

Impact of Socio-Economic Offences in India : Analyzing Legal Mechanisms for Prevention and Redress

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Abstract : India is a developing country as it is on its path of development the increment in the crime rate is parallel to the success rate of this country. The offenders have found the new ways to commit the crime one of these new crimes is socio-economic offences these crimes affect the country's economy though there are penalties available for these crimes but they are increasing at a quick pace because the legal penalties are not harsh. This article deals with the History of socio-economic offences in the country as well as growth and their characteristics and impact of these offences and legal mechanisms and recommendations of different committees available to deal with them also the futuristic approach to prevent these crimes.

Keywords: Socio-economic offences, Legal Mechanisms, Economy, Committees.

Introduction - In the view of Blackstone, 'a crime is an act committed or omitted, in violation of a public law either forbidding or commanding it'. A crime is basically an act which a particular social group regards as sufficiently harmful to its fundamental interests¹. The offenses that impact a nation's social and economic circumstances are known as socio-economic offenses. They have a wide-range impact on many people. It has an impact on society's morals and social well-being. This kind of crimes affect the nation's economy as well. In socio-economic crimes, mens rea is not strictly necessary. These crimes include, for instance, tax evasion, food and drug adulteration, black marketing, medical malpractice, etc. Socio-economic offenses and white collar crime are thought to be interchangeable.

Socio-Economic Offences In India Throughout History : During the vedic period the society was based on agriculture and cattle most commonly committed socio-economic offence in that era was usury (Excessive interest) which was charged by the moneylenders on loan in the Mughal era the Mughal's introduced mansabdari system the officials were corrupt and extorted peasants and merchants under the reign of Aurangzeb. Aurangzeb also increased tax on agricultural produce which led to the non-Muslims and the lower caste person also face social and economic injustice which included low wages and forced labour also merchants started adulteration of goods and also started using false weights to cheat the customers. The scarcity of essential commodities and dishonesty gave rise to socio-economic offences in the country after world

war 2nd the division of the society also led the emergence in the nation also the few forms of economic offences emerged as a result of the quick industrialization. In order to obtain illicit financial benefit a group of people indulged themselves in the activities of manipulating accounts and misuse of government's license and permits to obtain illicit financial gains.

Characteristics of Socio-Economic Offences :

- These crimes are graver in nature than the traditional offences as the traditional offences only affect health and material welfare of an individual but the offences crumble the social fabric and economic structure of the nation.
- The motive behind these offences is greed of money and not hate or lust like the traditional offences.
- These methods of committing these offences are fraud or either misrepresentation the act is deliberate and willful.
- These offences are done by the offenders during the course of their business, trade or profession.
- The socio-economic offences emerge from the corrupt mind unlike the traditional offences which emerge as an outcome of guilt and criminal mind.

Legal mechanisms to combat Socio-Economic Offences in India

a) Drugs and Cosmetics Act 1940 : Section 13 of this act punishes the offence committed under section 9a, 9b and 9d which are related to adulteration of drugs, spurious drugs and spurious cosmetics or any cosmetic referred in

clause (ee) of section 10 of this act with imprisonment for a term which may extend to 10 years and fine which may extend to 5 thousand rupees .

b) Prevention of Corruption of Act : Section 7 of this act punishes a public servant who accepts bribe with imprisonment which is not less than 3 years but which may extend to 7 year and a fine .The investigation process for corruption cases is given under section 17 of this act which says that in the case Delhi special police establishment of an Inspector of Police, in the metropolitan cities Calcutta , Madras , Ahmedabad , Bombay and in any other metropolitan area by assistant commissioner of police or for any other place by deputy commissioner of police or officer of equivalent rank can investigate any offence without metropolitan magistrate or magistrate of first class order and make a arrest without warrant but no official other than who is approved can conduct investigation or arrest without obtaining order from metropolitan magistrate of first class.

c) Essential Commodities Act 1955 :Section 7 of this act is provides penalty for contravention of any order made under section 3 of this act where order is made with reference to clause(h) or clause(i) of sub-section(2) is punishable with imprisonment which may extend to 1 year with fine and in case of any order imprisonments shall not be less than of 3 months but can extend to 7 years with fine.

