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LAW COMMISSION OF INDIA  
  
TWENTY NINETH REPORT  
  
ON  
  
PROPOSAL TO INCLUDE CERTAIN SOCIAL  
AND ECONOMIC OFFENCES IN  
THE INDIAN PENAL CODE  
  
1966  
  
  
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Page 8:  
INTRODUCTORY  
1 The circumstances in which the preperation of this tne f  
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Report waa undertaken may be the Gove = Reva  
frtment of India apposed i [062s Cotitieo 10 view  
the problem of corruption and to make ions on  
  
various matters connected therewith. One of the. terme  
of reference of the Comitiee was, “To ‘changes  
in the Taw which would ensure speedy trial of cages sof  
  
ibery, corruption and criminal miseoaduet and male the  
law otherwise more effective!"  
  
Dealing with this, the Committeo\* made the following  
  
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“73, Amendments to the Pndlan Penal Code  
  
‘Repos of the Sencnain Cheat, pi ky sae 7"9 wd  
  
  
Page 9:  
crimes consist of offences agains  
perry of State, "However, tbe “see not  
EEL’ any salectery ineooer with acta which  
may be described aa social ofences having regard  
{othe special ctcumstanees under which they are  
Scmmitied, and whieh have now become a  
  
fant feature af certain powerful sections of  
‘modern soctety.™  
  
2. The Report! of the Santhanam Committee broadly  
ceategurised the offences as follows:  
  
8) Ones exhenated te prevent of cbrract  
the economic rot the country and en  
{Eager hs econsaie beat:  
  
(2) Bvmson and avoidance of tee tly So  
  
(9) Misuse of their pesiton by public sereots in  
pak of Gort aa ipo “epic propery  
‘ Hcences mad permits and similar other  
  
(@) Delivery by individuals and industrial and  
commercial undertaking of goods nt In accordance  
‘with agreed specications in falhment of contracts.  
catered into with public authorities;  
  
(6) ProSteering, black-marketing und hoarding,  
(6) Adulteration of foodatufts and drups;  
  
2) heft a mi of  
aoa Sa? isappropriation of public property  
  
(oy Tring ewer, et ee”  
  
e should be anderiaken by 2  
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4, The Government decided, that the matte should be  
considered bythe Law Commission, ahd. refered the  
  
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Page 10:  
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‘above proposal of the Santhanam Committee to this Com-  
‘niles “ag the revision ofthe Indian Penal Code was  
tinder the Commision consideration. That is the genene  
sre decided to deal it k egpary trea eke” gene  
Se decided to deal wit rom the. gener  
‘evision of the Indian Penal Code  
  
5 2s onder ko facta our consideration ofthese  
ect, we have studied the various special enactments rel  
ting to the offences in question, the penal laws of several  
‘other countries and the literatire avelable on the sul  
ject, including. ‘the. Reports of several’ Committees. A  
  
The proposals of the Santhanam Committee were cir.  
  
{ulated by us for comments to State Governments and  
Courts, and several other persona and bodies. ‘We  
  
(abe conde ch one of thawte deta The  
  
Important points made in some of the comments. Wi  
  
deat with in the Report under the ‘relevant categories  
  
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218, The advance of technological and scientific  
development’ “is contributing to" the em of  
  
aso focety”, with a large Tanke and fle and a small  
‘gontrolling elie, encouraging the growth of snonopo-  
lis. the rite of managerial clase and intricate itt  
  
‘economic processes. The inability of all” sections of  
society to appreciate In fall tha need Test nthe  
2 renders tof the laws, themselves  
  
> Grimes, forcement  
~~ 7 not suiticientiy deterrent, more dificult. “This type of  
  
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Page 11:  
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imate ahd admflstraon of companies, nono  
  
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hoarding, proftecring, sub-standard performance  
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Sconomic laws, bribery and’ ‘cetuption lection  
fences and tabprocets "are some cxaiples ot  
‘ohite-collar crime  
  
“214. Corruption can exist only if there is some  
one willing to corrupt and capable of  
  
tovcorrupt is found in a large measure ia the ind  
and commercial classes, The ranks of these classes  
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nd comnercal clases t «ajar Seapediment tn  
‘purfication of puble Mts. If sot-corruption sti  
are to be suctesstel, faint be recognised that tis ae  
  
  
Page 12:  
Important to fight these unscrupalous agencies of cor-  
Fuption a5 to eliminate corruption inthe’ public. Ser-  
vices. In fact they go togetben=  
  
lege Report sem to niet, that snny af the cor sea”  
wi \*scoms fo indicat, 9 ofthe fer  
  
‘es Which that Committe had to'mind were cameswatat. ™™=™  
I'known as whitecalar engs. "We, thefefore  
  
A dics the problem of whitéollar cme In deta  
  
8, Im recent times the problem of white-collar crime Rrbem of  
thas” eceived considerable aliention. \*White-oller 2meo™™e  
ceime" has been defined approximately as a crime com=  
Initted by a person of respectability and high soclal states  
in the course of his occupation®. The emphasis is on the  
onnection ‘with occupation. ‘The coromiseion of a crime of  
fs ctegory fainted by the ace, calling. rofetion  
for vocation of the individual’ concerned. Whitecollar  
sean, esl comes ike marr, adlery and  
  
ication, even if commit of the.  
clas, since these have nothing to do with thelr occupation  
  
2. Tha object of thowe who had drawn attention to the  
prevalence of whitecalar crime was go educate the  
Thout the harry caused to the society by such erme,  
Pmt out that these mer should best the’ aime’ moral  
igme as acts regarded as crimes ateording to the orthe-  
fer he diferental upplemeatation ofthe aw tn the  
  
we diferent ton re inthe. area  
of whitecollar rites wan” the. “relatively” unorganised  
  
arte The  
  
(@) The violations of law in much cases  
pilex, and can be appreciated only by experts,  
  
() The public agencies of communication (like  
the en no expe thy npn mrad ent  
iments of the community, partly because the crimes  
ire oped ao cnidt be say een"  
ws, Bae ‘greater degree because  
coca of communfeaton are hemaclves controlled  
Sy tuner involved inthe violations ot many ‘of  
  
(©) The laws for the regulation of business belong  
to a relatively new and art of the statutes  
Pan. 6 oe  
  
Subetan, Whie-Calae ime $e ao Suan  
ana Gree, rips of Crna Coeeh a a8  
  
\*Surheand, Whe-Colr Crime, (104s Dae 42  
See Sutherand, White-Cotlar Grime (Inq pase 90-51.  
  
  
  
Page 13:  
bocning 10 Attention was focussed on the problem of white-  
‘itoteass colle crime in England and the US.A. after’ the "First  
‘Thie-our World War, when 1 was realised tbat losses resulting freen  
Ems inte business frauds far exceeded those from. the oflences  
Sar stains property tht were pnlaeble ander the crthodor  
notions Gf crime, It was the Anancler, not the. gangster,  
  
tw Was the greater public [AS defined by Suter?  
  
nd, white-collar crime ia a "violation of the etminal Inw,  
‘socioeconomic clas in the course  
  
Later, he seems to have added 2 refinement to the deft.  
nition, by defining a white-collar criminal as "a person of  
the upper socio-economic class who violates the’ criminal  
  
law in the ‘course of his eccupational or’ Professional  
activities”  
  
He pita out, that witecalar crine was more  
  
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‘nest’ “in the social position’ of the two types. of offenders”,  
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‘Thurman Aros Flow of Gp, per 276  
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ggth ne ea) Wine ead Bete Se  
‘Sey Aas of he. Areca Academy of Pa md Sol Since  
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Sesh Suberand, “ Whie-etar Ceininatey", (940, Ameri  
Soci Revers Paes 1  
  
‘Acca te Amecign, Aste of Poi ad Soc Slee,  
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‘unten: se exception toh  
  
ee Subetuad, + Amin. Socidopest  
Revie Cb et  
  
  
  
Page 14:  
\_Wratecallar rig, saad, gos nde Dena  
st “transcends i cheating practices  
ot small merchants". It can, however, be gathered. from  
‘eports of fnvestgnting committees oF trom conversation  
Riv intimate friends, we:  
  
12 ‘That white-collar erume ia essentially connected. with Decigson  
soci wats has en brought out i the following sep img  
‘Hon given by # weiter on Criminology\*:  
  
“White-collar crime Is moet distinctively defined io  
terme of atttudes toward thoge who commit it. White  
  
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seriousness can white-collar crime be wholly we  
  
from other crime. Nevertheless the sottewhat x  
tincive atitudes and polis toed the ofender in  
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lasses accept. Whiteoller crime ie attractive because  
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Page 15:  
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18, Problems similar 1o white-collar crimes had arisen a  
‘ar back as the 18th century. ‘The “South Sea Bubble” led  
1o the Bubble Act of 1720), whicn may be ited as example  
ap fort Sy the Lepitare to deal with “aud on a big  
Scale Serpetrited by unscruplous persons", Bus the  
  
tis of ah cnne® and tele ete mamiost ons "were  
seen more acutely after the First World War.  
  
2 Cova secs of whiteclles cre have, recived  
special altsntion in England, One example i, “share-puste  
ing’ (victimisation of the publie by fraudslent dealings in  
Stocks and shares)”, Legislation penalising this malpractice  
Was coached in 10000  
  
‘There are similar provisions in the Company Law in  
teat P pany  
  
15, Another example of legislation relating to white-  
colle cin Egulnb we Prices of Goode Nel 100,  
Ses Sein ch aun ft ay got  
  
the price of which was regulated, at price  
  
slorsed price”,  
  
16 aration tras hava eon ropardad a an oe  
tant king of whltecolar crimes, and Legislatures in all  
‘untties Bave been constrained to go on adding more end  
‘hore atringont provisions in the law relating 10 taxation,  
‘so to bring. within theie net traneactions which, imder  
the peecexisting nw, werw not taxable. The problem as:  
‘Sted portance in England tthe fore  
  
Brewent purpose, His not  
  
Uiference Between’ “taxcevasion® ‘and “tax-avoieance™.  
‘Tue former fs 2 breech ofthe lave, while the Tater” aiees  
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Page 16:  
1. Other types of activites on which attention has ben Resbre  
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pratices ough the  
Brit troa as ant rst Iepalaton” nthe United  
Staten of Americ  
  
28, Anact trom thes sttatny proviona there isthe Coping.  
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Scope tnd aplication of whic my be  
  
‘over many fraudulent transactions ot covered by spec  
  
Se criminal statutes!  
  
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gure aisha as ciel sat  
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taht ies arash cai  
cin och “Bede Rae ae  
  
Tordo that act Hela eto Incite ims ke  
the lew of dhe tan en offence”, ”  
He further observed, thas boon aptly deo  
  
crbed Ss divisite under three Heaaste—  
  
si he ono be aie i in ul rie:  
where the object A ots  
1h thou i that injury wore eatocted by angle  
rake! Somer aL 3 ere Ss ee  
aS ny Go Ps ti eae any Ng tt  
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ee Irae rt ae  
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(Se Aopen Yo fr tied ii.  
Paral nl crs 8) Go gt  
  
\_ oD Tate ee  
  
  
  
Page 17:  
individual tt would be « clvil wrong bat not a crimé-  
nal ‘the object ix awful, but the means 10  
be resorted 10 are unlewful...... The law of cons-  
Piracy ts not am invention of modern times. Its part  
  
{iy it ha existed trom tie tame,  
  
swhilesollar crime wat made current” by Salheriand  
Get tom te sige gamle roupe whieh  
we pe whlch ex  
[ed the sored conocer 1 Ge deiment ot  
  
Sueded 20, In is book “Whitegollor erie!” Sutherland exa-  
Sma" sained the criminal schivites of 70 of the biggest  
  
{tion in America, tn ention ont ibe fad  
The Woes of lew Seaing by then’  
(0) Reateaot af trade,  
  
(2) Misreprocentation in advertising,  
() Iafringement of patente, trade marks and  
copyrights.  
  
(8) Unie labour practices  
(6) Frauds in. buses  
‘Thereafter, several otter stydigy and reports have come:  
‘out nthe USA. on the  
21, The main crimes that have attracted attention 30  
the USA. under the bead at whiteccllar crimes may be  
surmmarised as follows  
(2) frands ip busines, in relation to sale of bonds  
ana Shame  
() adulteration of food and drugs, snd mislead.  
Rretisemenas  
"Sethgand, “Chico Gig Anchen Saipan  
evict ray, Toh woes  
"See Bares & Tener, New Harsos i Ciao (195 Pa.  
‘See ao pr, tn ee  
ecihige Hee, Wincott Cine 9) (Orde Pe,  
ag, Hang,“ Whercole Gre and is significance in thecey  
sos pek i Fesr Prats 3 on  
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Ta Lane, The Anon Gar Hen ioe Yo Ps,  
  
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formed to combat competition, ot fo ras pelos o¢ ofc  
  
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G) bribery and graft by public officers\*.  
  
2 Adtran een smi  
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ser Shak calor teense ert  
  
ng UA Suto rar” te ihe shane Sa  
{failpal criminal Jon hands wid bg buss or tent SSNS  
ing ends hart tthe chaste iis  
ssc ainda! thes poplar haere,  
  
(Sega. Whieccie Caan Armerian Socal  
Review oany, tow Vas pag tage  
i, BHM & Tec, er Heine Crime (1959 a ay an  
  
(09 pate.  
<n Amin ws Kee, Choa oh Se  
eign Siete" sas sy ee  
Goa apt and 3  
pentggFe Rot Dro wal Ceti et 90 69 Hemel aw  
ai A a dm,  
“Fea sapm. Bos Ter, New Hoon Ci,  
re i es sec dn pines aya  
sent Seer haba ice ee Rin staan  
Fao mei ie aA (6 re,  
sed oe ey «HE “.  
  
