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# Evolution of Corporate Criminal Liability in India

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## ABSTRACT

*This paper delves into the evolution of corporate criminal liability within the Indian legal framework, elucidating its legal foundation and the theories underpinning it. The exploration encompasses the conceptualization of corporate criminal liability, including Vicarious Liability, the Identification Doctrine (Doctrine of Attribution), and the Organizational Model. Through an in-depth analysis, the paper navigates through landmark judgments that have shaped the evolution of corporate criminal liability in India. These judgments serve as pivotal milestones, elucidating the judiciary's interpretation and application of corporate culpability in various contexts. Furthermore, the paper scrutinizes the evolution of corporate criminal liabilities in light of the recommendations put forth by the 47th Law Commission Report. By examining the proposed requirements and standards outlined in the report, the paper provides insight into the potential future landscape of corporate criminal liability in India. In conclusion, this paper consolidates the multifaceted aspects of corporate criminal liability, offering a comprehensive understanding of its legal framework, theoretical underpinnings, historical progression, and prospective developments in the Indian legal landscape.*

## I. INTRODUCTION

In recent times, the proliferation of Corporations has proved to be a boon and a bane in many ways. While they have become an inseparable part of our economy and contribute immensely to the development of the country, they have also brought forth a number of challenges requiring tailored legal solutions.<sup>3</sup>

There has been a departure from the long-standing view that “*a corporation cannot commit a crime.*” With this, unforeseeable and unprecedented problems have come about raising questions pertaining to the corporate criminal liability in India. Crime is generally associated with a natural person since one of the most important ingredients of any crime is *mens rea*. Thus, the question of attributing the *meas rea* or malicious intent to a legal person has been

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<sup>3</sup> Beale, S.S., 2009. A response to the critics of corporate criminal liability. *Am. Crim. L. Rev.*, 46, p.1481.

largely alien. Corporate Criminal Liability simply means the extent to which a corporation as a legal person can be held liable for the acts and omissions of natural persons who are the employees of the company. When we talk about the rationality of corporate criminal liability, it is meant to act as a deterrent and not be retributive.<sup>4</sup>

Through the years, the rationale of attributing criminal liability to corporations has come from two theories, the Derivative Model and Organizational Model. This paper shall analyse the Legal basis of Corporate Criminal Liability by exploring theories and statutes (Part A), the evolution of attributing liability in India with respect to the judiciary (Part B) and finally, the conclusion and recommendations as to the gaps that are required to be filled to make attribution of Criminal Liability to Corporations more workable and effective (Part C).

## II. LEGAL BASIS OF CORPORATE CRIMINAL LIABILITY

Criminal liability is the legal obligation or accountability to the society that is enforceable by a criminal punishment.<sup>5</sup> A company has a separate legal identity, different from its members.<sup>6</sup> While this makes it enough to hold them liable,<sup>7</sup> there are various theories that form the basis of appropriating the liability of the acts of companies' employees, directors or promoters absolutely to the legal person. Furthermore, it is also important to recognize the legality of holding corporations criminally liable under various Indian statutes.

### Theories rationalizing Corporate criminal Liability

There are twin models of appropriating criminal liability on corporations.<sup>8</sup> *Firstly*, the Derivative Model and *secondly*, the Organizational Model. Both of these are ways of imputing the requisite *mens rea* on the corporation which is a legal person.<sup>9</sup>

#### Derivative Model

The derivative model simply is the means of deriving the criminal liability of a company from the individual criminal liability of its employees by way of the connection they share.<sup>10</sup> The derivative model comprises of Vicarious Liability and Identification Doctrine.<sup>11</sup>

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<sup>4</sup> John T. Byam, *The Economic Inefficiency of Corporate Criminal Liability* (Vol. 2), 1982, pp. 582-585.

<sup>5</sup> Black's Law Dictionary (9th edition), p. 997.

