

◎ **UNIT VI –**

◎ **WHITE COLLAR CRIME**

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WHITE  
COLLAR  
CRIME



- ◎ **Definition of White Collar Crime –**

- ◎ **Prof. E.H. Sutherland –**

- ◎ White collar crimes are the crimes committed by persons of respectability and high social status in the course of their occupation.

- ◎ **Hartung –**

- ◎ A white-collar offense as a violation of law regulating business, which is committed for a firm by the firm or its agents in the conduct of its business.

◎ **Sir Walter Reckless** –

◎ The white collar crime represents the offences of businessmen who are in a position to determine the policies and activities of business.

◎ **P. Goswami** –

◎ White collar crimes are committed by persons of status not for the need but for the greed.

## ◎ **Other Crimes V. White Collar Crimes –**

- ◎ White collar crime is not a new phenomenon & has been in existence from many centuries.
- ◎ It can be found in all types of businesses, professions and industries.

◎ **Case - State of Gujarat vs. Mohanlal Jitmalji  
Porwal & Anr.(1987) SCR (2) 677**

◎ The Supreme Court of India has differentiated between the general crimes & white collar crimes.

◎ **Justice Thakker –**

◎ Murder can be committed in the heat of moment but these economic offences are committed with a cool calculation & planned strategy to gain personal profits.

## White Collar Crimes

## Blue Collar Crimes

1) These crimes are difficult to detect & not at all personal.

1) The ordinary or traditional or blue collar crimes are direct & are very personal. They also involve violent methods such as using force to commit crime.

2) The white collar criminals are not at all afraid of the law agencies because of the fact that if they got detected they will be fined or transferred or the maximum that they will get a short-term imprisonment.

2) The ordinary criminals are usually afraid of the law agencies after committing the crime.

3) The economic loss of white collar crime is thousands time higher than that of the ordinary crimes.

3) The financial loss which the society has to bear is higher in white collar crimes than the crimes committed by the people of low-social standard.

4) White collar crimes are committed out of greed & it is very well planned & executed.

4) Blue crimes are usually committed out of rage, revenge and other emotions.

5) The harm is caused to the casualties or

5) The harm is physical in case of blue

- ◎ **Prof. E.H. Sutherland –**
- ◎ **Definition of White Collar Crimes (WCC) -**
- ◎ White collar crimes are the crimes committed by persons of respectability and high social status in the course of their occupation.

◎ **Criticism of Sutherland's Definition of WCC –**

- ◎ 1) Lack of criteria for determining who are the “persons of respectability and status”.
- ◎ It seems likely that what Sutherland meant by this is absence from convictions for crimes other than white collar crimes.

- ◎ 2) The element of “**high social status**” also leads to confusion. It has far narrower meaning than is given to that term in everyday usage.
- ◎ Sutherland himself did not stick to this meaning & included thefts and frauds committed by middle or even lower middle-class workers in the course of their employment or work. Such crimes should be treated as occupational crimes instead of WCC.

- ◎ 3) Another important element in the definition of WCC is not the socio-economic status of individual, but rather the **type of crime and the circumstances of its commission.**
- ◎ These usually include bribery, false accounting, pilfering, embezzlement etc.

- ◎ 4) Sutherland's definition of WCC includes even those violations of law which are **not committed in course of occupation and professions** and these violations **do not necessarily belong to upper strata of the society or prestigious groups** .
- ◎ **Eg.** Tax- evasion is not an authentic WCC, at least in terms of Sutherland's definition because although associated with work, it is not committed in the course of an occupation. It can be committed by persons belonging to middle or even lower strata of the society.

- ◎ 5) The definition does **not necessarily require mens rea** which is an essential ingredient of a crime.
- ◎ The doctrine of mens rea has no application to statutory offences in India and the requirement of guilty mind may be excluded either expressly or by implication in such cases.