  
  
Page 19:  
Po  
  
i,  
  
cm  
  
w  
  
sng” (organised conspiracy for exploitation. Such activi  
{ie Rates ay be indlgd in by basinesmen, lenders  
peninsular cra or even lawyers,  
‘uspose 1p exploltation of commerce snd the able  
through rcurctbig the ght to work aod do burns  
‘Thowe: donot stig? opening, fall within “white-collar  
Fy lee, ear tp faa -Eae  
‘Gimes (lor example, corruption fm the police)  
2. As regarde white-collar crimes by lawyers and other  
fessional » the following “sacra toa ‘of Senator  
  
ciara fie eer  
at ea Ge Ten ae  
ered nena  
ES aterargy arene  
feof Gat Site ioc Sa  
eile oo ctetranieer te me  
Sie Sheena ce,  
{2 ve at the boc an eal ofthe  
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FEsigauol 25. The question of violation of regulations relating to  
  
OBE  
  
ees, rents und rationing has Feceived detailed con.  
lertion in the USA“  
  
Regulations relating to peice control were taued in the  
ysatetenively ding tnd ser he” Second Wand  
  
ang Spar es  
“G,he otsCne Maden ae,GayeC8t  
ken, Cine a Api (oa 3  
  
Sp Baars, "Cu "Velie of War Rage,  
aie, Sanne 3 3 fearon  
  
  
  
Page 20:  
eg of ie ain wh mln ey  
gee ss a ay  
era Riana Saas oe  
  
20h Sacer  
Sit daa ete  
oe ate ti Taree moon  
pens dnaeeGe? nee atte grade ee  
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ai eee cy oe Aa ae  
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Sen 2 labs Sa  
Soe haere oe ree  
Intadn to oFEog'a fee e  
  
‘An intersting feature diac asa result ofthe study  
of uch crimes wat, that she wholesale Sealers considered  
ruprasonment t be a far more ‘flective penal oan  
  
2 We have dealt with whitecllar crimes at length? Wakes  
ith reference to the importance which they have assumed G2,  
In some of the Western countries, "We are not tneindéal sett  
  
of oe important fect, namely, that they area peculiar  
fear ot acgihive ana tient ory Our soy  
IS'by no means alent but Z  
Sie borculecy im the urban ates, “While wei  
iin ysl al oy on sae oleh  
seems to exist in England and in “America, it it act  
{oti absent. Corruption of administrative aces, erst  
sion of tax (oarticulsy incomectan) By persons who Tal  
in'the nigher income group, amagdling of"goots whith sre  
‘Eaten thls county! ah ged aides and rand  
tor-radio sets) and detfberate breach of foreign exchange  
reeling yb hid a naan of wher cre  
  
Perher, he problem asus worse proportion whan  
own populations para the millon mark %  
{nfuence and the power to corrupt, snd ail the othe evils  
associated wih those powers may ot. at presen eit  
beroes couse “bw rape oan Wy  
bereus countries Bet. me  
  
Ee boupd to row tin ‘Pant there fe a" mated  
Sesto pefen cing ap watt Fecngaed  
in respect of crime sand in respect ofthe Crimes  
with which we ae ‘concerned, ft mat Particular Be ne  
  
‘Ser leet, “Cenincogial Toa of Vio of Worm  
BERS, creas son hove 3, ee  
  
ae 720 25, pr  
  
Tampa me  
  
  
Page 21:  
1“  
eowouue Cnuates 1 Sovier Russta  
  
caver and even. death penaity\*, would appeat  
‘merely to carry on the policy reflected in the earlier pro-  
  
a at mm i wn er  
satan arg, .  
  
Fevolutionary tines" aad “cranes a She “publie  
‘ministration’ soera to pattabe of 8 character  
  
‘As these are not felevant for our present purpose, we  
stall confine urgeives ony fo the apetes which are parely  
‘tan Seonemie character, of which the following ny  
  
Manas. The prohibition agains: manufacture of clothes, under-  
  
Serpe  
‘bees Bo:  
  
wear, knit goods, hats, leather footwe  
Sends of nos frious ells i."bing ot eel eat  
‘of the economic policy, provisiois were enacted to penalige  
the manufacture, ete, oF sale of euch prohibited products”  
  
Fam 40 Th wpe ~  
  
\* Pas, 19 © 25 pa.  
  
\* Pas 28 0 33 ihe  
  
Gia sed Grom, oxen am sd Cr a te Sit  
ocr tans Semper Osan ced  
Vitel ww 6 Oy Goce, oe sine Caen  
  
156.6 6 0, Gone cy fae Sov Uni og 4 an  
1 Se ue “Rea, roe i te Sv Ui oe te  
greta oars Fama, ‘Dasma yn VE Ne  
7 $0.0 & 6, Gorermeny i. Sor Uso, 17-4  
+686, Green eo 8 th Sons Use pe $50  
  
  
Page 22:  
as  
  
“Specalation”—purchase and sale of goods and ex 2, Sttle-  
‘objcels with the Intenson of making a proft—ia Punished,  
  
Dispation By a leweholder. or trustee of egal cnity G2, Cenk  
(corporation) of gevsrnmental or publie property given to faicg eith  
Seererdee ifsc punta Bo a ue fo pre =  
form an obligation arming from a contract. made with  
  
talor public office or enterprise, if, during a  
‘Sil tal, the malicous character of the faire to perfon  
  
‘Violation of laws on nationalisation of land, committed in (u) Pegate  
the form of overt or conewaled purchase, sale, gift ste, of aime,  
ploss or land not alfowed by law, and other transactions in {S2™®  
Violation of such laws, are punishable.  
  
-Peeudo-eo-operative” activities, ie, founding or direct Pete  
ing the activities of poeudo-co-operatives "(organisations laine  
‘hich ace dloguised thoes the form of  
“Order to secure privileges granted  
‘re in fact private enterprises), 1s  
  
Tele it lay, rc hn  
gle are cee grt pret Se  
Shier se cheese  
iS, Soni remcke aaraeon  
Waka ca ria fea ana  
Savors bs orale  
  
“Mismanagement by 2 perm placed atthe head of gov i) Pos,  
ceremonial and puble ofiSen tat eatarpines or of hase n= Paes.  
{rusted by them, coped upon a carelecs or dishonest a  
  
‘ide toe. aaie“eerused, resting  
repute dant to rapery of ea ete.  
ponichable ation or  
  
Ferg parccary Ue eng, fo unprotianebunoets  
{tansactions by pecton directing & governmental or pubic  
  
office enterprise committed by agreement with the party  
{othe contract of such ofice or enterprise’.  
  
wrong sels ot meashreeny devios of elena Sl ats  
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$060, Comet te Sot Uae ee 38  
$0.80, Gomme In he Sorte Uo, pe 98  
+6 6.0, Comms, in he Sot ain, 957s  
$6.80, Gomme, te Soke Ui, pe 95735  
0.8.0, oma, eS Uno, a tad  
bbe ica mero.  
  
  
  
Page 23:  
fe $e, \_ sling gcd of morgue for she of  
Pca ity isle ‘thet the customer  
Ss ny gore ig  
Haesiv? Violating established retail prices for goods of mars  
cee consumption im shops, stores, stands, eating places, etc,  
sal soge ne cere eB to  
radiate ee eae  
  
Det of Theft of public proy is dealt with elaborately in  
Bar coc Ena EP Badaaly Spanking Wee of Covere  
Soe re pnihele Bore seve ag thee ot  
See Pee ee ee tae Seamer  
tives. ete and theft of publ property is punishable more  
Se tia et pease Rent ater  
estan etd or iene Se ot  
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Brae 9, Since the pent of death can now be awarded fo  
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its een eae oie rebated ame est  
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ail AMG, tbo? ie hig ote wan aoloned  
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stems Se Scaal Snel ef Ciel Lane  
int id Shane aah Tuerener iy Soe ae  
ven ee ete ene,  
  
G  
  
{Government tn Svs Unio, ya 938, et caren  
‘endiig 0 Yose cis ip tad ps pops Bs on Deh Pas”  
  
Prscamic Come, in te Soviet Uaian”, Decanter,  
Yores ural ot Be “Caiman ort,  
  
“onl mnie tov  
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Page 24:  
n  
  
Ee arm oe ave te  
ecg ee eal nd ie Sm  
  
$2. An interesting feture of the Soviet Criminal Code Minimum  
which came into fore on the ist damuary, 1961, the die Peto  
Sppearence of minimum penalties in many cases.  
  
‘8. On the basis of the brief discussion attempted above, Sepe ns  
wwe venture to draw certain general conclusions vas to Rowe  
Whitecoller ang eronorse crimes in the ‘countries co dali  
  
cerned. ian  
i,  
  
First ip Bngland and in the US.A,, an emphasis has  
been pliced on “whitecilay crimes" (Such as. frauds by  
‘corporations, manibylatiens in. the stock exchange, ‘com  
‘mercial bribery. bnbery cf publle oflelals, tax {tauds, pro-  
fessional 2nd. business’ rackets, ete) But, in. the Soviet  
Russia and other coun‘ries of Eastern Burope, the emphesis  
placed ‘hag bees on “economic. crimes" in faet, having  
Fegard to the social and economic complex of thote coun  
fies. the Importance of “white-collar cripies (crimes CY  
persons of the upper strata), seems to be limited.  
‘Secondiy, the importance attached to esch species of  
white-collar and economic etimes hae Varied from time to  
firme. Whife ne species of white-collar crime, such a8 peo.  
fteering, ssmes importaace af one stage, at another stage  
1 might pale into insignificance and another species ot  
stscotle" rime, sich as ax ead ght come” nto pro  
Thirdly. there is no common factor binding white  
coi tho West with econorie trimes as  
  
Sa em Soar Rel  
x, a  
  
svt na Lav tv  
te ecm La Te tas: Ys", oem  
inh ae mE i ens Yond  
  
owned!  
  
  
  
Page 25:  
8  
  
Fourthly, there $9 no common characteristic behind the  
‘in Bastern  
  
‘economic crimes ‘except. that  
they share the comnon characteristic of all crimes, namely,  
acta universally Weapproved of by members of the socte'y  
  
concerned  
  
‘Feld in 94 We tried to ascertain, as far as possibl  
sr ions of she nature contained in the Soviet Criminal  
  
owen counties, Por this purpose, we made an attempt to. study  
sp dtl we Pena Coe of San Canada, Australia and New  
  
Pons 10 me cousEeN=D—Grncst Oncavarions  
  
Mie pein 35. We now proceed w consider the main points arising  
  
BE som the proposals of the Santhanam Commitee. "The reo  
oh of he Commits a ad's te chaplerTo  
  
on Penal Coa. rine topes “alt ences  
  
‘fences in question) "and supplementing them’ sith new  
enoes in . ‘new  
Drovisions” "Thus, 1 seems to contemplate two ‘later Of  
Ehanges,pamely—  
(0 transfer to the Indian Pooal Code ofthe existing  
erie ling the feces ip suesion, te  
{Ened im other specie enaetien  
{i addon fo ts Indian Peal Coe of new p>  
visions at to sil (and eosnoms) ofences-  
Aton of 36. So far asthe question of adding nev provisions is  
“Hiz, Po concerned, no-detaialsoggestons. were forwarded when  
th aie ag veld us (Caen te recommendation  
rade by the Sonthaaam “Bit ceria sugges.  
Fesnbvander caren Ti important pine made Tp  
a io ‘made  
Toge’ comments will Be eanatdened Tater this Report,  
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See a eee  
  
Pen at 0 3 wpe  
cd Se at is Foe Ant  
  
and Sinpport—The Developmen of tele Lam  
  
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oa Corcaton C9.  
  
1 Fe 3, mora  
\* Pars tt 9 mp .  
Ste pacsobs 3, 7d ohn} hd a5, 296, 18, ab 16 a 8,  
  
  
Page 26:  
we  
  
57, We sal ltr, lsc in deta! bow tar changes in Smee  
sevtatne of trast of exiting provisions, ay wall end: Supe  
opt now provsons is necnlely aod ecuveien mse  
Ihave ces of edens tented  
Brie Staite Gat tts cama acetng road  
‘Berea cera pins of genre ehsracter whch we  
wtf totter ie ats te pe ht pce eal  
ovisons ontataet ya ata Sane ee,  
ity cies lake up wit toe fepmrel arse thas  
Sines na Lethe Sa Bm hen The ans  
{ert the fdinn eal Cae tay by Incnveren if och  
icistor ‘baste eect of ting te whole eet at  
thoce"entdiments and making hem sillebe or se  
Steet Convenes, iraastered he ean Pel  
Se theae “provers cen oti See” ac  
  
their Lordships’ opiaion, the prog  
itee to include these anti-social offences  
Indian Penal Code donot appear 10 Be practi  
and, if followed, will create “Inmumerable ‘dificalties,  
part from marring the structure of the Penal Cede.  
  