<sup>6</sup> *Salomon v. Salomon & Co.*, 1897 AC 22: (1895-99) All ER Rep 9 (HL).

<sup>7</sup> John T. Byam, *The Economic Inefficiency of Corporate Criminal Liability* (Vol. 2), 1982, pp. 582-585.

<sup>8</sup> De Maglie, C., 2005. Models of corporate criminal liability in comparative law. *Wash. U. Global Stud. L. Rev.*, 4, p.547.

<sup>9</sup> Colvin, E., 1995, February. Corporate personality and criminal liability. In *Criminal law forum* (Vol. 6, No. 1, pp. 1-44). Kluwer Academic Publishers.

<sup>10</sup> Sumit Baudh, *Corporate Criminal Liability*, The Student Advocate (Vol. 10), 1988, pp. 45-46.

<sup>11</sup> Pieth, M. and Ivory, R. eds., 2011. *Corporate criminal liability: emergence, convergence, and risk* (Vol. 9). Springer Science & Business Media.

### Vicarious Liability

The concept of vicarious liability basically means that the employer will be liable for the acts of the employee. It can be best explained in the words of Lord Chelsford;

*'every act which is done by an employee in the course of his duty is regarded as done by his employer's orders, and consequently is the same as if it were his employer's own act.'*<sup>12</sup>

This maxim is based on two maxims, *First, qui facit per alium facit per se which means that he who acts through another shall be deemed to have acted on their own. Second, is the maxim of respondeat superior* which simply means let the master answer. While this maxim has been absolutely absorbed in the Tortious liability jurisprudence, its applicability in criminal law is relatively new and was rejected by the court at several instances.<sup>13</sup> Its applicability was first recognized in the case of Beneficial Finance Co.,<sup>14</sup> wherein three companies were held criminally liable for a conspiracy to bribe, for the acts of its employee, Director and its Vice-President respectively.

Over the years the courts have devised a test according to which a corporation shall be liable for a crime committed by its employees if:

- a. They commit a crime
- b. Within the scope of employment
- c. With the intend to benefit the corporation.<sup>15</sup>

Initially, the Supreme court criticised this principle in the case of *State of Maharashtra vs. M/s Syndicate Transport Co. (P) Ltd*,<sup>16</sup> for being unjust. In 2008, the court while changing its earlier stance on the principle commented that;

*"Vicarious liability of the Managing Director and Director would arise provided any provision exists in that behalf in the statute. Statutes indisputably must contain provision fixing such vicarious liabilities."*<sup>17</sup>

Thus, this principle is absolutely accepted in the Indian juridical system.

### Identification Doctrine or the Doctrine of attribution

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<sup>12</sup> *Bartonshill Coal Co. v. McGuire*, (1853) 3 Macq 300.

<sup>13</sup> *Barker v. Levinson* (1920) 2 All ER 823

<sup>14</sup> *Scoff Massachusetts*, 1971 360 Mass 188,cfWR Lafare, *Modem Criminal Law* (West Publishing Co., 775).

<sup>15</sup> *United States v. A. P Trucking Co.*, 58 U.S. 121, 79 S. Ct. 203 (1958).

<sup>16</sup> 1963 Bom. L.R, 197

<sup>17</sup> *Maksud Saiyed v. State of Gujarat*, (2008) 5 SCC 668

The second principle under the Derivative Model is the Identification Doctrine which identifies the key persons of the company, whose acts and intent can be attributed to the company. The corporation will be criminally liable only when these persons are acting within the scope of their employment.<sup>18</sup> It is narrower in scope than vicarious liability inasmuch as it doesn't cover all employees but only the main organization heads.<sup>19</sup>

The doctrine was beautifully explained in the case of *Tesco Supermarkets Ltd v. Natrass*,<sup>20</sup> as:

*“The person who acts is not speaking or acting for the company. He is acting as the company and his mind which directs his acts is the mind of the company. If it is a guilty mind then that guilt is the guilt of the company.”*

The state of mind of these persons in such organizational positions is deemed to be the state of mind of the corporation itself.<sup>21</sup> This doctrine has later come to be known as the Will theory as well.