## ◎ **Causes of WCC-**

- ◎ 1) No Easy Detection
- ◎ 2) Socio-economic growth & industrial progress
- ◎ 3) Passive attitude of public
- ◎ 4) Lack of proper laws
- ◎ 5) Passive mode of Government
- ◎ 6) Motive of earning more & more profit & greed

- ◎ 7) Absence of specific legislations
- ◎ 8) Competitive business world
- ◎ 9) Govt lacking in to control means of production & distribution so as to subserve common good.
- ◎ 10) Escape from the clutches of law
- ◎ 11) High socio-economic status of white collar criminals/ influence.
- ◎ 12) Recent developments in information technology/ computer age/cyber crimes.

◎ **Implications of White Collar Crimes –**

◎ **A/c to Krishna Iyer,J. -**

◎ “Economic offences often are subtle murders practiced on the community or sabotage of the national economy.”

◎ 1) Financial loss to the public

◎ 2) Social damage to morale

- ◎ **Characteristics of WCC-**

- ◎ **1. Direct access to the victim because of offender's high position-**

- ◎ Because of his/her position the offender has direct access to the victim.

- ◎ **E.g.** when a thief commits a theft in a house, he first breaks the door or window and then commits the crime. Therefore, before committing theft a thief must first gain access to the house by entering it.

- ◎ Whereas this is not in the case of white collar crimes because the white collar offenders have easy and valid access to their targets.

◎ **2. No information about the offender -**

◎ Most of these crimes are committed by offenders without coming face to face with the victim.

◎ **3. Political Connections-**

◎ Most of the offenders have big political connections & somewhere the politicians are also involved in the said crimes. Therefore, it is difficult to take any action against such offenders.

## ◎ **Classification of White Collar Crimes by Edelhertz**

◎ **1) Personal Crimes/Ad hoc Crimes**

◎ **2) Breach of Trust**

◎ **3) Business Crimes**

◎ **4) Con Games**

## ◎ **1) Personal Crimes/Ad hoc Crimes-**

◎ The offender pursues his own individual objective having no face-to-face contact with the victim.

◎ **Eg.** Hacking on computers, credit card frauds, tax evasion etc.

## ◎ **2) Breach of Trust –**

◎ It involves breach of trust bestowed by an individual or institution on the perpetrator.

◎ **Eg.** Misuse of funds, financial embezzlements, insider trading, fictitious pay rolls, etc.

### ◎ **3) Business Crimes –**

- ◎ Crimes incidental to & in furtherance of business operations but **not the central purpose** of such business operation. The commission of crimes on account of **finding an opportunity** during the course of their employment to earn quick money or gain undue advantages by using their power or influence.
- ◎ **Eg.** 2G spectrum scam, Colgate Scam, Commonwealth Games Scandal, Adarsh Scam, Bihar Fodder Scam.
- ◎ Fraudulent medical bills, fake educational institutions, issuance of fake mark-sheets/certificates etc.

#### ◎ **4) Con Games** –

- ◎ White collar crime as a business or as the central activity of the business.
- ◎ **Eg.** Violation of trade marks or copyright, patent law or competition law.
- ◎ The violation of domain name & other corporate crimes etc.

## ◎ **Common Types Of White Collar Crime In India -**

### ◎ **1) Bank Fraud –**

- ◎ Bank Fraud is a fraud committed on the banks.
- ◎ It is committed by the fraudulent companies by making fake representations.
- ◎ It includes the manipulation of the negotiable instruments like cheque bouncing, securities, bank deposits etc.
- ◎ It is concerned to the public at large because there is a relation of trust between the banks & the public.
- ◎ It is the most common type of white collar crime & also a corporate crime. It harms public as well as the government of the country.

## ◎ **2) Bribery –**

- ◎ Bribery is also a very common type of white collar crime.
- ◎ By bribery we mean giving money or some goods to the person at a high position in return of a favor.
- ◎ Simply, bribery is when one man gives money to the other which is in authority. It is done for the purpose of insisting him to do something or to prevent him from doing something.
- ◎ It is the most common income of most of the public officials of our country.