Dowry Prohibition Act 1961 : sub-section (1) of section 3 of this act punishes any person who gives or takes or abets giving or taking dowry with imprisonment of which shall not be less than 5 years and also with fine shall not be less than 15000 rupees or amount of value of dowry whichever is more if the court has punished the offender with imprisonment of less than 5 years then it must record special reasons in judgement. Section 7 of this act provides that no court inferior than of judicial magistrate first class or metropolitan magistrate shall try offence committed under this act . Section 8b of this act provides the appointment of dowry prohibition officers by the state government the officers appointed under this section shall have powers and functions which are to see that provisions of this act are complied.

Reports of the Committees To Combat Socio-Economic Offences

a) Mitra Committee Report 2001 : The committee was set up by the reserve bank of India under the chairmanship of N.L Mitra the committee submitted it's report on 31 august 2001 the committee recommended to set up separate institution to investigate serious financial frauds also suggested to amend the Indian penal code 1860 and to include definition of financial fraud and it's punishment and amendment in evidence act of 1872 for presumption for presumption of intention of the party or parties committing or abetting financial frauds the committee suggested that there should be a separate act to deal with financial frauds should be dealt with financial frauds and said that serious

financial frauds should be dealt on the basis of criminal justice act 1978 of united kingdom the committee further suggested to set up separate institution to deal with financial frauds and establishment of office of director and multi-disciplinary under his chairmanship and the committee recommended the set up of special court with judges well versed in the economic system , regulatory mechanism and marked function to try the accused who has committed financial fraud to provide speedy justice in the case of serious financial frauds.

b) Mashelkar Committee Report on Spurious Drugs

2003: The committee was formed under the chairmanship of Dr R.A Mashelkar the committee consisted prominent lawyers , renowned scientists and retire police commissioners as it's member the controller general drugs (India) acted as member secretary and drug manufacturers , consumers and professional associations were also inducted as members. The committee recommended new structure for the drug regulatory system the committee identified certain problems in regulatory system due to non-uniformity of enforcement , shortage of drug inspectors inadequate testing facilities , non-existence of data bank and non-availability of information. The committee also recommended measures to strengthen drug regulatory infrastructure in centre and state the committee said the restructured central drug administration should have 10 main division at headquarters having adequately trained manpower the committee also suggested that the central drug administration should be made and independent office under ministry of health and family welfare.

c) The National Law Commission 47th Report : The report of the committee recommended to exclude probation in the socio-economic offences and also suggested the state suggested the state instrumentalities engaged in the investigation , prosecution and trial of socio-economic offences must stick to the philosophy which considers economic offences as gave threat to the material wealth of the country .

Impact of Socio-Economic offences in India :

a) Loss of Public Faith : The offences lead to the loss of public faith in country's financial system people withdraw their money from the market and are afraid to re-invest it which leads to the downfall of economic growth of the country.

b) Foreign Investments : The foreign investors are less likely to invest the money in the country where socio-economic offences are committed and also pull out their invested money from the countries market.

c) Strain on the Government Resources : The offences put a strain on the government funds and efforts because the investigation procedures in these crimes is very typical the funds used to investigate these crimes could have been used for the welfare of the public these crimes leads to the devastating impact on the nations economy and discourages investors from investing their money in the

market this makes a long term impact on the national economy .

Conclusion & Suggestions : The socio-economic offences have become a grave danger for the country as they destabilizes the economy of the nation and also brings inequality in the society these offences effect the countries growth and are increasing at a very rapid pace there is need to use the modern technology to investigate these crimes and need to draft strong legislations to punish the offenders who commits socio-economic offences these crimes can also be combated by educating countrymen's and promoting institutional reforms the society must be made aware of these crimes and media and the educational institutes have a crucial role in this in this the combat against socio-economic offences can only be won with the help of all sectors of the society by this India will able to prevent the socio-economic offences and will see economic growth and equality in the society also the provisions for the death penalty should be introduced for the white-collar criminals as suggested by justice V.R Krishna Iyer .

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