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# **White - Collar Crime in India: An In-Depth Study**

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**ABSTRACT:** White - collar crime is a term which is used as a synonym to words like theft and fraud or we can say that non violent offences committed by any individual or organization in power , which pressurizes the social - economic structure of the nations world wide . India, a rapidly developing country is not safe from the danger of white collar crime . This paper explores the nature , commonness , and suggestions for white - collar crime . It explores it's various forms like fraud , theft , money laundering and much more. Additionally , it also discusses the governing laws and their enforcement to mitigate white collar crime in India. This Paper aims to provide observations regarding the complexities of white collar crime in India and offers suggestion regarding their avoidance .

**KEYWORDS:** White Collar , Non-Violent , Crime , Mitigate and Money Laundering

## **I. INTRODUCTION**

White - collar crime is commonly marked as deceit , manipulation and exploitation for profitableness , which poses a serious threat to India's Social -Economic Structure. While the crimes which existed from ancient times gather more attention , white collar crime are operating more carefully , posing a threat to individuals, businesses and economy of the nation as a whole . Thus , the increase of white collar crime in India is from various sectors including government, private entrepreneurs, finance and corporate . Fraud, theft , money laundering are just few examples of it .

The consequence of white collar crime extends far beyond the fraud , theft i.e. monetary losses but it is also surrounded by the erosion of public faith and degrading economic growth . Despite the government legislations like Demonetization but the enforcement mechanism remains confronted with disputes like bureaucratic paperwork , corruption and resource limitation.

## **II. OBJECTIVE OF THE PAPER**

1. To investigate the underlying causes of white-collar crimes and their impacts on society, including financial losses, erosion of trust, and economic instability.
2. To assess the current judicial system's handling of white-collar crimes and propose necessary reforms to enhance its effectiveness in preventing and prosecuting such offenses, considering technological advancements and evolving criminal tactics.

## **III. CUSTOMIZATION & EXAMINATION**

Blue Collar Crime v/s White Collar Crime :

What separates blue - collar crime from white - collar crime is that blue collar crime is committed by individuals which belong to lower section of society which directly tends towards robbery. On the other hand white collar crime is closely linked with individuals from higher sections of the society which tends us directly towards corporate fraud , complex fraud schemes, etc.

Types of White Collar Crime-

1. Fraud- A most common white - collar crime which is done in order to gain financial profitability by making an untrue representation or promises .
2. Insider Trading – A practice is commonly seen in the case of the stock market where individuals trade stocks based upon non-public , confidential information resulting in undue advantage .
3. Ponzi Schemes- A Fraudulent investment scheme that pays individuals with high returns. The returns are generally high because of the newly deposited funds of the new investors but collapse very quickly when not able to generate enough clients.

4. Identity Theft – Stealing sensitive information from the victim and using it to act on his behalf for their economic growth .
5. Embezzlement- Misusing the property by an individual for which they are originally meant by the owner .
6. Counterfeiting- Act of selling duplicated and unauthorized copy of currency. It gives us an impression that as if it is a legitimate copy of currency produced.
7. Money Laundering- Where a criminal wishes to obtain profits through illegal activities such as drug dealings and sellers of counterfeit products will make these types of money laundering schemes to hide the source of their earnings.
8. Espionage- Commonly called spying is a type of white - collar crime. For Example- An agent of a government wants to take a part of Company A. Therefore he might approach the company's employee and offer him to pay some amount if they provide a copy of the desired company's product.

#### Classification of White - Collar Crime:

White Collar Crimes are sub divided into two parts :

1. Individuals Crimes
2. Corporate Crimes

Individual Crimes: A financial Crime committed by an Individual or Group of Individual For their economic benefit. For Example Ponzi Schemes run by the individuals such as Clem: Murder and Money in the Gilded Age was the first scheme . Other Crimes in this category are Theft , fraud etc.

Corporate Crimes : Sometimes we can see white collar crimes occurred at corporate level. For Example- A company letting his employees to indulge in the Ponzi Schemes.

#### White - Collar Crime in Various Profession:

In the Field of Medical:

1. Illegal Abortion
2. Sex Determination of the Child
3. Selling of Organs of Human Body
4. Unnecessary Prolonging Medical Treatment
5. Fake Medical Certificate

In the Field of Legal Profession:-

1. Not to follow standards of the profession in order to have economic gain
2. Presenting false evidences and documents
3. Giving threats to opposition party.

In the field of Corporate Sector:-

1. Not providing minimum wages to the labour
2. Forming illegal contracts

In the Field of Education:-

1. Receiving Donations for Admissions
2. Misappropriation of Government funds and Student's Scholarships.

#### Acts Enacted By The Indian Legislature As Opposed to White- Collar Crime:

Black marketing is the most common white collar crime prevalent in Indian Businesses. Government of India has enacted various laws for the breaking of White Collar Crime .

Some of which are as follows:-

S. No Act Year of the Act

1. Companies Act 1961
2. Indian Penal Code 1860
3. Income Tax Act 1961
4. Prevention of Money laundering Act 2002
5. IT Act 2005
6. Lokpal Act 2014



#### **IV. REMEDIES / SUGGESTION TO OVERCOME THIS ISSUE**

► Mass Awareness:- against these crimes through press , platform presentations and other audio – visual aids. But apart from these the most crucial role is played by the legal education in order to eradicate this white collar crime to a great extent.

► Tribunals:- Like National Green Tribunal is created to deal with the issues related to Environment like this only for the purpose of white collar crimes Separate Tribunal must be created.

► Laws:- Although laws are already made for this purpose but that must be implemented strictly and rigorous punishments must be given by keeping in mind regarding the gravity of injury caused to society. A separate chapter regarding these crimes must be incorporated in our laws.

#### **V. CONCLUSION**

In India , White Collar Crime possesses a significant warning to Economic Stability and Faith of Individuals. From Financial gain through unproductive means and fraud often results in an erosion of Public Faith . Despite the efforts to combat such crimes through legislations but it is a serious challenge due to weak regulatory frameworks, Bureaucratic inability and deep rooted corruption in our system . Creating mass awareness , Strict Implementation of laws and Creation of Special will result in the deterrence of these crimes to an extent. By promoting ethical business practices , empowering law agencies with adequate resources would result in the mitigation of these crimes , protecting India's socio-economic structure.

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