### ◎ 3) Cybercrimes –

- ◎ Cybercrime is the latest & biggest problem prevailing in the cyber world.
- ◎ Cybercrime is the crime which is related to ‘**computer networks**’.
- ◎ With the rapid increase of advancement of technology there is also a rapid increase in the crime related to the technology.
- ◎ It involves the persons who are expert in computer related technology. It is committed against the victim directly or indirectly to cause a harm to his reputation or to harm in physical or mental way using internet, networks and other technological sources.

- ◎ Cybercrime threatens the nations as well as the person's security & financial status. It causes huge financial loss to the country.
- ◎ It can also threaten the privacy of a person. Disclosure of confidential information can create privacy problems.
- ◎ Cybercrimes against women are also rising.
- ◎ **Eg.** By the use of telecommunication networks, mobile phones cyber stalking, sending obscene messages & pictures by criminals to women etc
- ◎ **Eg.** I) Hacking II) Child pornography  
III) Copyright infringement IV) Cyber terrorism  
V) Cyber stalking etc

## 4) Money Laundering –

- ◎ Money laundering is a crime in which the criminals disguise the identity of the money.
- ◎ It implies criminals try to hide the original ownership of the money and the place where they obtained that money by illegal means. Laundering is done with the intention of making that money come from legal sources.
- ◎ Simply, money laundering means to show the illegitimate money as legal money.

◎ **Eg.** If a person obtain money from black marketing, trafficking of illegal goods the money will be considered ‘dirty’ & he cannot deposit into the banks as it may seem suspicious if he directly deposit money into the financial institutions because he had to create statements & records stating that where the money came from.

- ◎ Money laundering involves **three steps** namely –
- ◎ **I)** The owner of the money obtain the money from some illegal means & deposit into the bank by some way.
- ◎ **II)** Through multiple transactions the transfer of money is being done.
- ◎ **III)** They return the money into banks to make it legitimate.

## ◎ **5) Tax Evasion –**

- ◎ Tax evasion is committed with an intention to conceal one's actual taxable income and one's original position to the authorities.
- ◎ Simply, it means to hide the money obtained from the illegal means in order to reduce one's liability to pay tax & to show low income to the tax authorities.
- ◎ Tax evasion has a negative impact on the social values as it demoralizes honest tax payers & they might also want to do tax evasion also it gives economy power in the hand of few undeserving people.

## 6) Identity Theft –

- ◎ Identity theft is one of the easiest type of crime these days. Due to advancement of technology it is very easy to access personal information of anyone.
- ◎ Identity theft is the crime in which the criminal access unauthorized information such as name, address, phone number etc. and use this information to gain money.
- ◎ In simple words, identity theft is committed by using some other person's identity to commit fraud or to gain money by illegal means.

◎ **7) Blackmailing –**

- ◎ Blackmail means demand for money by threatening some person to cause physical injury or exposing his secrets.

**8) Embezzlement/Financial Fraud/Larceny –**

- ◎ When someone entrusted with money or property uses it for his own use, it is embezzlement.

◎ **9) Extortion –**

- ◎ When a person illegally obtains someone's property by actual or threatened force.

◎ **10) Insider-Trading –**

◎ When someone uses the confidential information to trade in shares of publicly held corporations.

◎ **11) Hoarding –**

◎ Hoarding is the purchase of large quantity of commodity with the intention to sell it in future when it is under stock or not available in the market at a higher price. It is a kind of monopoly over the market, when people do not have any option to purchase the same commodity with other buyer due to shortage of the same.

## ◎ **12) Black- Marketing –**

- ◎ Black Market simply means “an illegal transaction of...”
- ◎ It refers to an illegal sale, trade, or transaction of certain goods or services almost always in cash or trade as to not leave a paper trail, or to bypass regulations.

## ◎ **Examples of Black Marketing** –

◎ I) Guns & ammunition

◎ II) Prescription medication

◎ III) Illegal drugs such as Heroin & Cocaine, military grade weapons & ammunition.

◎ IV) Ivory tusks from the elephant.

◎ V) Designer knock offs such as fake designer bags & shoes to fake Rolex watches other jewelry.

◎ VI) CDs and DVDs

◎ VIII) Human organs

◎ VII) Cell phones & other electronic devices, pornography.