### **Organizational Model**

The second model, the Organizational Model works on the premise that the corporation provided the environment or encouragement or corporation has psychologically supported the commission of offence and it created an environment which led to commission of crime.<sup>22</sup> It is important to highlight that this is purely academic and hasn't been recognized by the courts.<sup>23</sup>

### **Indian Penal Code, 1860 and Other Statutes**

While the question of affording criminal liability of companies has been debated by the judiciary for a number of years in various jurisdictions, the question has pertained to the viability and rationality of affording criminal liability and not the legal basis. The legal basis of affording such liability is sufficiently covered in the wide language of the Indian Penal Code, 1860.

Section 2,<sup>24</sup> lays down unequivocally that, *“Every person shall be liable to punishment under this Code.”* Under section 11,<sup>25</sup> the Code lays down the definition of a “Person”, a phrase used in majority of the offences, to include, *“any Company or Association or a body of persons,*

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<sup>18</sup> HL Bolton (Engineering) Co. Ltd. v. T.J. Graham & Sons Ltd. [1957] 1QB 159 at 172

<sup>19</sup> Smith and Hogan, Criminal Law 178 (1992).

<sup>20</sup> [1972] AC 153

<sup>21</sup> Smith and Hogan, Criminal Law 178 (1992).

<sup>22</sup> Singhvi, A., 2006. Corporate Crime and Sentencing in India: Required Amendments in Law. *International Journal of Criminal Justice Sciences*, 1(2).

<sup>23</sup> De Maglie, C., 2005. Models of corporate criminal liability in comparative law. *Wash. U. Global Stud. L. Rev.*, 4, p.547.

<sup>24</sup> Section 2, Indian Penal Code, 1860.

<sup>25</sup> Section 11, Indian Penal Code, 1860.

whether incorporated or not.” This gives the legal basis to hold a company liable for the offences mentioned under the IPC. Furthermore, there are various penal offences or crimes mentioned under other statutes for which companies can be liable like the Companies Act, 2013, the Income Tax Act, Dock Workers Act etc.

Section 149,<sup>26</sup> section 154, Section 155, section 156, Section 268 and 269 and Section 499 of the Indian Penal Code provide for attributing vicarious liability in specific circumstances.<sup>27</sup>

This liability is also invoked criminally under various enactments like the Defence of India Rules 1962, The India Army Act 1911, The Prevention of Food Adulteration Act 1954, The Drugs Act 1940, etc.

### **The Corporate Manslaughter & Corporate Homicide Act, 2007**

While the scope of this article is limited to analysing corporate criminal liability in India, it is of essence to discuss this landmark act by which the Parliament of the United Kingdom created a new offence called “*Corporate Manslaughter*”.<sup>28</sup> While a corporation is regarded a Juridical person in UK and is capable of committing criminal offence, there has been a lot of problem in fixing the required *mens rea*.<sup>29</sup> The identification doctrine was recognized and consequently, corporation was liable for acts of employees having required seniority.<sup>30</sup> This is the first act which clearly makes a corporation criminally liable in cases where the way of organization’s management;

- Causes a person to die or;
- Amounts to a gross breach of relevant duty of care owed by the organization to the deceased.<sup>31</sup>

This forms an Indictable offense,<sup>32</sup> wherein the activities of “Senior Management” are of essence.<sup>33</sup> The penalty of the act includes remedying any breach,<sup>34</sup> and sentencing as per the steps issues by the Sentencing Guidelines Council in 2016 along with a fine to the tune of £300,000 or more.<sup>35</sup>

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<sup>26</sup> *Munivel vs. State of T.N.* AIR 2006 SC 1761.

<sup>27</sup> KD Gaur, *Criminal Law: Cases and Materials*, 4<sup>th</sup> Ed., 2005, p 183.