‘Thee Lordships further cbuseve, that the. Indian  
  
‘hee papery ane caleray akeped Ss "jure  
  
property as ae ealversay ackepied a snjuries,  
  
‘all Scsates and Qxvt) acts which "ofend  
  
Agiinst the fundamental principles ‘om "which the)  
  
fstence of human bendy ast, society Tests. These  
  
fencameotals are more of lem ot © perharentoature  
  
nd will enduve fr’ lang time fo come. In eit Lord:  
  
+ Sipe" view. the efences deat with nthe Tedlan Pens  
  
reo a diferent ature an have's dierent com  
  
tent, from social efenca. and it would not be prope to  
Inelide anckeolal ffeecs inthe Indian Penal Gate  
  
‘The preamble of the Indian Penal Code also shows  
that it was intended to” be ®  
  
Then 9 an inf”  
+ Pa a a.  
cron rats tard ek wed a! Hw pao  
  
  
Page 27:  
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sd age In force, whieh ot only cotitate but alo  
  
ish some facts undct creumatances men.  
oned therein; and that method of desing with ofesd-  
fg acts ofa petal ature or acta which Fogle tobe  
specially conadcrea and dealt with. has been found to  
Ee working etistactorly. Sometimes, while dealing  
wih oaralr ence ita ben tun “ape  
qo provide for particular procedure or special ti  
  
Br varica ie  
  
ellen so! Provsony for sectlog  
‘Sarting investigation and prosecution, for rising“ re-  
‘impton of gully for awarding mnisams sentecbes,  
  
‘ie have been made in some special enactments,  
Prevention af Corruption Act Protibition law, te  
‘The Penal Code,” besides giving. It own general  
  
Explanations, definitions and. general exceptions,  
fivides inte and deals with categories of acts consi:  
{ng ffences on thes bane natsre, eg eit  
Ie Slate, agnnst public tronqulty” offences relating.  
Spt sevana Meine abi Bath and ras,  
ecting the human body: oences sist property,  
ie Mest o€ the priseipal fences defined ail exads  
Dunishable under the Penal Code have, anfortunstly,  
Eontinued 10 be committed and punished, but, except  
{n'a few cases (almuont negligible), the “ocesion to  
delete any of tern as obsolete ha so far not arsee. On  
the ote hand, lense of new and complex types have  
ome tothe foretont: the gatare ond the mamber of the  
‘ffences constituting the taste sructure ofthe. Penal  
ode rernaining Uunaflected, These offences have Bow  
‘ssuroed such proportions that it'bas Become necessary  
fo deel with them on a mare scientific basis and ‘to  
  
ape poe complentel” gear" on "Thee  
Stones ‘bie ocome Sf change and hanging  
Senon and here. 1H ould be appre  
theylae made the vojeet mater ot spect legion  
lth pena ew ofthe ane wind Pon  
Got thu et eal tis esa fares  
  
29. As has been pointed out in one article, some offences  
0 against the fundamental structure of the society. On the  
‘ther han, there are soma activities Which ere regarded as  
tfences because of raty dislocation of the sconemle  
Fructure Stata ‘mainly belong to the second  
‘category. They are latended to counteract passing pheno  
‘mena. So long as human life is considered of value-"and  
be eternally so. taking away human life would be consi  
dered a'crime. On the” other hand, if things revarm to  
  
  
  
Page 28:  
a  
  
normal, there willbe no necessity for any Guest Control  
‘Order or forthe matter of that any Control order”,  
  
® the argument that courts attach more Euapol of  
‘ratty Senses eicied inthe Penal Code thas Cees Gute  
Sisted’ "An offence of say, enteraining pore than 100 fa OWer  
igs in lotion th unt Gtr Crd cant be  
  
By anybody a ea fence ae heinous aa ape,  
  
conf Wi en ‘Penal Code cs section 810-4".  
  
48. Such offences, are better left to be dealt with by Comes of  
special and self-eontatned enactments. which supplement tees sos  
the "basic criminal law". We would, in’ this ‘comnection,  
  
Tike to quote the following observations of Stephen": —  
“Before undertaking either of those tasks 1 must  
gndeavour to define wh mab the Griminat Law.  
  
‘The moet obvious mean reson is that  
part of the law which ais formes and. their  
  
inflctd On the person tho fe in default ether by acts  
fing or omitting to act.  
  
‘Tals definition is too wide for, practical, purposes.  
14 were applied init fll Inti’ it would erubence  
all law whatever, for one specie pect  
{aw is distinguished from morality Is that Taw oe  
ive. and all coorelon at some stage involves the pos  
biliy“G# punksiment “This might be shown in relation  
to matters altogether unconnected with crmminal law,  
& the expression la commonly understood auch as egal  
Taxis od the re of ahmance A judge, who  
sity red Tecognised legal musi  
zou bie epee ‘ropietory rights  
‘which are protested By hewn ponishing offences agunat  
Property ‘re determined by fhe appleation ot those  
  
rvs. If there were no fuch evimer, as. theft. forcible  
Shey. alilte ila he hit There  
‘were ng means of forcing people to respect proprietory  
{ight there "would be no wh thing a» property By  
  
‘The principle on which Ht dependa ny be diglayed by  
tore obvisos snd important lustratione it woald be &  
olution ofthe comma ae of language to descibe the  
ibe eating te te cltyaon of target er  
an Act, ov the law relating 1 the regtatra  
‘Som of bir, ss orsnches ofthe crite aw. et the  
Satute on each of these subjects contaln a rester  
  
TEP. Oe Wear Ne itp 57a Feary  
  
Pepi Hey a4 afb Hp 69, Yo re  
  
  
  
Page 29:  
aire  
  
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less number of sanctioning clauses which it  
to understand without reference to the whole  
  
{eiony’ts celebrats marrige a  
{o the provisions of cenait Acts of Parliament passed  
in ltt'and 10, and the provione form a connected  
Suter which ent be a ‘without ‘eference  
{0 the common law on the subject. Theee Wusireions  
(Gee nate aig) show that  
Aeanston f criminal law Stggeset shave  
  
be tonadryatowed "Sct the  
SSE ae ile epee nl weal pied  
  
42, The observations of Stephen relating to summa  
ences mag sco be quote NOE 7  
“Sich ence iar in many partials from  
  
howe gros outrages agaist the publ and. againat  
individuals which we tommonly” associate "with the  
word crime, It would be yuse of language to apply  
  
Such a name to Use conduct of = person who does Rot  
feeep the snow from his doors or in whose chimney. a  
  
hoster Some & the eens wit which wear cere  
otto tog tra Sn gh anne be Sie?"  
li cee cel ede cue  
  
nse property are fairly constant in  
ibe criminal law ot he world, with relatively snalar  
  
, the ner  
Ing complexity af soca life hoe led to Ue creation by  
Ie Stas of evan sumbes of ams whieh “sirke.  
forme of conduct petuiae 0 seme parca pe of  
  
ine of ee ead  
Hs of i dn while “the “ee ot  
detned nl orp tba lf of th efances Unda  
be prosecaied by the State and ‘ye vend  
Irngaonent oF both are eantalned.p spccal” lows  
  
pages 30 3 (Ce  
  
  
Page 30:  
Fa  
  
passed since 1872, dealing with such problems as the  
protection of workers, the regulation of motor vehicle  
Eratte the feletion of selling ‘of, securities and.of  
foerchandse snd the corset of or probation  
  
‘Only the most serious ofences against the lew  
‘ause a stigma to be attached to the ofender. Were it  
fhe, the payee burden of eimai cured by  
the areraye community todey should be immense, for  
{hs multiplication of legal "prebibitons has made it  
<bicult tor any ve ot its member to lead a completely  
nw abiding iter  
  
44. Even as regards acts of ap anti-social character Crinina tee  
belonging toa class which can be Tegarded as “unethical” ad Mom  
It should be borne in mind that every act which is regarded ">  
‘as immoral cannot be made criminal, ‘The question of the  
elation between law ad morality is a vexed one, and We  
Reed not enter into a detailed discussion thereof Stephen's  
‘Observations on the Subject, however, seem to. put tie sub  
ject in a proper perspective, and may be quot  
  
“The first point then to be considered is the nature  
‘of the popular and the legal conception of crime in  
general; their relation te each other and the inference  
Which the existence of that relation fuggests as to the  
‘ature and objects of punishments,  
  
‘The great difference between the, Jegal and the  
popular Of moral meuning of the word ‘crime Is. that  
Whereas the only perfectly definite meaning which =  
Tew can ltch i word that ofan ator oi  
  
ion pul law, the popular or moral conception  
adds to this the notion of moral guilt of a specially deep,  
find degrading Kind. Sy'a criminal, in general  
ur ‘aot only a person who’ Is liable ‘to. be  
fuised, bata “perso” who “ought” to be punished  
  
ecatse he bas. done’ something at once wicked and  
obviously injurious in a high degree to the commonest  
Interests of society. Peshaps the most Interesting ques-  
ton connected with the whole subject is how far these  
  
sidered in legislation that the ‘view tm question should  
be adopted, and ‘good’ meaning the cod. which the  
Aeislator has in view inhi leg4lation. ‘Tn other words,  
the question is, what ought (9 be the elation between  
criminal law and moral good and evil os understood  
By the person whe imposes the law?  
  
oan ARR oe De nach of Ma, ee  
Stepan, Mion of the Crit Law of Eagan, (188,  
  
pepe 767i Te and ee TE MM Raed CMa 3,  
  
4 Law—3.  
  
  
Page 31:  
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1 atin gh ni ig  
sepa St mente me wt  
wii, te te Saw Ce aun  
SSD RAST eee  
Sei Sat eae ane  
See Pa era 2  
Se erie ong my  
ie ce i as a  
gate iam ree ee at  
Be Gherrig ata ads  
SARS Mar Rai demic  
Pete cage ae  
hoc oes, tea i ps  
ahpubie ceete scr  
Sas oar Saierae cree Ste  
baa dice goe eset” ay  
Sie Se eee eer y  
ceaial Prete Corea ky  
strat hte ae "ae  
Riis ane Ga eaten are a  
ae Sh rena a  
EEL is PS  
da Seo es  
Sa chee Saas  
coos ee os  
SA SU tee le  
See Pe ere toe  
ay seit Elite ate  
oS fee Se ea  
never punished in this country by ecclesiastical crim  
ms  
Feet ping, he, gt nog  
pg arte mane ly et nts  
wan mined sth ay ae  
Eva Sec ann oa  
  
‘Cena law, thes, must be confined within narrow  
be ‘only to deine overt acts or  
ibang Gelncly vl gh aa  
ct defile evs,  
Sion or othe common ty af icp wh thse  
inits only that there can be any Felaton gt all between  
criminal law and morality  
“The relation batween criminal law and morality te.  
vot in all eases the same,” (a) The ti may harmoniae,  
(thers inay be'a candle between therm or CO)  
Tndependent. In all common cases they do,  
eben where, ad bin I Png  
Aiay"coghe to Rermontad “with, and support,  
  
aa  
  
  
Page 32:  
45. Sometimes, notwithstanding that an act is immoral, Ling  
iumay be neseelary to. put lt outside the criminal” law gut  
Secale iS dimen ‘to Enforce a law punting tt The  
Soseevations ofan eminent Judge ate of intrest!  
  
“Ph ine at leh ni iw, om, he  
act Mn St ate  
Sep Rice neta’ Mee  
Sore Paste Weil tie  
Helston gms ease  
  
Bees Steer grentete tie  
SESS ads oh hal ee  
otatieert Roane Se cat te  
SOTeE SMe ee at  
Sonble psig woud he ales fe  
PRrUMcP eal Stee welt Une  
Soi, Sih py Peete a  
SAL ate set anina et  
SSLSRR ERTS eg tae he  
Smee hs Sa nett et  
Sag lS a ey Soe  
SRS AGS pga Becacae  
ice cba oe fa ee oad  
ria Siren ac rat cl  
Rare gr cao eras  
Scaeclane ae alee  
  
46. The same eminent Judge has made the point aboot Pango  
the'proper function ofthe crtminal law, ay compared. with copies  
ie ova awe in these monde ss  
  
rr  
“Lhave spoken of the criminal law ag dealing with  
the minimim standards of “human conduct and the  
‘moral Taw with the sueximum. ‘The instrument of the  
minal law ie punishment those of the moral law  
Sevencning. taining and ehoraion. "tthe cote  
"celght of sin were ever fo be allowed to fall pon  
  
‘he Tao, i could not take the strain”,  
  
47, 1n tne cours four detibrations, we ried to analy Att  
tnt Tons Sure ac at a oats in question se  
sath olen een to have the flowing fetes n  
lige er a commit by he orcas  
(os voper cates themselves st the marl  
standards of ue, and bene avers’ view Is aot  
eka of these oe  
Det a a  
‘Devin, ances tts folk es.  
a ae st  
  
  
  
Page 33:  
6  
  
(e) the victims of the offences are umascertainable  
persone (usually, the State oF” the community), as  
omteasted with zhe majority of the offences under the  
Indian Penal Code. where, in most cases, the viction is  
fan ascertained individual  
  
Buta the eres a tel sh of  
  
cnces (ig teh of pic property aa lénesteating  
inet Scene af the eaenceseg. tet of  
Bll ope ar oven nor, puis ander ne atin  
  
Awacvate or Sencist Exdcraenes  
  
Amininot \_\_ 4. What we would lke to emphasize i, vhat most\_of the  
Pont enactments. dealing wits ‘these affences. potsess  
‘Enea. Some special features, and we Proceed to state some of  
‘ene special featuren  
‘These special features are briefly, special penal provi  
slong protiaiuns moduving, mens tee, provisions relating  
Habits of otfcer of companies, vicarious ibility, special  
Files of evidence, grnaltier by rules, speciel powers, epecial  
provisions es to’ sonetion. provisions for publicity, and  
lar provi whieh Ghstrate the special character of  
‘enactment  
  