### ◎ **13) Adulteration -**

- ◎ Food adulteration is an act of adding or mixing of poor quality, inferior, harmful, substandard, useless or unnecessary substances to foods.
- ◎ This act of spoiling the nature & quality of food items is considered food adulteration.

## ◎ **Milk Adulteration -**

◎ Apart from water, many kinds of liquid such as soya milk, starch, groundnut milk, & wheat flour are added to milk.

## ◎ **Adulteration of Oils -**

◎ Edible oils are adulterated with cheap oil. Besides, there have been instances of packets of sunflower, soybean & groundnut containing cheap cotton seed oil.

◎ Olive oil mixed with low-grade oils.

## ◎ **White Collar Crimes in Different Professions**

## ◎ **1) Medical And Health -**

- ◎ I) Making of false medical certificates by the doctors.
- ◎ II) Fake and intended prolong the treatment in order to increase the bills.
- ◎ III) Sex discrimination of the child by the doctors on the compulsion of the patient to gain money.
- ◎ IV) Delaying of time by doctors to increase the amount of money in the bills.

- ◎ V) Sale of sample medicines which are not allowed to the chemists.
- ◎ VI) doing & helping in illegal abortions.
- ◎ VII) providing secret services to dacoits by giving expert opinion leading to their acquittal.

## ◎ **2) Legal Profession-**

◎ I) Fabrication of forged documents.

◎ II) Threatening the witnesses of the other party.

◎ III) Violation of ethical standard of legal profession to gain money.

◎ IV) to help & assist the professional crooks & criminal gangs in arranging things & keeping himself ready with bail bond or writ of habeas corpus to avoid arrest of the gangster.

- ◎ V) to arrange the professional alibis & to find out ways and means to arrange or fix their release.
- ◎ VI) to resort to frequent strikes to press their demands & dilatory tactics in collusion with the ministerial staff of the courts.
- ◎ VII) misuse of funds of clients.

### ◎ **3) Education –**

- ◎ I) Collecting huge sums of money in the name of donations by students in order to give them admission.
- ◎ II) Merit based admission is replaced by donations.
- ◎ III) Collect huge amount of money in the name of government grants.
- ◎ IV) Fake & bogus enrollments of students.
- ◎ V) To run rackets for receiving admissions.
- ◎ VI) Many privately run institutions are virtually non-existent & are functioning as commercial shops enabling the students to get degrees on payment of huge sums in blatant violation of Govt rules, regulations & norms.

## ◎ **4) Engineering –**

- ◎ I) Under table dealings with contractors & suppliers.
- ◎ II) Passing of substandard works and materials & maintenance of bogus records of work charged labour.
- ◎ III) Construction of buildings, roads, canals, dams & bridges with sub-standard material not only endangers public safety but also results into huge loss to public exchequer.

## ◎ **White Collar Crimes in India –**

- ◎ White collar criminality has become a global phenomenon with the advance of commerce and technology.
- ◎ Like any other country, India is equally in the grip of WC criminality. Fast developing economy & industrial growth are responsible for this.

## ◎ **L.I.C. Mundra affairs**

- ◎ It was in the 1950s when, Haridas Mundhra, a stock speculator was arrested and imprisoned in the case of the **first big financial scandal** of newly independent India.
- ◎ A M. P. Feroze Gandhi was the driving force behind the anti-corruption movement which led to the imprisonment of Ramkrishna Dalmia.

- ◎ When Feroze Gandhi finally came to power he questioned whether the newly established Life Insurance Corporation had used premiums from the policyholders.
- ◎ Ultimately a committee was set up which was headed by the retired judge of the Bombay High Court, Justice M.C. Chagla which came to the conclusion that Mundhra be sent to jail on the ground of, as many as 124 prosecutions against him and 113 of them resulting in convictions.

◎ **The Report by Santhanam Committee (1962) -**

- ◎ The Santhanam Committee was the first body to recognize the intensity of the crimes committed by the people of high social standards, which was acknowledged by the **29th Report of the Law Commission released in 1972.**
- ◎ Santhanam Committee in its report on the **“Prevention of Corruption”** has talked about the reasons behind the prevalence of white collar crimes in India.