<sup>28</sup> *Understanding the Corporate Manslaughter and Corporate Homicide Act 2007*, Ministry of Justice. Archived from the original (PDF) on 25 October 2007, Available at <https://web.archive.org/web/20071025031113/http://www.justice.gov.uk/docs/manslaughterhomicideact07.pdf>.

<sup>29</sup> *Tesco Supermarkets Ltd v. Natrass* [1972] AC 153

<sup>30</sup> *Attorney General's Reference (No. 2 of 1999)* [2000] QB 796, CA

<sup>31</sup> Section 1 (1) of the Corporate Manslaughter and Corporate Homicide Act 2007.

<sup>32</sup> Section 1 (6) of the Corporate Manslaughter and Corporate Homicide Act 2007.

<sup>33</sup> Section 1 (3) of the Corporate Manslaughter and Corporate Homicide Act 2007.

<sup>34</sup> Section 9 of the Corporate Manslaughter and Corporate Homicide Act 2007.

<sup>35</sup> Available at <https://www.sentencingcouncil.org.uk/wp-content/uploads/HS-offences-definitive-guideline->

### III. EVOLUTION OF CORPORATE CRIMINAL LIABILITIES

The evolution of Corporate Criminal Liability and development of jurisprudence can be mapped out with the help of a few important case laws. The law has evolved from the position that a company cannot be prosecuted for offences that require imposition of a mandatory imprisonment,<sup>36</sup> to the position that the *mens rea* of the 'alter ego' of the company (i.e. the person or group of people that guide the business of the company) will be imputed to the company as laid down by the Supreme Court in Iridium case.<sup>37</sup>

#### Indian Judiciary on corporate criminal liability

There are two basic legal questions regarding corporate criminal liability, penalty and intent. The development of jurisprudence also centres on the court's understanding of these issues.

In *State of Maharashtra v. Syndicate Transport*,<sup>38</sup> the Supreme court held that corporations cannot be prosecuted for offences entailing consequences of imprisonment as the same is an unnecessary exercise. In the same lines, the court again noted in *Assistant Commissioner v. Velliappa Textiles Ltd*,<sup>39</sup> that when a provision entails a punishment of mandatory imprisonment coupled with fine, it would be wrong to punish a corporation by merely entailing a fine.

In *A.K.Khosla v S.Venkatesan*,<sup>40</sup> the court established two pre-requisites for the prosecution of corporate bodies;

- Attribution of mens rea
- Ability to impose the mandatory sentence of imprisonment

But a major breakthrough came in when the Allahabad High Court found that while a company cannot be imprisoned, in offences prescribing a mandatory imprisonment and fine, a fine may be imposed as “A sentence which is in excess of the sentence prescribed is always illegal, but a sentence which is less than the sentence prescribed may not in all cases be illegal.”<sup>41</sup>

While baby steps were taken by the judiciary sometimes against and other times towards corporate liability, in the Landmark case of *Standard Chartered Bank and Ors. v. Directorate*

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<sup>36</sup> *Asstt. Commr. V. Velliappa Textiles Ltd. (2003) 11 SCC 405*

<sup>37</sup> *Iridium India Telecom v. Motorola Incorporated and Others (2011) 1 SCC 74. Also see Standard Chartered Bank v. Directorate of Enforcement (2005) 4 SCC 530, Lee Kun Hee, President. Samsung Corpn., South Korea vs. State of U.P. (2012) 2 SCC 132 and Aneeta Hada vs. Godfather Travels and Tours (P) Ltd. (2012) 5 SCC 661*

<sup>38</sup> *State of Maharashtra v. Syndicate Transport, 1963 Bom. L.R, 197.*

<sup>39</sup> AIR 2004 SC 86.

