an organization. The intent behind these terms is deliberately broad, to include all genuine concerns and not just narrow or speculative reports.

How did the journey begin...

The journey toward legislative recognition for whistleblowers began tragically in 2003, marked by the ultimate sacrifice of those who dared to speak the truth.

One of the most defining tragedies was the murder of **Satyendra Dubey** in 2003 [4]. As a project director with the National Highways Authority of India (NHAI), Dubey bravely exposed large-scale corruption and financial irregularities in the construction of the Golden Quadrilateral Highway Project. He meticulously documented his findings and sent a detailed letter directly to the Prime Minister Atal Bihari Vajpayee bypassing the corrupt officials he believed were involved.

[4] Writ Petition (C) no. 539/2003

Dubey, specifically requested that his identity be kept a secret and despite the letter's sensitive content, accusing some of his superiors, the letters along with the bio data was forwarded immediately to the Ministry of Road Transport and Highways. Dubey had also sent the letter to the Chairman. Soon Dubey received a reprimand, as the vigilance office of NHAH officially cautioned Dubey for the impropriety and disrespect of writing a letter directly to the Prime Minister. After all this Satyendra Dubey, was under constant threats and feared for his death. After exposing the scam, he became the target of all the local road mafia and big politicians. On 27th November 2003, he was found dead by the side of the road because he stood up courageously against the unscrupulous ministers. The public outcry following Satyendra Dubey's murder sparked widespread demands for stronger legal safeguards for whistleblowers.

Legal Regime in India:

- Indian government introduced the **Whistleblowers Protection Bill** in 2011, which was eventually enacted as the **Whistleblowers Protection Act, 2014** [5] ("Act"). This Act was the first formal legislative attempt to create a process for reporting corruption and to protect whistleblowers from victimization. However, the law has not yet come into force because the government has not issued the necessary notification.
- **The Whistleblowers Protection (Amendment) Bill, 2015** [6], was proposed to amend the original Act but lapsed after it was not passed by the Rajya Sabha.

Despite the limitations of the current legal framework, the very existence of the following Act and regulations signify a major step forward in acknowledging the critical contribution of whistleblowers in private sectors to a cleaner and more transparent India.

[5] [The Whistle Blowers Protection Act, 2014](#)

[6] Press Release :Press Information Bureau

Other laws applicable to the Listed Companies

The Companies Act, 2013 [7]

Under section 177 (9) the **Companies Act, 2013**, and its related rules, every listed company or such class or classes of companies are required to set up a '**vigil mechanism**': a formal channel for employees and directors to report genuine concerns about wrongdoing.

- **Protection for Whistleblowers:** The company must ensure there are enough safeguards to protect those who use the mechanism from being victimized or punished for speaking up.
- **Public Disclosure:** Companies must publish the details of this mechanism on their website and include it in their annual report to the board of directors.

[7] the_companies_act,_2013_no._18_of_2013_date_29.08.2013.pdf

The Companies Act, 2013 [7]

- **Addressing Misuse:** The **Companies (Meetings of Board and its Powers) Rules, 2014**, also allow the company's audit committee (or a designated director) to take action against an employee or director who repeatedly files baseless or frivolous complaints. This can include a formal reprimand.

Sections 206 to 229 of the **Companies Act, 2013**, create a comprehensive framework for inquiry, investigation, and inspection. These provisions enable **external agents** to identify wrongful practices and act as external whistleblowers.

- **Section 208** empowers an inspector (other than the registrar) to review records and recommend further investigation if they find suspicious activity.
- **Section 210** allows the Central Government to order an investigation based on recommendations from a registrar or inspector, in the public interest, or after a company passes a special resolution requesting one.
- **Section 211** led to the establishment of the **Serious Fraud Investigation Office (SFIO)**, which has the authority to arrest individuals for specified fraud-related offenses.

Securities Exchange Board of India (SEBI) [8]

- Regulation 9A (6) of Securities and Exchange Board of India has mandated that all listed companies must have a **whistleblower policy**. This policy should be publicized to employees, so they can report any leaks of unpublished price-sensitive information.
- In addition, as of December 2019, SEBI has implemented a **reward mechanism** [9] to incentivize "informants" who report violations of insider trading laws directly to SEBI. This program is designed to encourage individuals to come forward with crucial information.

In today's rapidly evolving corporate landscape, the integrity of an organization hinges not just on performance metrics and profits, but on its commitment to ethical conduct, transparency, and accountability. A whistleblower policy provides a formal mechanism for individuals within an organization to report concerns about unethical behaviour, financial misconduct, legal violations, or other wrongdoing without fear of retaliation. It empowers employees and stakeholders to raise their voices against malpractices and helps the organization act before such issues escalate.

[8] SEBI | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Last amended on August 05, 2021]

[9] Chapter III- A of SEBI regulation, 2015

Why Whistleblower policy is important even without national law?

- 1. Early Detection of a Fraud:** Employees are often the first to notice signs of fraud, corruption, or other misconduct. A clear policy encourages them to report issues before they escalate into major crises.
- 2. Risk Mitigation:** By addressing internal issues proactively, companies can avoid severe financial and reputational damage from lawsuits, fines, and public scandals. High-profile corporate frauds—such as the Satyam scandal or instances of insider trading—have revealed how internal red flags were ignored or suppressed. A well-defined whistleblower policy could have surfaced these issues sooner and potentially mitigated damage.
- 3. Improved Governance:** It demonstrates a company's commitment to transparency and ethical behaviour, which strengthens trust with investors, regulators, and the public.
- 4. Positive Work Culture:** Employees who feel safe reporting concerns are more likely to be engaged and loyal. It shows that the company values integrity and takes their concerns seriously.



Conclusion:

Despite a significant increase in the awareness and importance of whistleblowing, many employees remain silent and choose not to report wrongdoing in the workplace. This is because whistleblowing is not an easy task, requiring immense courage, moral conviction, and a willingness to prioritize the public interest over personal gain. It is, at its core, a duty of an employee to act with loyalty and integrity with the organization within which they are working.

While India is making progress in protecting whistleblowers, the legal framework is still developing. True change, however, must begin within organizations themselves. To create a more effective system, companies need to cultivate a genuine culture of compliance. This involves actively encouraging employees to report wrongdoing by creating a safe environment and guaranteeing that they are fully protected from any form of retaliation.

Good to read:

[Grasim Whistleblower policy.](#)

[Titan Whistleblower Policy.](#)

[Hyundai India Whistleblower Policy.](#)

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