Specaipent 49, We beyin\_ with one feature found in many of the  
ests enactnanis, naely, the exiatence of special penal” prove  
‘long. ‘These seem io take various shabes—  
(@) Thece “may be “Departmental” penalties  
(penalties which can be” imposed by officers of, the  
Sarlinent), asin the tncome-tax Act and similar Acts,  
in he Customs Act and im the Stemp Act  
  
(b) Again, action by. way of confiscation of ods  
can be taken. an example of which is section 3(2) of  
the Imports snd Exports (Control) Act, 1947, read with  
  
{he relevant provisions ia the Customs Act  
() Bven in respect of the traditional penalties  
(och ts imprisonment. oF fie), some of the sbeclal  
enactments contain special provisions, By ‘way of  
isons Telating to conts-  
‘he ‘of  
  
5 prowsnd ‘powers,  
linn ope ot fio (roe under  
  
‘See parepari 49 108 nin  
gant PN Ron © Cal of Onto, AUR. 1971 8 68, 63  
  
“ce section 24 (Nh), TnSuein Development sad Rep  
ests Siege! OM» ten Ae  
  
"Semcon A ET nanan a :  
6s bs paris  
  
  
  
Page 34:  
n  
  
mishment in respect of subsequent offences, eg.  
Stilo Te Breventio ot Pood Aduleration Act  
  
‘ce provide foc. An example i scion LOC) ot  
maybe “oxample i set  
the Industries ‘(evelopment and Regulation) Act,"  
1951  
  
cele Sa ee  
fe mre Sceal pe i ee  
Sark ee eae ae  
fottice ucgelreen Sash  
  
50. It should also be noted, that the enactments relating Mant eut  
to some of the uflences under consideration modify the ree mdi  
\_gfements of men re. thus standing in contrast withthe  
  
indian Penal Coe. :  
  
Sl, For the present purpow, itis not necestary to ana- Anna of  
lyse in deal the Various spec Acs in order to show bow Saw se  
‘nent rea, “some ‘conditions of mind =  
hhag been modified Bu: some ‘broad "points may “be  
  
Indicted.  
  
White dealing with mene rea, it would be convenient  
‘to group\* the various crimes into four eesee  
(@) Crimes in which the mene rea? is found in an  
{intention to commait em Wegal eet. (General intention).  
(4) Crimes in which a particular intention” is re  
quired (9. in English Law, 's  
By night with incent to commie s felony).  
‘Peevenion of Food Aduliemion Act, 19s4 (7 of 950).  
ee" Sie. Bah, ALR. 1965 Ba 15s puma"  
‘The Tabres Developmen and Retain) Act, 1950 (65 of 1951)  
  
SG ton 30) sa gh, 0 indus Bevay-  
sent Rep A at Yo os  
  
"G4 A. Baan Cle, my 6) CT J. 579 er  
Se ts pan 9 oe  
{Sf Ga fi Chin WD (88) 38 GRD. 196 7.  
‘Th ng at th rn Dir Conca he  
oe 0 EROS ps Fae i SE  
shen 9 “rag et ons  
ves SS Fame ES Ss RS, Bs a  
EEE Talla as OM Mt Oe 2  
Law Bhi SR? “PRS fee Pie  
  
  
  
Page 35:  
ii) Crimes in which negligence! wil sue (¢.  
smanSiencat of vebies in pabe set) ©  
  
ye ch he gerne of mee  
wollte tai i aun de  
fochcana tet fe stent oboe  
  
52, But, beyond these examples, Iie the cases where the  
legislature’ has absolutely f ‘he comomntasion of cet~  
tain acts under penalty of fine (or imprisonment in default  
ipspment of ie apart, together trom the aveston of  
‘mens reat, That the Lablity 20. crosted is of a quality  
Titoee fom thr aching wo ordinary offence regi  
Inens rea i now ‘wellrecogaiced by the case-law and eX  
{ensive literature that faa grown around these offences. Tt  
Asinot necetcary to deal with these offences of “strict ligbl-  
lity” at length. As hes been said, striet responsibilty “bas  
been ‘with ts go long that it has become” accepted as &  
ectetary evi, At the same time, = briet decison i  
not out of piace.  
  
59. In this connection, we may quote the ‘following  
observations of the Privy Counell in a'recent easet:-—  
  
suo forthe public walle of a panto atiiy=  
ulation for the fare ofa particular atiity—  
$Kasutenrowlating the tale of foed and drink are to be  
‘Gund among the far fest examples it can be-and free  
(ety hae be infeed tnt the leur ended  
hee'Ndch acti should Be carried out under’ the  
conditions of strict lability, "The presumption is that  
ihesstate or safatory tnwrameat san be eerily  
‘inforod ‘only if those” in charge of the relevant. atl  
‘en are mate reponsble for seeing that they are  
‘omplise with When such a” presumption sto be  
Icfted dilate onda pesampton of ene  
yen. Than sellers of meat may be fade responsible for  
Seeing tha: the meat ie ft for human. consumption and  
itis ho answer for them fo. say that they Were not  
‘hae tae ie wam polluted. Ie tha were zalitactony  
anawer, then 26 Kennedy, Ly pointed out in Hobbo  
PaO: et papon ES mee Ot lene a pe oe  
ren ae Sry Tews “whe Canina Voor  
  
‘Stanza art Geet bge itl pss Foe « conpebeute domealon  
gr Fictra, \* Se, Sin and Neghgrace™ (oa) 79 LOR 350,  
\*R.» Prins (1879) LR 2 COR. 154.  
  
an. 5h morte  
Cf Sopher, Comaetacn ca he Lawn of aga (990), Vo.  
  
  
  
Page 36:  
20  
  
-. Winchester Corzoration, the distribution of bad mest  
and its farteaching comsequances) would not be effec:  
tively prevented. So 2 publican may be made zespon-  
sible for observitig the condition of his customers"  
  
Jn other words, these are cases in which—"Intention to  
‘commit a breach of the statule need Dot be shown. ‘The  
‘Brench in fact fo enough  
  
‘54, The passages quoted above! have been discussed 3 Ki  
renin i's cen design of the Supratne Court of Indias of easy  
ste aio dete wih the qumrton Row fat mene ra i Re  
the sense of setaal knowledge that the act done by the  
Scsused was contrary fo the law, may be requisite, it was  
pointed out thee, that “starting with an inital presumption  
{pifavous of the need for mens pea, we have to ascertain  
aster prenuti mbutne bythe langue  
‘ensciment ead in the light. jects end purposes  
of the Act and, particularly, whether the enforcement of  
the, law and ‘te attainment’ of ts purpese would not be  
‘eet ue inte even of chs ingreen blag com  
joe necessars™  
  
cos ptt tan, engl rama be al that he  
ct of the Act Would be defeated if mens rea is Tead 35  
fn ingredient, courts would be slow fo dispense with I.  
  
155, Examples of reduction of elimination of mont rea Bagi case  
  
secant cota lian ol fd ee  
eign. Panacea Se  
  
"Hate. Wicker Corpora, (91) 2 KB. 7  
Canty 9, Le Ga (184) LR. 19 QB.D. 207  
  
“Of Lar ip i Melon. Bako ie) 2 A  
agath o388 GE) fom ge Se Rol So, ea  
[tesa auth pas ia  
  
ee so par 3 inf  
  
seach 33. mgr  
  
‘Siar of Matra MM. Gage, ALR. 96s 8.6.12,  
a pe as saa Tals Sedat ™  
Cahn Se of PAR 3.6 Fm es  
‘eras, Cia Lae, The Gene Par 96 ae 2 7.  
‘Cro, State Lav (6), 3 ant 54  
‘tty, Lao Enon 8 Vo 7, PE 4885,  
900, 90% aad Pee 906, Para. 937. % coe  
rec reed ay act 9) 2  
"dee fon OF Co Las 00 1B,  
“i neh ay  
  
  
  
Page 37:  
Oteacas  
Serie  
Sine as  
  
Judicial construction in England of certain enactments  
passed for protection of the revere slo fornishes star  
examples  
  
on Tot af tence perating tothe ste of  
dullerated or misbranded arile of food, to allege merely  
that the vendor tous imorent of the nature, substance ar  
aunty of th oe wi by hm ox tat the pena hae  
ig purchased any atticie for analysis, was not  
by the slot Tt hag been hla that der this "Ack even  
{haa of ary aris toa parularcwiomer on the wdc  
Standing thatthe customer is to use it only for animals,  
Punihuble. In fngland also, provisions of the’ orrerponeh  
Ang statutes are given » wide :  
  
ST. Another example of a  
  
fal  
aga  
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Hi  
aly  
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i$  
fi  
E  
  
1 penalty not” exceeding rupees 1000."  
that having regard to the face that thi  
{rusted with othor subsections,  
  
i  
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tn  
Efe  
ks  
  
@ afl  
  
cy  
  
f  
  
i  
  
8;  
  
i  
  
is  
  
Hee  
  
gabe  
eshge  
  
Wes  
  
saat  
  
‘See, now econ 15 (Xa Catan Act pn (58 of 196  
"46, D9,  
  
1 isting Sue, oman Of Foe Sach, ALR. i564 8 |  
  
  
Page 38:  
a  
  
58. A recent decision of the Supreme Court’ virtually oaesoes  
splashes the same pastion in resect ‘of fences under Baer  
the Foreign Exchange Regulation Act, 3047" ie  
  
52. OF course, the question whether the lability under  
  
« statute ig absolute, s ullimately one of construction of  
  
‘he particuiay statute, and the angwer will depend on the  
  
‘employed ia the statute’, the policy behind 1,  
  
and how far enforcement of the statute would suifer BY  
therence to the doctrine of mens rea?  
  
‘The examples cited above are merely intended to show  
‘hat im relation to some of the enactments relating to. the  
‘offences in question, ft would be proper to say. that they  
fix thets attention on the aets themselves, lrespective of  
‘the Knowledge or intention  
  
60, The above discussion’ will show. that it cannot be Chuisnion  
  
ssseried that all the eaght clases of vifences with which stadeece  
  
‘We ate concerned in this Report stand on the same footing ®  
  
Uh lent ig mens rea In far the alfences sem cae  
long to four different categories. First, there are offences trex,  
  
{in rosboct of which mens rea is sndoubtedly required (ouch  
  
23 theft of public property). Secondly, there are offences  
  
Which, though requiriog mene rea, possess a special charac.  
  
ter of their own (eg. many offences falling under the cate.  
  
gery of blackmarketing). Thirdly, there are offences  
  
Which can, with a fai meagre of Sccuracy, be described  
  
3 offences of strict liability (such as, some offences rerard:  
  
ing food and drugs). And, fourthly, there are acts in Ter:  
  
Dect of which their moral culpabllly is'« matter of contro.  
  
‘ersy (e0. tax avohdance)  
  
1, We may, in this connection, also refer to certs  
special provisions coneerning companies. “The subject ot  
  
Af Gros, AER. ats BE 738, pam. 47 Mer  
  
Te Fon Ices Rept A187 (190  
"01 cna, Somme Law (96) ee.  
Nowe Rech Lab 8 Rady.  
5 an Hep. Fi, Mod fet RS IS?  
Lin in 9, The Meese 2 wim  
eee Sets Beran seo nat  
seo re  
Pee on ome  
stam 3m  
er  
  
ane ni  
  
KR  
  
  
Page 39:  
Liabiy  
Sion te  
  
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cra any of cots ing  
Tomar eer  
  
‘mye en Ai So I  
England!  
  
Tan te got tee  
ond es Reta  
  
Ze tin tre nied in Bob  
  
(2, Bust the provisions that deserve expecially to be men  
tioned in the present context are those, which (subject 10  
‘certain qualifications), teat ditectore and. officers of the  
‘Sompans as liable far the offences committed by Che  
company.  
  