- ◎ In 1962, Lal Bahadur Shastri appointed Santhanam to preside over the committee on anti-corruption. Because of its thorough investigative work and recommendations, the Committee earned a reputation as **Santhanam's Committee on Anti-Corruption**.
- ◎ In his Code of Conduct for persons in power, authority or positions of trust in our country, he explicitly included ministers & members of Parliament and state legislatures.

- ◎ There should be no use of position for personal or family advantage, read his code; no actions motivated by considerations of party, religion, caste, or community; no unofficial dealings with businessmen or hospitality or gifts accepted from them or other private persons.
- ◎ The Santhanam committee is credited with the creation of the **CENTRAL VIGILANCE COMMISSION** in 1964 which was conferred statutory status in 2003.

- ◎ The **technological advancement & development in scientific temperament** has been assigned as the major reason behind the growth of white collar crimes. These large numbers with advanced disposition is being regulated by only a handful of elite who form the monopoly.
- ◎ The need of this technologically & scientifically advanced era is to make these masses adhere to the rules laid down by the elites to conduct them. Those who fail to do so land up becoming the offender of white collar crimes.

© The Committee concerned regarding the great damage that these crimes can cause to the public morals. These are **so complex & since people are unaware about it**, it is only the experts who can recognize such crimes & protect themselves from becoming a victim of it.

- ◎ Various committees were formed to look into white collar crimes & set up rules & regulations to prevent them & ultimately eliminate them.
- ◎ **The Report on the Commission on the Prevention of Corruption, 1964 -**
- ◎ On the recommendations by the Santhanam Committee, the Central Vigilance Commission was created in 1964. The Central Vigilance Commission is now the apex institution for vigilance, independent of any executive authority.
- ◎ Its function is **to address corruption in government offices & to monitor all vigilance under the Central Government.** This organization seeks its advice in planning, executing and reviewing their vigilance work.

- ◎ **The Report on the Commission of Inquiry on the Administration of Dalmia Jain Companies, 1963 -**
- ◎ 1930s - Dalmia Group run by Dalmia brothers.
- ◎ On the allegations of corruption against the group, **Vivian Bose Commission of Inquiry** into the affairs of Dalmila-Jain group of companies was set up in 1963.
- ◎ The Committee found that the group was indulged in collection of black money, undisclosed assets and undetermined income tax liabilities. The Commission sentenced Dalmia brothers on charges of tax evasion, perjury & criminal misappropriation of funds in 1963.

◎ **Law Commission 47th Report (1972) -**

- ◎ In its 47th report, the Law Commission said that since a corporation does not have a physical body, no pain can be inflicted upon them as a punishment.
- ◎ A corporation does not have a mind that can be accused of guilty intent and therefore new penalties should be created to punish them for their illegal and wrongful acts.

- ◎ The Commission found that the real penalty for the corporation would be to experience a curtailment in their reputation/disgrace.
- ◎ Not only the directors or managers should be punished but the corporation as well. The people should be able to link the offence with the name of the corporation also.

- ◎ The Commission recommended the **inclusion of the following provisions in the Indian Penal Code, 1860** –
- ◎ **I)** In every one of those cases where the offence has been committed by the corporation & the punishment includes imprisonment or fine and imprisonment both, the court will have the power to impose on these offender fine only.
- ◎ **II)** In every one of those cases where the offender is the corporation & the punishment for his offence can be either imprisonment and any other punishment other than fine, than in that case the court shall have the power to impose on such offenders fine only.

© III) In this section, 'corporation' should mean an incorporated company or other body corporate. It would also include firms & other association of individuals.

## ◎ **Combating Corruption –**

### ◎ **Introduction -**

- ◎ Corruption is a type of strategic action.
- ◎ Abuse of entrusted power for private gain.
- ◎ Two or more people undertake an exchange relation by way of a successful transfer of money or power which sidesteps legality or morality to regulate the relation.
- ◎ India is the 84th most corrupted country in the world.
- ◎ A corrupt society stops valuing integrity, virtue or moral principles.
- ◎ It exploits India's scarce resources & derail country's credibility & economic stability.