<sup>40</sup> Cr LJ. 1448, 1992

<sup>41</sup> *Oswal Vanaspati & Allied Industries V State Of Uttar Pradesh (1993) 1 Comp. LJ 172*

*of Enforcement and Ors.*,<sup>42</sup> the supreme court settled the questions clearly and held that there is no blanket immunity for any corporation from the prosecution of offences and the corporations should be punished with a fine for offences entailing a mandatory imprisonment with fine. This view was also maintained by the court in *Iridium India Telecom Ltd v. Motorola Incorporated Co.*<sup>43</sup>

Now, regarding the question of *mens rea*, the courts in India have generally favoured the Identification model wherein the acts by the Alter-ego of the company are attributed to it. Courts have always agreed that Corporations can be liable for crimes requiring mens rea.<sup>44</sup> In *Standard Chartered Bank Case*, the bench clarified that while in offenses requiring no mens rea, corporations and natural persons stand on the same footing, when requiring intend;

*“A corporation may be criminally liable for the acts of an officer or agent, assumed to be done by him when exercising authorised powers, and without proof that his act was expressly authorised or approved by the corporation...”*<sup>45</sup>

Vicarious liability of the company would arise only when the statute provides.<sup>46</sup> Finally, in the Landmark case of *Sunil Bharti Mittal v. CBI*,<sup>47</sup> dealing with reverse liability, reiterating *Iridium India Telecom Ltd v. Motorola Incorporated Co.*,<sup>48</sup> the Supreme Court clarified that;

*“40. It is abundantly clear from the above that the principle which is laid down is to the effect that the criminal intent of the “alter ego” of the company, that is the personal group of persons that guide the business of the company, would be imputed to the company/corporation. The legal proposition that is laid down in the aforesaid judgment in Iridium India case [Iridium India Telecom Ltd. v. Motorola Inc., (2011) 1 SCC 74 : (2010) 3 SCC (Cri) 1201] is that if the person or group of persons who control the affairs of the company commit an offence with a criminal intent, their criminality can be imputed to the company as well as they are “alter ego” of the company.”*

Thus, the settled position is law is that a corporation will be held criminally liable when the statute prescribes for vicarious liability like foreign exchange regulations, tax, labour and environment laws and when the intent of the individual can otherwise be attributed to the corporation.

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<sup>42</sup> AIR 2005 SC 2622

<sup>43</sup> (2011) 1 SCC 74

<sup>44</sup> State of Maharashtra v. Syndicate Transport, 1963 Bom. L.R, 197.

<sup>45</sup> Standard Chartered Bank v. Directorate of Enforcement, (2005) 4 SCC 530

<sup>46</sup> Maksud Saiyed v. State of Gujarat, (2008) 5 SCC 668

<sup>47</sup> (2015) 4 SCC 609

<sup>48</sup> (2011) 1 SCC 74



### **Individual Criminal liability**

The question of Individual Criminal Liability for corporate offences is a necessary corollary of corporate liability. Such liability is ensued in two ways. *Firstly*, through express provisions under the statute like Sections. 45, 63, 68, 70(5), 203, etc of the Indian Companies Act and *Secondly*, through the lifting of corporate veil.

#### **Doctrine of Responsible Corporate Officer**

In India, the law presumes that a director of the company cannot be in charge of its everyday affairs.<sup>49</sup> Thus, whenever a criminal act is committed by an employee in the course of employment, no person immediately becomes liable but only those who are in charge of and responsible for that particular act or employee. This is the rationale with which the legislature has provided for provisions titled ‘Offenses by Companies’ under various statutes.

Thus, to escape individual liability they must prove that the act was done without their knowledge and even after exercising all due diligence for its prevention.

The doctrine of Responsible Corporate Officer holds a corporate officer liable for violations committed by a subordinate. It is applicable only when the officer occupies a position of senior management having responsibility and authority and fails to prevent a violation even with such powers.<sup>50</sup> The ingredients are described as under;<sup>51</sup>

- (i) that “the prohibited act took place somewhere within the company”;
- (ii) “the defendant’s position within the company was one that gave him or her responsibility and authority either to prevent the violation or correct it”; and
- (iii) that he or she did not do so.<sup>52</sup>

They can escape the liability only when even after exercising all due diligence they could not have knowledge of the offense or were unable to prevent it.<sup>53</sup> The test is that of a reasonable person.