63. An example of such a provision is, stetion 17(D) of  
the Prevention of Food Adulteration Act", quoted below:  
  
“11() Where an\_ offence under this Act has  
boon contmitted By 4 company, every person who at the  
‘me the silence was committed was in charge of. and  
was responsible to the company for the conduct of, the  
Business of the company, as well as the company, shal  
be deemed to be guilty of the effence and shal be Liable  
16 be proceed agsient and punished necording!y:  
  
Provided that nothing contained in this sub-section  
shall render ary such person lable to any punishment  
  
eaten aa,  
pesos  
ret Geet Maen Company L957 Igri  
  
ues hy  
‘gant, he eating ca Rv F.C. Re Hele, (19) KB.  
31 Manat A Bogs Reps ony (CCAS. ™“  
‘romana o Somgty he crm fw espn) 10 dt.  
ein," Croiral Lahey 9f Cxpoetioa™ (i945) 62 LOR. 35.  
‘Rss om Crime, psdy Vol rae 9  
‘Renny, Oude of Cima Lew, (95), Pge 7) pr. $9.  
Ginnie Wits Cra Lae, "Toe Gener Pa at, Dae 85,  
ame  
“acne Zamna Co, . State of Bi, (981) SCR. 30 5 ALR.  
sss 9C Sac Ts pe.  
Sin of Matra”. Synite Trport Cos ALR. 964 Bom.  
195) la a  
  
the Fyveton of Food 1954 7 of 950-  
NCL PPK. Re ‘AAR. 1964 Mad. got,  
  
  
Page 40:  
2  
Similar provisions are found in many English Acts.  
  
further Gevlopiens wheriy tense “atthe sek ct  
shes developnens whey tet ace  
alrectors are Weated as those of the company isin foc,  
  
‘reverse 2 thatthe acts ofthe company aré  
IRBled ot thowe of ll tr rectors” Mang’ modern eatsien  
fd wegulations oronide that it an offence ig commited by  
S company, every crector or stcer shal be gully of that  
enc ie be proven fa sted wiht tt  
fonatnt and that he exercised mcg 10 prevent  
emimusion". Such provisions are a worded 1 sop the  
Iophole revealed by "ein judicial deesione  
  
£5. The practice of inserting such provislonst has not  
scaped crificinm. The comment of Upjohn 3 in one cas  
SESW steed to." Bhee the salary provision sue  
Where an offence’ under this Act has been  
bya body “corporate. ther than a foal  
Scr cet beg a of coco  
Gf the olfésce wat a decir, general manager. eeere-  
{iry"ee other cular offer ffthe body coerate, or  
‘a8 purporting to act In say sich capacity shall be  
semed to be guilty of that offence Unless be proves  
‘Gat the oftence was committed without hs consent oF  
‘xnnivance and that he eerised all such diligence (0  
Five euerebet having regard fo the nate th ine  
ve exer! hav ne.  
tions Sn that capectty and to ail the chvamstantes™  
  
‘The following observations were on thie  
following made  
  
pr  
“First of all, I have to bear jn mind that this is 9  
  
nal statute. it indeed, 1 suppose, represents. the  
igh-water mark of the Parliamentary inoasion of the  
iraditional rights of the subjects of thie resin. | Not  
only does it impose upon offenders substantial penalties.  
‘no objection could be taken to that, but What fs 50  
Selous from the point of view of the subject's, that  
  
‘where a body “corporate has’ been found’ to be an  
  
‘cata Eye Senad Bin SS pa Wee ag =  
“ower Modern Crmpany Law, 97), Impression), page 33.  
TEs, Dany Mol 62) 3 AL. Bg Re. ot  
  
estes ce Meeinin SP oe BEES Pa  
arn. 6, mor  
  
scqhT™ Borewig (Cond and Gumten) At 1946. Schade pam  
  
Sie and Sab Sap pga tore,  
  
  
  
Page 41:  
‘offender, then every director, general manager, secre  
Siar er sila ocr the ody copra  
f person Wha Was purporting to act in those  
  
<0 dena ee ey sales be prove hat  
{he Sitence was committed without hig consent ot ob  
‘vance, thereby geversing the usual and traditional ule  
Era aw tt a acento Sheet  
  
‘Bulty But nct only that: for proot that he i tneocent  
‘Sito avell sy acéased person, because he must fut  
ther show tbat he exercised all such diligence to pre  
‘ent ihe commision ofthe offence at he ought toa  
Seeresed, having regard fo the Rature of his functions  
Sette what Belament has ought Beto case  
‘ven that is what Barllament has tooughe  
Spd t abide, of course, by It Nevertheless i fg what  
He Lindon described as highly penal state’  
  
te solo of rio lta  
cae tae fan eee  
SENSE eae  
  
Vatise  
  
panies of, Ts commen law cule! ney undergo 4 madiaion  
“Br Sater in relation to special enactments. The lia  
  
visions creating vicarious y by words  
Sateen te een tone  
Sai a  
  
8, Bees such statutory modifications there may be  
  
‘a modification ay result of judiclal construction. "A statute  
thay be so construed as to render a person crimiaally Uable  
foe the acts of his servants; and, such a construction might  
  
ip, TAN Sais Cin Lam C9 ae 25 4  
  
see diecsionnGiawibe Wala, Cyimizal Law —The Geert  
Pat st ph et 38 ams  
  
2 . Pevae’s ae a Maem Law Review 36 fo «pe  
ns oT  
  
a. 66 mr.  
  
rein fw cid, & Gai  
ca RS Cea RRS aS em te Com  
  
eatin 985 Optam ete 2  
wre (oC 87, ated Oy Beg  
  
een, ran}  
  
  
Page 42:  
FS  
  
be more cs adopted to reation to, sia enactment  
Raving regard to ther subjectmatar'=\*30.  
  
‘hia seem tobe particularly so in the case of “public  
weltate offences  
  
Velo Mei fr atatungy aences sto many  
‘ase, justified on the arinciple, that if master chooses "0  
Sclegete the conduct of his to's aorvant, then, It  
eatin he eats of conducting the buns, dos 28  
3E1 which is ebeokutely: priced. the. master inbie™  
On the aes an whee ‘tent 3 pectnay element  
in tterips. the doctrine ot vicerious liability may be nega.  
tivedt Pho’ link between vicarious Habilty snd sbuciate  
Brohbition can be seen in the folowing abaereations:—  
  
“A masier who ie not participant in the offence cn  
ply e' lable crminally by the act af his servont  
the atte which reas thy dence des suites  
svi impos an aealuce Prokbiion =  
  
‘The following observations of Channell J. with refer-  
‘ence to a case under the Weights and Measures Act, 1675",  
Illustrate this aspeet®—  
  
(The Act] is within the class of statutes under  
{ 2erinne my be conned for et of thei "ae  
ants ip reapect of ‘de Dot in any real sence  
Silpable. Aens reais not an element in the  
  
"Fer he postr io Engin so  
(0 ey a Fos, Toon Yin Low 96 pas  
  
i oy, Oui rim Lam (iy ee 942 a  
wo ae ts Cried Law, the Geaes Pare as),  
ee as  
  
"ro eric ny =  
Piney. Damen taser f Dizon J. sere,  
Sas3) 67 Common Law Report 536 50 | ,  
  
0 Fama 9p) 9 Camere La Rees  
  
(ay Ne Cote Homann 67 LLQ.R. 47 a  
(Ge) Cain Hoard, Since Resonsey (ys), Chapter 7.  
"Fos the potion in Ameri ane Pein Coin Las, (999, Pas  
7 Sa nd Law set Usom Cond. Bn ALR. tis ah  
aston EBs maapuiatin’  
Stele Wins, eal Law, The Gent Pa (98 pe  
“ee ko Youn! v. Fuhr (196) 3 WLR. 200, 1907, (pt Lent  
  
Sra ¥ 169) 9  
  
re, Linon (4958) 1 KB. 36 § (4990) 4 ABR. 825,  
tay Bed Bead eh" OP oo  
‘Sears Am co» A Eg Ree 8 10  
gp rer + Mond 953) 2/ANER. ea er La Cart  
  
Se A tne  
2  
soe sb aera  
  
  
  
Page 43:  
offence... The offence ig within that class where  
the legislature has absolutely prohibited. certain acts  
being done, with the consequence that if they are done—  
although by a servant of the employer-done in any  
Sense ith course of he employes Ut for some  
the maxim qui facit per clium, fact per  
estheempioer may, be convicted al Pies  
in any way morally culpable.  
  
62. As was cbuerved bythe House of Lords in a recent  
cease he number of statutes which may give rie to. the  
‘question of wiearioasexininal Habis “is “egredtably  
‘reat and the language "very far from uniform". But she  
‘Elect of the tomerows cases om the subject appears £0 bey  
‘hat (ubjec to certain exceptions). where the scope and  
Purpose of the relevant Act is the maintenance of p  
End accepted standards of pubic order in licensed prem  
other comparable ertabiseente there ares der She  
{gfntatfon whet” Channel J." called a. "quastertmisal  
<ffence” which renders the licensee or proprielorenminaly  
Hable othe ain he servant thou there ey be nO  
70, An elaborate analysis of the methods whereby the  
staf Hacc ay erenteviarous Waits Yond tn the  
Iedament of Lard No  
sai sen eure to provide that part  
‘cular act {wrongful and that & person  
SEV gully ofa otence fn tral our ena inw  
Tequires that there shoud. be mens rea in order 10  
‘Stablsh lll. () Parliament may. however, enact  
{hat mens'raa is Not necemary. “There may be Stet  
Tiabitity. (0 So amo i might be enacted that a person  
{5 qulliy of an offence f his servant or agent does some  
Sct aed docs It with mens rea, Te might. be. enacted  
fan poron ts gully of an offence If some other per  
Son not his servant of agent does some act and dose  
‘wit mens rea, St might be enacted that a person i  
{ully"9f an fence i there js mens req either in im  
rin the person doteg the act. (i) Te might be enacte  
fi thats person's gully of an ofence (fan act is done  
‘y some ether perm eventhough thee fs no mens rea  
it any one  
“7d. This sect cf special enactments cresting “quasi-  
‘criminal silences" has beea ths put by Lord Devline™—  
“The frst distinguishing mark of the quasi-criminal  
law then, is tat a breach of Ht does not sean that the  
  
Te = Viemponie, (96a) 3 wets Law Repons, 10h, 738  
ov Ges a od "  
‘Serr 7 he  
  
‘Dein, Boorcemcatof Mol, (965 page 9.  
  
  
Page 44:  
Fa  
  
extender has done enything marly wrong. The second  
arergedtinmane shit Wo ag tee dees nt  
Sore thence tenet ihe! ecual afendet or  
Srrnets at rs ne eequenty ade asta has  
fersharhioetn' gins Shite acy are ode  
‘se aseh ee hey Cie ny nay tec at  
Selatan eee tag eae  
mel ores ey as be made  
TIME & tie mean agens er ty Rie ae  
ens biden he ae hich coupe he ence  
Crt tart cas be huscd toring tone  
at sds pens ta Sale of tn orpsicabon  
Re eerie iats ota conneton,  
the st Sh ent a’ Sina aC  
SHOE ete ite ats a  
eet one Stn ne Sepia  
Sits whee at he Ben Medes Coherbce  
ing eget oe eames hep  
{err Pru iy prev acy at  
oom Pacers bbl prevalent  
eh eo  
Company he pela a the bane  
  
"2a pk, wo iy i sone  
an fspect of strict lglg." As har been observe  
the sen pence ral ay any ‘ater s made Sa  
lina fence, there i imported Inta it that there tat  
fe something in the nature of mee re, Thre  
inary cases corporation eanvot be uly of sta  
‘ence no con « master beable crennally for an ofence  
Sornligd ty hs erent. But ery are exis to hs  
{ie ee of amr ‘B they may  
ven under ihe penal a enn nan Prat  
fen vod the per ct, at an  
default of elas ‘of a fine—because the legislature thought  
{Ese Isortant to prevent the act beng commie that  
feta arly to be de fa ane Weems 10  
Ihe chat exacty the sare print ‘9 » corporation  
‘ise cha thing “TC doen't whith ls ebvlaiey  
{erbldden it ie Hable fora penal”  
  
73. The above analysis of mens rea, and vicarious crimi- Oboe  
nal liabiity snot intended Yo imply “that all the enact: Supe  
rents dealing with the eight “categories ot the offences forsat  
  
epee ed Tec ee) 2 KB.  
epi sy 553 pe Chal.  
‘Par 30 6 6 ap.  
‘ac. 66 0 2, med,  
  
i |  
t |  
  
  
  
Page 45:  
rae  
  
Which ate the subject-matter of this Report, create oflences  
‘of “strict Ilabity". Many ‘of them do require mens rea”.  
‘The analysis sontyAntenld wo bring out the position, that  
at least in respect of some of them, there has been @ mod!  
Teation of mens ros.  
  
‘The analysis is also intended to demonsrate, that  
user creating new eeimet represent the attempts of tho  
Lepuisiore to give elec tothe criminal policy of the  
imoment. “The Eapaature ie therefore primarily concerned  
{orkid the best metbod of dealing Wit the particular mi  
  
chich it ia, ot thal moment, aeking to repress, and  
  
reached oy py evel Fear for gener rinses“ on  
  
Further, i¢ will also show, that “as things are, the sta-  
tutor ris, 3 whole, mas. Cann be Brough ude  
‘Simple schemes of general priaciples of criminal lsbility™.  
  