## ◎ **Causes of Corruption -**

- ◎ Lack of effective management and organization of administrative mechanism.
- ◎ Lack of economic stability.
- ◎ Lack of effective political leadership.
- ◎ Diminishing values in the society.
- ◎ Diminishing patriotism.
- ◎ Lack of awareness about policies and procedures.
- ◎ Low literacy rate.

## ◎ **Consequences of Corruption -**

- ◎ Loss of National wealth
- ◎ Obstruction to development
- ◎ Backwardness
- ◎ Poverty
- ◎ Authority and power in wrong hands
- ◎ Brain drain
- ◎ Rise in terrorism and crimes
- ◎ Rise in suicide cases
- ◎ Psychological and social disorders

## ◎ **Cures for Corruption in India -**

- ◎ Value education
- ◎ Effective & regular vigilance
- ◎ Responsible citizen
- ◎ Effective leadership & administration
- ◎ Strong Media support( through films, ads , serials)
- ◎ Strong Legislation
- ◎ Social organization
- ◎ Declaration of wealth & assets
- ◎ Transparency
- ◎ Dedicated & diligent leaders
- ◎ Coordination & control

## ◎ **Top Corruption Scams in India -**

◎ 2G Spectrum Scam

◎ IPL Scandal

◎ Commonwealth Games Scandal

◎ IPO Scandal

◎ Satyam Scandal

◎ Bofors Scam

◎ The Fodder Scam

◎ The Hawala Scandal

◎ Harshad Mehta & Ketan Parekh Share Market Fraud

## ◎ **Anti Corruption Laws in India -**

- ◎ IPC,1860 (Sec. 161)
- ◎ Prevention of Corruption Act,1988
- ◎ Prevention of Money Laundering Act, 2002
- ◎ Right to Information Act,2005
- ◎ Central Vigilance Commission Act, 2003.
- ◎ Lok Ayukta Acts of States (2013) etc.

- ◎ The most important legislation for combating corruption is the **Prevention of Corruption Act, 1988**.
- ◎ The Prevention of Corruption Act came into force in **September 1988**. It was an improvisation of the Act of 1947.
- ◎ Thus, if an offence against a public servant is proved in the court there will be imprisonment of not less than 6 months up to 5 years and also the person may be fined.

## ◎ **Suggestions -**

- ◎ Lokpal Bill / Effective Implementation
- ◎ Anti-corruption police and courts.
- ◎ Stringent punishments
- ◎ Anti- corruption campaigns.
- ◎ Anti- corruption Organizations.
- ◎ Self determination of not to give bribe.
- ◎ Awareness & campaigns through medias, social networking sites, road shows etc.

## ◎ **Legislations Against The White Collar Crimes In India-**

- ◎ I) Companies Act, 1960.
- ◎ II) Income Tax Act, 1961.
- ◎ III) Indian Penal Code, 1860.
- ◎ IV) Commodities Act, 1955.
- ◎ V) Prevention of corruption Act, 1988.
- ◎ VI) Negotiable Instrument Act, 1881
- ◎ VII) Prevention of money laundering Act, 2002.
- ◎ VIII) IT Act, 2005.
- ◎ IX) Imports & Exports (Control) Act, 1950.

## ◎ **Conclusions And Suggestions –**

- ◎ White collar crimes are the crimes which cause a harm to the economy of the country as a whole. It threatens the country's economy by bank frauds, economic thefts, evasion of tax etc.
- ◎ It not only affects the financial status of a country or a person but It has also a negative impact on the society.
- ◎ The various crimes such as bribery, corruption, money laundering has affected society in a negative way.

◎ **Role of Judiciary/Judicial Response –**

◎ **1) Vineet Narayan V. UOI, (1998) (Hawala Case)**

- ◎ The SC observed that the corruption cases against the public servant were often delayed due to refusal or delayed sanction by the competent authority despite the investigation agency having disclosed a prima facie case against the public servant.
- ◎ The competent authority must give sanction if it is satisfied that the material placed before it is sufficient for prosecution of the public servant.