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<sup>49</sup> Maksud Saiyed v. State of Gujarat, (2008) 5 SCC 668

<sup>50</sup> *U.S. v DeCoster*, 828 F.3d 626 (8th Cir. 2016)

<sup>51</sup> Michael W. Peregrine *et al.*, The “Responsible Corporate Officer Doctrine” Survives to Perplex Corporate Boards, Harvard Law School Forum on Corporate Governance, 2017, Available at <https://corpgov.law.harvard.edu/2017/07/05/the-responsible-corporate-officer-doctrine-survives-to-perplex-corporate-boards/#4b>.

<sup>52</sup> U.S. Food & Drug Admin., Inspections, Compliance, Enforcement, and Criminal Investigations Compliance Manuals 6-5-3 (2015), available at <https://www.fda.gov/iceci/compliancemanuals/regulatoryproceduresmanual/ucm176738.htm>.

<sup>53</sup> *United States v. Dotterweich*, 320 U.S. 277 (1943); *United States v. Park*, 421 U.S. 658 (1975)

### Lifting of corporate veil

An incorporated company is clothed with a distinct personality by fiction of Law,<sup>54</sup> independent of the natural persons comprising it.<sup>55</sup> But in some cases the court can apply the principle of “lifting or piercing the corporate veil” and look behind the corporate entity,<sup>56</sup> when required.<sup>57</sup>

Applying the principles mentioned above, courts have pierced the corporate veil to tax underlying assets of a company in cases of crimes like fraud, sham, tax avoidance, etc. This has been done in cases like *Vodafone International Holdings v. Union of India*<sup>58</sup> and *Commissioner of Income Tax v. Sri Meenakshi Mills Ltd., Madurai*.<sup>59</sup>

In *Life Insurance Corporation of India v. Escorts Limited and Others*,<sup>60</sup> the Court pointed out four key instances when the veil can be pierced

- a. where a statute itself contemplates lifting of the veil
- b. where there is a fraud or improper conduct intended to be prevented
- c. where a taxing statute or a beneficial statute is sought to be evaded, or
- d. where associated companies are inextricably as to be, in reality part of one concern.

Expanding upon the Individual liability for corporate offences, *Sunil Bharti Mittal v. CBI*,<sup>61</sup> clarified that;

*43. Thus, an individual who has perpetrated the commission of an offence on behalf of a company can be made an accused, along with the company, if there is sufficient evidence of his active role coupled with criminal intent. Second situation in which he can be implicated is in those cases where the statutory regime itself attracts the doctrine of vicarious liability, by specifically incorporating such a provision.”*

The court in *R. Kalyani v. Janak C. Mehta*,<sup>62</sup> opined that when a person is made vicariously liable for the corporation’s acts, the company must also be made an accused.

## IV. CONCLUSION

The concept of corporate criminal liability, while absorbed, is still being refined in India as well

<sup>54</sup>*Gallagher v. Germania Brewing Co.*, (1893) 53 Minn. 214

<sup>55</sup>Lord Parker in *Daimler Co. Ltd v. Continental Tyre & Rubber Co. Ltd*, [1916] 2 AC 307

<sup>56</sup>Dr. N.V. Paranjape, *Company Law*, (3<sup>rd</sup>edn., Central Law Agency, 2005)

<sup>57</sup>*Life Insurance Corporation of India v. Escorts Ltd.*, [1986] 59 Comp. Cas 548 (SC)

<sup>58</sup> *Vodafone International Holdings B.V. v. Union of India & Anr.* [S.L.P. (C) No. 26529 of 2010, dated 20 January 2012].