Representing, as they do, efforts of the Legislature to  
roprets anti-socal conduct of a particular variety prevalent  
Al the particular momedt when Ube Legislature fe contront-  
  
the principles 9 ‘on which most of the erimes in, the Penal  
CCose are based (on the one hand), and the principles on  
‘which some of the erimes dealt with By these special enact  
‘ments are based (on the other hand), would be dificult 10  
Schieve. In ao far a) ment red iy eliminated or modiied,  
these "special offences"are “guaeriminal™ rater ‘han  
  
14, Besides provisions modifying mens rea', and similar  
provisions there are special rules of evidence laid down in  
Fespect of many ofthe pfenags im question. An example  
Is aection 14 of the Essential tin Act, eich (ro-  
whds that Were’ petsan ls prossted fo contravening  
Iyer made unday section 3 (ok he Act) being am ort  
‘hich ooh hin row doe aay actor bein i poser  
Sion of thing, without lawfuf aathority or sthout'a per  
mit icenee or other dociment, the burden of proving that  
he'had such author, permit, ence, or cher docimeat  
hall be on him".  
  
on pe  
ee pn mr  
ase om Cee, 960 VOL. ty pe 45  
‘Mawel U8, We Ry Co Cnr KM. 86 (i  
ah Ein, ad gmt & Vacs ealng' C3.  
‘Pan, 300 re  
‘Secon Bacal Combate Ary p85 0 of 2958)  
  
Dae  
SSE ase  
  
  
  
Page 46:  
le seized under dhe Act (section 110 read wit  
  
goods th soe  
fon 2001, in the reasonable belief that they are smuggled  
soods, the burden of proving that they are Gol swage  
bode sha be on the'peron from whove pesesion 1  
  
relating to the odfonces in question cannot  
‘Gat delegated legislation on a large seale contemplated by  
those enactmenss- Th  
  
felating to public tranguility, elections, all offences  
‘pines oie json, ete  
  
aliitne definition. "ihe Code does  
Geiegation of legislative  
  
t  
  
‘  
A  
i  
if  
  
Commodities Act Company Law, Industries (Devel  
‘ent and Regulstion) Act abd seconine  
  
esc om  
‘ends of te station’ by wart ofthe ‘eae.  
ive fers vested in” hems Wit ti et  
  
Tie Gms i Gro  
roscoe a gol ow set  
SSS or he ores  
Ss Y: Caer of Ly MAST S.C #7  
Shor!  
  
owt ‘Sah  
  
  
Page 47:  
o  
  
teens, it would be very fle odo, coaty  
Seat stat ae a ° defn, coy  
‘may cxnning lace merbetsg Hoarding: womee  
pte ie a oe Fo ae  
Tr porn eaten, camer  
arheig aula wine water et  
ite SE mh i eof pe  
SOTA RY, Samy a Poe ne a  
ed amas ue ee an eae  
eee Netanya  
isa ene a cab  
TGR ieee ce ie, Sa eee  
SIMO Re Smeal aot Sin he  
bette Maen Rett ee  
Bont ime gmat a wes and pee ee  
Bere cme seme ae Pee,  
  
Provisions are left to statutory rules and orders, because  
varied and recurring aetion by way of subordinate legialae  
tion zequired, particulary in ‘connection with essential  
  
commodities, ‘The following points teem to be worthy. of  
commodit i poi 9  
  
(2) It often becomes necestary to lesue more than  
one order under an Act. By way” of illustration, se  
‘may refer to the large number of orders issued incon  
‘ection with control of tugar"  
  
smite tigi, nox te bet aay  
es AGt Ip 188, ‘an order on  
  
sued "under the ‘Delgnce “of gin Rules 1088  
Reference may aiso be Sade to orders issued unde?  
‘he Sager (Regulation ot Production) Ac#  
  
Se a)  
ose tie ate  
Cmecnos Greene ero Pe om  
  
Secs Neat Comm Oe 9 OS. sin  
cenit EHS Gay, 8 OS. 0  
the Sane (xt Or #90} IR 6 se hy  
ike See ena Pp Aa 6 99  
  
  
Page 48:  
a  
  
(8) Bren more than one Act may have to,be en:  
actedfo deal with ope commodity, e9. Sugar  
  
6) Changing ctcumstances require , frequent  
  
amendments in satatory Pues abd Thus the  
  
itterZonal Wheat. Movement “Coatrol Order, i957  
was between 10ST and 1961, amended seventeen tines  
Dafore it was resinded™  
Particulars of the amendments are given in the foot~  
e  
  
or erm  
"dhe See Regain of Profi) As 1968 (5 196005  
{Gye Suge Export Promos Ac 1958 (9 2 1950 5  
tb ene Cm (ia Pow) et ty of  
co ese gaat own as been replat  
Coron eo pc Be Da so  
oe of pens The Ra,  
a a8 SE ‘si soli  
eZ ree 297, BRO  
se ay ne ial Boots, A  
SEE SSS  
ote, we rein pg Ee  
  
SRO. 2690, 4th Augws, 1957  
[SRO. 443, th December, 1957 Gullabed om 24-129957).  
SRO. 390, ath Jee, 1958 (ublibed on 13-55.  
  
COSR. 36, ch May, 1958 (hed 0 1-550,  
  
GSR. 24, 10h Apel 938.  
  
(OSR. op, sa Jr, oe  
  
GSR. 253120 Jay 1958 (paid 00 197-8).  
  
(GSK. 171, 7 Fetewry, 1955.  
  
{05K 344 14 Mad, 199.  
  
GSR. 4, anh May, 199.  
  
(08K. 92, ih Jes, 1939 (ould on 59.  
  
GSR. 12, 210 Jamar, 1960 Gulibed en 3-140)  
  
GSR. 1117, 20h September, 1960 Guided on 4-9-6.  
SR. Lor, ath Novem, 1986  
  
GSR. a ye Famaey, 196§  
  
OBR. 35, 7 Jay, 10  
  
  
Page 49:  
=  
  
t  
  
pit  
  
e  
  
sect sadam, an order may, sometimes  
in "Wiew of criticism of the order  
trade by the Gonumitiey on Subordinate Legitaton.  
(e) Further, under an order issued in pursuance  
‘of the Essential Commodities "Act! it may become  
Deceasary to issue subsidisry orders.  
  
"Thus, under clause 14(8)(2) of the Cotton Control  
Order, 1985, more than 4000 orders were Issued in  
1088"  
  
(P) Again, it may become necessary to add to the  
ory list of essential commodises in the Essential  
Commodities Aer"  
  
‘This has been done in regpect of several com  
rmodities, By noted enfersoee—™  
‘he above strane wl show, that x degre of ex  
  
waty in fogacd konica er fompoditie,  
ih Sannct be had Uukder the Indian Bena Code  
  
Ei Jnsegctin wih lated lexan ey, be  
ited ot, me ules i  
Posing dren requirement fr éiferent sation” Ap  
Sane ga ral a aes ervanion of Food et,  
Sie Ela do iteen Tacing  
{ard to the fact that the Reichert” valoe of pure ghee  
Sito tutte dependent om several ctor, sich  
shat is the breed of the cattle in an sea, whether the  
eae are fed'on pantare oF on tal, and #9 "3  
  
178. Another special festure to he nated is the conferment  
of special powers An example is section 10 ofthe Preven-  
  
San ie  
gals EE STAR Sa  
7 Bi Commi hm  
See STS Sree  
son GSEs Sass lt ate es Se  
“aoa unt Sees toa  
5S Sch eet rn a  
15.0. a8y6, dened the 4th Sepueeiber, 192. (Nonferrous metas).  
cs th. Sd Sse.  
  
SRO. 8, aed she 9h Ar 99 Cr.  
‘3.0. ypu" de ar age Noor, rp (Come.  
we ee oe  
  
ee 7  
  
‘rhe Pen of Fat  
  
SSE sry pends goers ze  
Pear ate  
  
  
  
Page 50:  
s  
  
lon of Food Act! whereander, a food inspector has power  
  
10 take samples of any article of food from certain  
  
‘Asthas ‘been polnted cul, without such &. provision, the  
olore cannot carry ol tho duties assigned to them,  
‘he section, thus, fo we ‘section  
  
19, Another type of special  
relating to saettn of pavtiedar ator before pros:  
futon Ean be aatituted “An example fs section 1f of the ==  
Insurance Act, under which the sancton of the Advocate:  
General is Tequlted before proceedings could be tsttated  
  
ot insurers ef agninet any director, ic, under the  
  
Ate  
  
‘There Is a similar provision requiring sanction of the  
specified authority for prosecutions under the Prevention  
Of Food Adulteration AG, the Drugs Act’, the Tncome-tax  
‘Act, the Customs Acti, and other special enactments.  
  
£2. Social enactments sometimes contain speci provi Fir,  
  
sions tntended toad to thelr deterrent effect ‘pubis.  
Tilustration in this Cantext is @ provision for Ei  
us, the Australian Act Dlack-market  
  
Tras borat prvions fang public fo cone  
Ui i aati gerne Ea  
led the eens of blac ‘hen, wader the  
et  
the court shalt reaure the person consictd to  
exiblSeuside he place of bsisets 2 nie conse  
{ng pattcalars relating tthe cbniction and to Keep  
INGRIicd"Gostinouy Yor “notte “han” tree  
(2) the court my requis hin to print on th  
snolets,sesount and sara tobe eed BF such  
evs in busin, during a peta of oot fat than  
rree month, 2 notice hs tonite  
{airing ch particulars as the court determine:  
(lithe Attorney-General may dtect that the +  
poctistars reyarding the conviction may be broecast  
ire Faventon of Fed Aland Aa 9547 1950.  
  
rman Sat of Ande Prada, ATR. 1964 Aan  
  
‘Secon 17, Insernce Act, 2908 (¢ oF 93  
ag Shh NH nt cher Shh Bap, ALR. 9B  
"Sesto 2, Preven of Food Adetemdon At, 954 (37 1954)  
‘section 15 (2 Drugs (Coe) Act 1959 26a 199).  
‘Senin 286, Inmet Ay 96s ab 60)  
‘ection 137, Caos Ac, 1962 (52 of 1963).  
"The hasta) Black-mating et i of 12), sone 33a  
  
  
  
Page 51:  
(io) particulars regarding the conviction are to be  
ibliched 1m. the Gazette, and, If so directed by Ue  
‘tarney-General, also in a Bewspaper.  
  
Somewhat similar provisions are found in the Act that  
wag is force on the subject in West Bengal  
  
Provisions for publicity are found in some Central Act  
  
Srecsciae 6). The fentures enumerated abovet amply show, that  
Teer Le tne enactment in question are of a special character, and  
  
‘Hand apart from the general criminal law of the country  
‘Embodied in the Indian Penal Code.  
  
Se ace tg Eran Sas  
op coa eocata ere poy  
et aed pose  
  
2S pan tnt td  
  
‘Silat putes Ae manta a bunan  
  
Se ea aay eto  
  
Seem net Maa than Bee eer Mind k  
som arena atmrsatnes aac Sie he geal  
  
Serutions, it would be mero practicable 10 keep provisions  
felating. jo such offences In’ special enactments, a5 they  
fare at present,  
  
Tn this connection, we may also point out, that besides  
the otences ligt By "the Bupthanam Cominitiee, there  
  
Several other oléness which ould be regarded of a2  
tsar character, and thet those are all deat with fn  
  
"Sno, a, Woe Dep Bucemcing At  
rvs yo en A 9 a 8 & oe  
(irs ne 63) Preven od Aho Ao  
‘one a seen 34 of the semen 96) of tad  
sng sain mae ye age of te Pac,  
Sch Gasesph nes ih, ee 7 7  
  
See a ct 35; Dra aa Comets Aa m0 (9 0)  
‘Pew. 8 1 Smee  
  
‘Penarth 3, mr  
  
‘See Arent.  
  
  
Page 52:  
\*  
  
4. As has been stated!, “The race between the  
qveders of the lew and the authorities who enforce the  
aw may, in some fields (ike techniques and methods).  
be’ one (Contituous proces which each testo get the  
Detter of the other. Tn such circumstances, the Legeiature  
and the Government may try to equlp the enforcers of the  
law at any time with "powers required at that time, consi  
dering “Re” prevaling crcumetancer the nature’ and  
extent of sctvties of evaders and extent of power requ  
+ Hie or’ the otieers enforcing the law, ineluding les nd  
Aotifiedsions to deal with the evaders’\*  
  
8, We also made an attempt to study the genesis of Genes of  
Some of the special enactments, and the study ‘bears out shea  
Woat "we are ‘endeavouring to emphasise, harnely. the  
  
‘special’ cheracter= of the. relevant. enactments, ‘Thus,  
  
the Prevention of Food Adulteration Bill was introduced,  
  
{or the following seasons"  
  
‘Adulteration of foodstufs isso rampant, and the  
evil has become so widespread and’ persistent, thet  
‘pothing short of a somewhat drastic remedy provided  
{or in the Bill can hope to change the situatoh,” Only  
ASSET Sterne ontaughe on this mat  
Antisoctal ‘behaviour ean ‘hope to bring relief to the  
pation  
  
‘Novwithstanding the existence in the Indian Penal Code  
of certain sections punishing adulteration’, the enactment  
of a separate law vas proposed, becmtue that was considers  
‘ed the only adequate way of dealing with the problem.  
  