◎ **2) Subramaniam Swamy V. Dr. Man Mohan Singh (2012) (2G Spectrum Case/16 months delay)**

◎ The Supreme Court reiterated that the time-limit of 3 months for grant of government sanction u/s 19 of the Prevention of Corruption Act, 1988 for the prosecution of public servant alleged of corruption charges, must be strictly followed without delay.

◎ **3) Jaylalitha V. UOI (1999)**

- ◎ The Supreme Court observed that, the corruption erodes the moral fabric of the society & is detrimental to national economy.
- ◎ Misuse & abuse of power by persons occupying high positions in the government has reached alarming dimensions & it has tarnished the image of the country.

#### ◎ 4) Case - R.K. Garg V. UOI (1981)

- ◎ The validity of the **Special Bearer Bonds (Immunities & Exemption ) Act, 1981** was challenged on the ground that it extended undue benefit to tax- evaders.
- ◎ The court upholding the validity of the Act, held that the Act was not intended to encourage tax-evasion in future & condone such evasion committed in past but the real object of the Act was to launch a nation-wide search to unearth undisclosed money by encouraging small incentive. The main intention was to unearth black-money so as to prevent loss to the government.

## ◎ **5) Nimmagadda Pralsad V. CBI (2013)**

- ◎ The appellant & Jagan Mohan Reddy enriched themselves for more than 40,000 crores of rupees by the Jagan Mohan's father late Dr Rajshekhar Reddy (the then CM). The CM extended undue favours to the appellant by abusing his official position and thereby allotting **18878 acres of land** to the appellant and in return he paid illegal gratifications amounting to 850 crores to Jagan Mohan & his group of companies. The illegal gratifications were paid in the guise of investments/share application money to give them corporate colour in order to escape criminal charges.

- ◎ **Measures to curb White Collar Crimes –**
- ◎ **1)** The **top investigating agencies of the country** like the Central Bureau of Investigation, the Enforcement Directorate, the Income-tax Department, The Directorate of Revenue Intelligence & the Customs Department, **needs strengthening**, by way of implementing strong regulating policies.
- ◎ The **Central Vigilance Commission** should monitor the working of the officials sitting at top positions & also cross-check their works, so as to ensure transparency in the system.

- ◎ **2) To provide proper training to the investigating officials.** Generally the ageing officers are well experienced but are not able to utilise the technology for tracking the suspect. So, every investigating officer must be trained in such a manner that, no matter how complicated the case is, they would be able to easily resolve it.
- ◎ **3) To uproot the existence of such crimes, it is very important to include strict laws** into the system. Less amount of fine & shorter period of imprisonment makes it very casual for the offenders to commit such crimes.

- ◎ **4) Fast track courts and tribunals** should be set in all the parts of the country for the **speedy disposal** of these cases. The tribunal should be provided with the power to fine or imprisonment someone who has been held guilty.
- ◎ **5)** The electronic & print media should be utilized in the right way **to spread awareness** about white collar crimes. The general people need to be aware of such crimes and that they are taking place everywhere, from a small cafe to big multinational companies. Also, they need to be **aware of the remedies they could seek** in case they become victim to such crimes.

- ◎ **6)** Stringent laws & hefty fine & long term imprisonment should be given to the offenders for committing such crimes. And for this to happen, the **Indian Penal Code, 1860 should be amended &** include provisions for the white collar crimes.
- ◎ For example, the IPC could have **a separate chapter** dealing with white collar crimes.

- ◎ **7)** The government may establish a separate body which would look into the matter of crimes & criminality prevailing in the country. The independent body could be named as the **National Crime Commission**. Since their entire work would be related only to the crimes & would be an independent body, it could work more efficiently towards reducing criminality in the country.
- ◎ **8)** There is no **proper definition of White collar crime** in Indian laws. These socio-economic crimes should not be taken leniently by the government.

- ◎ **9)** If the crime is **very heinous** the punishment might also be extended to **life imprisonment**.
- ◎ **10)** People are not aware about most of these crimes so the **public awareness** through any communication medium is also necessary.