<sup>59</sup> AIR 1967 SC 819.

<sup>60</sup> (1986) 1 SCC 264.

<sup>61</sup> (2015) 4 SCC 609

<sup>62</sup> (2009) 1 SCC 516.

as in other jurisdictions. The Indian legislature through the Companies Act, 2013 and the Judiciary through various landmark judgments are trying to make it workable. The problem is that there are various deadlocks and gaps.<sup>63</sup> Firstly, regarding the question of penalty and imprisonment majority of provisions provides mandatory imprisonment for a person including company,<sup>64</sup> and thus, the court finds itself in a difficult situation. While the courts have found a workable solution like reading down the mandatory imprisonment for juristic person by virtue of the doctrine of harmonious construction for offences under Section 141 of the Negotiable Instruments Act, 1862.<sup>65</sup> Section 7 of the Essential Commodities Act,<sup>66</sup> and Section 276-B of the Income Tax Act,<sup>67</sup> the penalty so prescribed remains inadequate. Furthermore, the courts seem to have divergent and unsettled views regarding attribution of mens rea for different crimes.

Thus, pursuant to the 47<sup>th</sup> Law Commission report,<sup>68</sup> the following steps need to be taken:

- a. Various provisions such as Sections. 45, 63, 68, 70(5), 203, etc of the Indian Companies Act should be modified to hold the company liable and not only its officials.<sup>69</sup>
- b. The judges should have discretion to impose fine according to the gravity of the offence, involvement of the corporation and the quantum of loss. In the words of the Law Commission;

*“In every case in which the offence is punishable with imprisonment only or with imprisonment and fine, and the offender is the corporation, it shall be competent to the court to sentence such offender to fine only.”<sup>70</sup>*

- c. The legislature should enact specialized acts like The Corporate Manslaughter & Corporate Homicide Act, 2007 delineating the conditions for holding corporations criminally liable.
- d. Legislature should specify punishments for corporations based on Economic and Social sanctions to make a Corporate Sentencing Model.

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<sup>63</sup> Martín, A.N. and de Morales, M.M., 2014. Compliance Programs and Criminal Law Responses: A Comparative Analysis. In *Preventing Corporate Corruption* (pp. 333-362). Springer, Cham.

<sup>64</sup> Section 447 of Companies Act, 2013 Act, Section 420 of The IPC, 276B of The Income Tax Act etc

<sup>65</sup> Balaji Trading Company v. Kejriwal Paper Ltd. and Anr., 2005 CriLJ 3805.

<sup>66</sup> State of M.P. v. N. Singh, MANU/SC/0545/1989.

<sup>67</sup> M.V. Javali v. Mahajan Borewell & Co., MANU/SC/0975/1997.

<sup>68</sup> The Trial and Punishment of social and economic offences, 47<sup>th</sup> Report, Law Commission of India, Available at <http://lawcommissionofindia.nic.in/1-50/Report47.pdf>.

<sup>69</sup> Singhvi, A., 2006. Corporate Crime and Sentencing in India: Required Amendments in Law. *International Journal of Criminal Justice Sciences*, 1(2).

<sup>70</sup> *Supra* at Para 8 (3).

- e. Various penal statutes should have special provisions providing for the ingredients for attribution of criminal liability on the corporations.

There are various new dimensions in which corporate criminal liability is necessarily attracted.<sup>71</sup> These new crimes include,<sup>72</sup> E-commerce Fraud, Cloud computing fraud, social media fraud and Virtual currency fraud. The Legislature should frame specialized laws for potential unprecedented offences.

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<sup>71</sup> New E-Scams & Warnings, FBI, Available at <https://www.fbi.gov/scams-and-safety/on-the-internet>.

<sup>72</sup> Deloitte India Fraud Survey- 2014; Available at: <http://www2.deloitte.com/content/dam/Deloitte/in/Documents/finance/in-finance-annualfraud-survey-noexp.pdf>