2, Sey, the Prevention of Corrption At, 1247  
war pa tha opportunities for bribery wd  
corruption had been enormously increased by war Conds  
‘ons, and because it was anticipated that post-war recon.  
traction would ‘involve disbursements of ery large sume  
of Government money. ‘The enactment of = special prove,  
Sion) hereunder, possession ef sudden wccreters af  
wealth should constitute an offence was (apart from proce:  
dural changes) the main innovation introduced "bythe  
  
+ Ack ‘The section creating the sflence Was framed in the  
{ezms in which itis now found (eection 8), because fe was  
felt that the correct legal ‘course wat io create & howe  
‘offence of “viminal misconduct  
  
Snoring Pirgnrtod Privat) vB. 6. Gasca Depron,  
At ats Reet p30 et Asap Se Pap  
  
'Se Smemert af Obes and Remns, Gece :  
1 scan Ta | In 098) Pat  
‘Senin 75— 96 Ian er Cade  
  
pare SE SARE OF Ob aad Rewer, Gane of Iti, 45  
y imal Lae Amdt  
  
yn, Qrsiane, 1945 a  
ects Tyla Ene Rand SORE 190 a  
  
  
Page 53:  
6  
  
St. Again, he Railway Stores Act! was passed i 1058  
to replace the Railay Stores (Uniawful Posession) Orde  
Fanetshd'fs extend is provinone to Pact B States The  
Babissnce elf was promulgeted on the 15tk May, 1844  
nts "iew to preventing persona from aMing xl  
Yuan of artes of raway store © thing of frequea  
Excorrence.towerds the end ofthe les wer. The Act  
{Seales 8 new ‘offence of Sunlarul possesion of ala  
Slots." The offence is more drastic than theft and all  
tenes, issmuch a5 under the Ack—  
(i) i is enough if there ig reasonable suspicion  
cnut\the'sures re salen oF uniawfully obtained, and  
(i) te for the accused to account satisfactorily  
howe Game by such stores  
  
58, The Telegraph Wires Act\* was, enacted because  
thefts of topper stes used in telegraph lines ed Beem 50  
Fampant, that tele-communicatons in soveral parts of the  
Country were considerably dislocated daring the two yeary  
preceding the passing of the Act Many offenders” had  
‘Stsaped nly due tothe tals to prove in court that the  
wires found in "been stolen fromthe  
Bont and Telographe Department. Since copper sires  
tied in tlagraph ines were of istinctive gauges, it Was  
iS hs el ae unretaonabl 9 preva iA any  
person found in of wires of these gwuges came  
Inco thelr possesion unlawiully (except in the tase of  
Pong ete pean then Rom he Diese  
  
er, by an amendment mB sale or purchase ot sn  
‘quantity of telegraph wire {2s defined in section 206)]  
‘Was protibited except with the permision of the prescrby  
ed althonty  
10, Silay, the pots Act” was enacted, beau  
  
was considered” thatthe measures “of conto i  
Unde ral 8 of the Betenes ‘of Inds Rules "and nabs  
quently extended under the Emergency Provisions (Com  
incancey Ordinance, 1946 (20 of Te) would have tobe  
‘continued for some time longer, in order to aveid any 2s.  
{rbance to the sconomy of the country ducing the fond  
tom from war time to peace fime condllans. At the same  
  
Tite Raley Stores (Cw Porson As 93s Gt e955,  
‘Tie Rally Sears (Uainal Posen) Oran, 1044 (09 of  
  
940.  
  
ROSES E Seeow mt Rone, Gx oda, 50,  
Sees  
The Taegach Wires (Valid Posse) Act 19504 of 1990)  
Gueee of Ti, (950, Pat Msn 3, pe 03.  
  
oa baggie 1A: Teen Wir Cala Pi) As, 130  
“The Ions and Bapors (Cem Ac, 1947 (1 of 94  
  
un Sige Gatto Ob nd Reson, Gam dinner  
  
  
  
Page 54:  
a  
2 been “considerably reduced to sult  
  
time, penalties  
peace fonditions"  
  
10. Tn thie connection it may be noted, that some of aang  
ane Sac fhe han Peal Cae dealing with oltenees Sy fedan  
‘Misting te toad mary were opesied or amended oy Se  
‘Peseta wich da rperey it erat.  
Ebjer, “Foe socton 48 patan Benel Code Definition  
  
Bt edaaneth) pd section a, dian Penal Code (Caine  
weate'waderear, were repealed by. and sections ah  
  
{ost ts and ais were amend by the Tend and Merchare  
  
die Mad Ac. 1950  
  
2. The study of the genesis of many of the special enacts spe  
ments thus, shows that they were ether enacted to écal sme  
{ith problems which atone ‘Tomporarily” but survived gam  
Tonger'than expected. or sith problems that were confined fut  
to particslay trades or. industries or. particular kinds of  
  
public provertios, or ‘otherwise to deat with. particstar  
Epectes of acts segarded a5 harmful. These lawe are, tus,  
‘properly ceseribed se "spectal™ Even though some of the  
  
Ects proposed to be penalised ‘by, them” were slzeady  
punishable under the Thdian Ponal Code. yet « special aw  
  
fad to be passed  
  
Carson 1 -Orrimcts PREVENTING ECONOMIC DEVELOPMENT  
  
We now proceed to consider, (n detail, the various ons pe-  
catogories of offmnces mentioned in the Report of the Sans ventne ©  
hana Committee’ The Art of these (2 the following -~ wm  
“Offences calculated to prevent or obstruct \_ the (ener  
eonomie develggment of te country and endanger fs  
  
‘This appears to be a very wide and allembrecing  
category. "The test being the economic development of  
the country” and its economic health, enactments relating  
to public finance, control in trade, ‘contest on. tdust  
‘control of power and Tesources and the like, would alt  
lander that category. It fact itis wide etough to cover  
tang of the alfences, mentioned inthe ther categories  
Histed by the Committee, for example, evasion ‘of taxes,  
and profiteering." But ac the ther cateyories have boon  
Sepurutely’ mentioned, the present ope would have’ to be  
‘ond fo what it not covered by them,  
  
We have listed separately some of the existing iaws  
‘that soem to Bave soree bearing en such offence  
  
  
  
Page 55:  
“  
  
list being ilusteative only and not intended to be exbaus-  
tive. “So far as transferring the penal provisions” of these  
lave to the Tadian Penal Code is concerned, we think that  
{ft would not be a feasible proposition. It would, in\_ the  
firt place, tremendously Inevease the Dulk of the Code.  
Secotdly, the penal provisions in these enactments are in  
Extneably woven with the other provisions or with the  
State ely ante ered? By way of xara, we  
fay cit the Industries ( rand Regulation)  
Ret The penal section ih that Act js section 24, which,  
unishes's contravention ete, (i) of the provisions of  
Everal sections tentioned therein, or (i) of directions oF  
Gries isued under he sections mentioned therelt, oF  
iy alg ate ne nttatention whereot i nade  
unis "¢ Act also contains provisions regarding  
inden of prout (gestion 28), and procedure and jurisdic=  
ton (aections 27, 29, ete). All these provisions would  
‘ecesse incomplete if the penal sections are transferred to  
{he Indian Penal Code. "The samme can be said. of many  
bother Acts lke the Foreign Exchange Regulation “Act,  
UAT and the Imports and Exports (Control) Act, 1947  
  
Qubecscom 93. We next come tothe question whether addition of  
Rector, any new provisions ia-caled for under this category. At  
SSEEIEL” SnUatcrplac sn the Report’, the Santhanamn Commitien  
give'an fndication ef the whiiecollar and economic ermes  
Shes Te had in mind. Alter Sberving thatch. cme  
Tenocied ihe enorme! of the ows more dial and  
{ant this ype of crime was more "dangerous. ot  
‘Beebuse he financial stakes were higher" but also because  
{Preparable demage to public morals was "done, the Com=  
Either ated the tox’ "evenon “and. avolganen, share  
pushing, talpractices in the share market and adminis:  
anf pan somone ory und  
invoicing or overinvolers’ proiecing, sob.  
Busan Soferance of fontacts of comincton. and  
Supply, fasion of economic lawa, bribery end. corruption,  
HIER irences and malpractice, were some examples of  
hitecoller crimes  
Now, of the examples so given by the Committe, most,  
it not al would be Covered by the existing enactments ox  
sabe eso whih, lad, xan Prev  
Sunt relating” so" eoonele“efences als Monopole  
Sinttols and pulestandard performance of contracts ae, of  
urs important (tems. But the former hes already been  
Jie Itates Dep e} Resi As ost Go  
Rego of ie Sabra Commie, Fae AB p21  
‘ha underlie, tea Report the Sth Cm  
ase se Si at  
‘Se Append 18 8  
‘se pean  
  
  
  
Page 56:  
the subjectomatter of consideration by a separate Commis  
‘son! whose ceport has been submitted "recently, and It i  
UUnncoessary io discuss it iz detal ‘The later wilt be dealt  
with separately  
  
94, Economie crimes have received elaborate treatment whether  
J countries in Eastern Europe But certain observations suspen of  
Jn Toation to the laws in force in these countries pentli: zeae  
Ing such crimes may not be out of place. First they, seem Ses  
to incarnate the economic and social philosophy “et “the asset  
‘group of countries" concerned” Secondly, they include fase,  
some activites which are, 24-4 rule, not punishable else:  
Where! eg. spesulitions.” “Taiedly, many" of the formule:  
tons ofthe cscs arc of.» seeping character, Te lan  
lage euployed is general” so thats the provisions i  
  
‘wo varying interpretations at ‘different times  
  
85, For the reasons given below, we do not think t  
  
q  
‘provisions of the general and sweeping character found ia  
  
the las of countses of Basen Europe’ can be corpo  
‘ed into the Indian Penal Code:— ore  
  
{a) The concepts of economie policy and ideo!  
‘on which they ate based have Rist te. ‘be sceep  
before they can be incorporated into the criminal  
  
(2) Even those concepts and, ideology are 2c.  
cepted, putting such provisions im the CSninal let,  
sees ca cota ail eatin “new Mak  
their generality. in 4 counts fa wi  
Bumeftus High Curis. sich Proviso aft kel s  
lead! to conticting interpretations and consequert un.  
etal inthe taw a'r which should Be ender  
{len only" where compelling Feasons exist  
  
(rates ve orc oa  
cals Gee en ey  
Sorina ca  
  
36. One of the comments reesived by us suggest, that Dom  
under the fist category" the folowing offences Sod ie  
  
Te Monoplie Come.  
  
‘See paragat 126 tra  
  
‘See par. 2934, wpe  
  
‘See tho Appin 16 sad  
  
20f, Meebcin, Cen ase snd Soc] Recnction (194,  
"Par 39 ma  
  
‘See Appendix 16 sections 284 nd 387 Tengen Crna Coe,  
‘arn 4 2.  
  
ar. 92, mp  
  
  
  
Page 57:  
Brnion ee  
aoe  
Gotam  
  
2  
  
‘ae penal by inserting Chaper inthe Taian Pel  
Site  
jy stmugaling across the Indian border:  
{Ub tralfeking in foreign euerency and bullion;  
{Gx any move, open or subtle, purported to obstrist  
any foceign la;  
Go) any move to incite the peasants fa any ates 10  
msuln fom eutvatons  
(jo) inciting strikes calculated to paralzse oy  
teansrt or commumiation #¥stem, sch as Railway  
Bor tr road transport, ete  
(ei uncerinvoicing export end \_overinvoicng  
inmport.  
i) export of manufactured goods, handicrafts or  
ay natty in quanti Below the specied state  
‘eae  
  
97. We are mot able to accept the suggestion. Some of  
the offenses eng sugeling. and traficang in foreign co  
tency. ape alceady covered by special enactments) A few.  
Tike any move to obsttaet any foreign aid" or "any move to  
fncte the peasant to abstain from. cultivation” appear” 0  
be too, wide, Assunaing. that such provisions would be  
Csastitutlonsi—a point en whieh we'do not express any  
Gpinion.=they might cover many ‘innocent activities, For  
Cfample, e person who expresses an honest difference of  
‘pinion in regerd to the policy followed as to foreign aid  
‘tay find nat wochin the four commer of the rugaesed  
Eee of any move wo bsteu any foreign ad, “The et  
Such as inciting strikes, etc, canbe more rately  
SESH With'in lepitation eelating to industria disputes,  
  
Cartcory 2—Bvasiow aso Avorniscs oF Tax  
  
98. The second category of offences mentioned by the  
Santbsnam Commitee Ie—  
  
“Byasion and avoidange of taxes lawfully imposed  
  
Atanother place inthe Report, the Committee dis  
‘cussed in detail the topic of evasion and avoidance | of  
Tcome-tax, and "eaurperated. certain sections “of | the  
[ncome-tax Act 196, "whieh appeared t0 the Commitice  
te offer stope for avoutance nnd evasion’. The Committee  
Rserved: that the Department iaelt should examine and  
{ake sullable. steps. to plug loopholes on these matters; it  
iggested. certain administrative measures, ‘wo  
  
7  
‘gor ofthe Stamm Caine, pag 271 and e273 ms  
os BS io  
  
hone secon ae a in Append 10 ti Report.  
  
  
Page 58:  
1  
  
‘changes of a legal nature, namely, (i) making the 10-  
sears Uncnces of illegal evasion sind avoldance eognkt-  
etic" as omni ahd (4) prvi hat he  
fanishment, chow] be imprisonment for atleast hrce  
Petre ant the amount fcund to” be evaded or avoided,  
‘ould be liable to forteture.  
1k .nay also be noted, that 0 far as evasion of custome  
uy in concerned, the Report of the Committee contains  
2 detaled discussion as to smogezing"  
  
9, It is unnecessary to elaborate here the distinetion  
‘oxdinarly understood Between. “evasion” and “avoidance”  
‘The former denotes a defect in the enforcement of the  
laws, while the latter denotes a defect in the law itself  
‘The latter has to be tackled by a detailed study of the  
provisions of the relevant enseiments.  
  
100. The following extract from the Report, of the  
Income-tax\_ Investigation Coramission’, which Was re  
Sided ‘over by Sir S-Voradachariar, former Judge of! the  
Federal Court, tucicly explaine the distinction botwaen  
the twos  
  
“Tn remains to add a few observations relevant to  
rm of nvoldance and evasion. According te  
Wweiltestablished "Usege. the term “avoidance” denotes  
the sllisation of loopholes to effect tax saving, within  
the Telier thaugh perhaps contrary to the spirit of the  
law. “itis Tendeted possible bY detects in the framing.  
of the law of in its drafting, a5 & result of which cases  
Sithin the intcndamen ofthe law have not been brought  
in by clear or apt words, or cases Which ought to. be  
faiei¥ comprised within the policy of the Taw have  
Deen ofnitted by oversight or for other remsons, Lesh  
‘age of tax In this Way has to be prevented by maki  
the law cleaver or wider, But there will mever be a  
fend 0, eitemots at Income-tar avoidance” Though =  
  
Lord Chancellor some years ago referred in terms of  
disapprobation to the efforts of tax dodgers and to "the  
professional. gentlemen who. assisted them tm the  
  
pat Cea Inland Resenae Commaationr:  
rw Report ppeal Cases at page 381), popular  
of professional opinioh does aot scem to. share that  
‘ew Dut 1a prepared to regard such attempts as a  
“commendable exercise of Ingenuity”. Ar courts. 9  
  
slow to construe tax laws gceording io their “intent”  
Ge astingutshed from the letter of the fa), occasional  
  
sa Rte of te Sathana, Commies, pa 15 ar. 3°15 and Pe  
pan tio oe Inomesae Lege Commins, 4) et  
we eRe Widen eas Corset a) 1A Ee, Rep 385  
  
“Bewion™  
“  
  
  
Page 59:  
modifications of the statute will be necessary to close  
Toopholes. that. “Judicial construction eantot plug”  
“Bvasion” ig) applied to the escape fom taxation,  
accomplished by” breaking’ the letter of the lave,  
‘whether intentionally or through mistake of neg  
fence Most frequently, taxes are “evaded because  
Soper saministrative achinery has not been pe  
Sided or the machinery sr not working properly,  
Evasion hag” therefore to be" combsted mainly by  
“improving” the administration "ofthe law—we  
advisedly “tay “improving” though some would prefer  
fo speak of It as “ughtesing” the administration  
  
To the extent to which the weaknesses of the adminis-  
tration may be traceable” to defects in the law (particu.  
Iariy'in the sanetions provided BY the law), some thanes  
Jn the taw may be necessary even’ to prevent evasion  
Under a system where the assessment of the tax depends to  
a large'extent upon inforination given by the assescee, he  
hhas ‘every opportunity, and. when the rate of tax. i high,  
every “templation, to altempt evasion. This can be met  
‘nly by tmproving the efctorey of the administration”  
  
101, Two varying attitudes seem to have been shown  
avoidance in England. The traditional at:  
  
de of the judiciary wah Gata  
  
void. the payment of tax =  
  
{egal means. ‘There fs no rale of  
enuine and lawful ” arrangements to. reduce  
  
102 This “aitional attitude is represented by the  
{oliowing view exoressed by Lord Quickswood™:—  
  
sueg as rare  
ie" Goi astern ee  
Bs Reon he a rl we  
PNT ye  
  
TEE bit, T Eitan, (O90 NCH, 19 1 GOR) Al  
wg hepa net Sop aor GES Come  
  
Foe deted daemon raen iog™ and mii  
‘of an ee nnn of Sah Scene epee 1350 Rope, US,  
Smee Stake thes See ores SO  
ose Later 9 he Pines, Febouaey 30, 1943, chet  
‘asic, hina fice wd Sei Hesse Cas Fag te  
See sho Lied Tein a LRG. . Waimintr, (1938 AEA, a  
po tf Gansh Al ER Rep 35 .  
  
  
Page 60:  
83  
  
that by swing tx he roms a sad on  
sc texpayer. But this is not quite accurate; for  
{he Gefctency might. be met by reducing expenditure  
  
if ie‘not a good thing that there should be this last lawful  
Fened ‘againse oppressive taxation by 2 majority, that  
human ingenuity can always find a way by which the  
‘minority aa escape from tyrannical imposts!”  
  
10%, Lord Tomlin’s observations may also be cited: —  
“Apart, howeves, from the question of contract  
wish whch Thave dealt, is sald tbat in revenue cases  
there is a doctrine that the court may ignore the Tegal  
Postion and regard what Is called “the substance of  
fhe matter", and that here the substance of the matter  
int the annaltt wea saving the Duke for some:  
thing equal to his former salary or wages. and that,  
therefore, while he it so serving the annuity must be  
lweated aj salary or wages. This supposed doctrine  
(Spon shich the commissioners’ apparently acted)  
soem to rest for its support Upon a misunderstanding  
sf Sngsags ast in te ac “cae The some,  
{hig misunderstanding is dispelled “and the sy  
‘doctrine given Its quietus the better It will be for all  
‘concerned. for the doctrine seems to involve. substi;  
{ting “the uncertain and erooked cord of dlscation™  
forthe goiden straight mate wand ofthe law" (4  
  
“Every man tonite, he cant order hina 9  
an a ne eon tae  
Aa aking ere svete Ae  
se ie et Bathe  
tite bitten aa Rea 9 Ae  
roves malts gn geen, be net be comet  
Sean rer! i ths eevee ae  
Fe, eS at By Sten,  
ita ie 7 emtaaing e be  
ange tae  
  
104. The following cbservations of Viscount Simor  
LC, however, itustrate' change of attitudes  
“My Lords, of recent years much ingenuity bas  
been expended in certain quarters in attemplng to  
SERS, ahah reer, Con RG 13  
evi Sp dp es EES  
“Leni nant Revit Comision mh  
co A eas Rest Be, S60 ay Tae Es 28, i Gh  
"Denil say ott stant wl be end  
(O may by A. Faroe in he Mata, Review, (ip  
ie mdi ea Sle Ba  
iy ee by. tee Th ae ws  
SES ee eae Ga Nae Re  
  
7H AG. 4, 195 Cont) Allg  
  
oe  
  
  
Page 61:  
4  
  
devise methods of disposition of income by which  
{hose wh were prepared to adopt them might ‘enjoy  
the seneits ot residence in this country While receiv  
Ing the equivalent of much income, without sharing in  
the ‘appropriate burden of Beitith Yaxation. Judietal  
Ulcia Phas be cited which point out that, however  
Clibbeate ant artiieial auch methods may’ be, those  
who adope then are entitled” to do so. "There is, of  
course, ho doubt that they are within thelr legal  
Sights bat that is 99 reason way thelr efforts, or those  
ff the profeational gentlemen who assist them in the  
‘matter, should be segatded as a commendable exercise  
St ingenuity or ag a discharge ‘of the duties of good  
Chisenship. On the contrery, “one. result of Such  
‘etbods, if they succeed, is, of course, to increase pro  
“tanto the load of tax on the shoulders af the great body  
ff eed citizens who do not desire, or do not know bow,  
{o adopt these manosuvres. -Anoiber consequence it  
that the legisiature has made amendments to our  
‘nome tat. code which aim at nullifying the effective-  
ines of such sehemen  
  
105, But would appear, th  
trend in the Teverse direction! =~  
  
106, The following observations of Lord Simonds would  
  
‘The determination of these appeals involves, a  
consideration sf certain sections of two Acts of Par  
‘iMteent whieh were designed to bring within the  
ambi cf taxation to incomnestx and Sur-lax —Incomne  
Which Woug otherwise escape that burden. For that  
"eas and because the ways of those Who would evold  
  
ty to fan ae often devious ab baat, these  
tlons ate framed in language of the widest. and most  
general scope and in the’ case of one of the Acts [1  
Feter to the Finance Act, 1996, setion 16(0)] the opera:  
ve. subsections aze reinforced by a provision ‘hich  
pea fo exhost the aaweing thority, and) pre  
steal eo “curt, to fer the balan, etre  
possible, be weighted against the taxpaver. But, this  
Sotthianieg) Iie these remain the i  
mayors privilee to claim exemption from tax unless  
Aid case E°fairiy brought telthin the words of the tax  
Ing section, and i€ fon this light that T examine the  
  
js Card Romans «TRG, (40) § Al Ena Rep. vd,  
spe Lat sono as 2? eran  
  
tn Beater IRC C991) TAG. 44) 5 (958) ¥ AIL  
Repent 96 Hib 8H 40 5 950 + AN Boe  
  
ERC. v. Walion (ip) 2 AER. Bs, Seb  
“Army “Omer ke. Gamage Like (9) 2 AR. 73  
  
ee IG Gs? Pest + LRG. om) # AI Bag Repro  
  
  
Page 62:  
35  
  
“pplieabilty of the Finance Act, 1996, section 18, and  
  
the Finance Act, 198, 5.38, to the cireumstancea of  
  
Gs late ford Vestey and bls Brother Sie Badman  
festey  
  
Reference may be made to the observations of Lord  
Normand!  
  
“Parliament i ste attempts to Keep pace with the  
wgencig. devoted to tax avondance may fall short ot  
ee pusdose. “that is'a misortane for the taxpayers  
{ho do not iry to avoid ther share of the burden, ed  
2 Shappotnting “to the Inland Revenues. But the  
EOST Snot catch 2he ferme of taxing Acts iD  
‘ee poe on th fra of Parte and,  
Stop ype which ae left open ee Tae  
Zeal Wan evi, but Te would be the beginning of  
“uch greater ev‘ls Mf ahe couris Were to overstvtea  
  
Thong of the alate in order to, subject to tase  
St whom they disapproved”  
  
$V. We may siso refer to the principles adopted re  
garding interpretation of taxing Acts. The following  
Sbservations. of Lard Calrngi® may be referred to in this  
  
“as Lunderstand the principle of all Hiscal  
legislate fe i this  
  
Hf the person sought to be taxed comes with  
ip he ete ote Je mst be taxed ox:  
ver great the hardship may appear 10 the Ju  
‘lal mind to be. On the other hand, if the Crown.  
Seeking’ to recover the tax. canaot Being the  
Fubject within the letter of the lave, the sub  
ject is free, however apparently within the spirit  
‘at We lav the case might otherwise appear to be.  
{in other words. if there be admissible. In. any  
stulate,” what is calleg an equitable construction.  
certainly such a construction is not admissible in  
  
"ule, where vou ean simply adhere 9  
‘he statute.”  
  
1s. Other decisions on the subject are collected iq a  
recent case of the Andhra. Pradesh “High Court "The  
Following observations of the Supreme Court may also be  
  
ac GCG, od Bots VR 9695+ AL Ea. Reps He,  
  
"Porangon's. Atomy Got, 8) Lae Repo 4 WL. 20, 33.  
"Seu, further, Cae, Ste Law (983), gee H13—a06  
¥ Ste of nding Prada, ALR. 1968 A. P. 436,  
  
‘Rama  
an aiNoweibes.  
7 Law—8.  
  
i  
  
  
Page 63:  
fete  
fewer.  
  
8  
sub-section (2) of wetion 21 (of the Bombay  
‘Salestax “Act a of 1955) sa penal provision com  
{aimed in a taxing. stave and the Court cannot spect  
Inte conitay ta the plain imtendment. of the words  
Wed bout the object of the Leqistature, If the Lesise  
re has failed to clarity Ws meaning by the dae at  
appropiate “language, the Benet inset must fo  
the taxpayer. ils seiled law that in case of AubL  
that "Interpretation of a taxing statute which is bene:  
fiat to the taxpayer mast be adopted  
209, Legislation passed in Eneland during and atter she  
‘Second World War ilusttates Uhe inveasing efforts made  
By the legistature to chek svoldance of ta.  
  
110, As regards tax avoidance, it has been recognised in  
the USA. that every Uansaction which revulte In. tax  
avoidance ii not always. entered into with the sole object  
fof avoidance of tax Asan example, we may cite the  
‘American institution “of “foundation”. "An Individual, a  
{amily”"or a corporation may donate a proportion of pis  
omits assets toa permanent institution “esteblished, for  
ofmcially recognived charitable purposes". the dane  
Usually” being’ the controller of an industrial or business  
empire’, “Such donations ate exempt from pit tx tnd ore  
‘deductable for purposes of estate tax. So far as the donee  
panieatons are oneeined the? would lorinariy be  
‘exempt from income.tax, property tax and other taxes  
Further. ‘the dance gets a deduction in taxes in respect of  
the charitable gift inter vigor (within certain limite). 3y  
  
Solan, de mame Memes,  
TU te mu Tale dees. 8 ten  
oes at a es Se es  
  
CoA E RS SIR  
gy ei Lawn Changeset. os se  
oa pnt Reps NS Se Cases Sat Se  
onaey  
  
‘Deer Con. LTC ALR. 1950 Ma 7 728, parm 1.  
iMlgoaopa LTC. Alii ad se  
  
rene Cf  
Seo arc in ALR. gp Jou 36  
  
  
Page 64:  
A  
  
st  
  
‘he following passace in the judgment in a Bombay  
cease! puts the matter Iscidly:—  
  
“Hs has also been stated that the same result may  
bbe achieved by two onlirely different transactions,  
and it may be that whereas one transaction could be  
subjected to tax, the other might not be, and it is not  
‘pea to the Court t tel the assessee that he, could  
iter have entered into a transaction” which subjected  
Bim te texation rather than a transaction Which pet=  
mitted him to eseape taxation. A citizen is perfectly  
‘entitied to exeretee his ingenuity so as to arrange bis  
ifairs us tay Make Ht possible for him legally” and  
awfully” mot to pay tax, and i his ingenuity suoceeds,  
however reluctant the Court may be to acknowledge  
the cleverness of the essessee, the Court must. give  
‘effect to the letter of the taxation lay rather then  
Strain tat fetter against the assesvee!™  
  
112. Te may also be noted, that besides the imposition of Metal of  
penalties ang insuittion of prosecutions, ‘there are many Sot  
ther methods of preventing” ileal evasion of faxes pare  
tieularly, ‘strengthening "the saministrative machizery  
land sticanilining the procedure. "We need not repeat hat  
hhns\_bocn sald in ths valuable reports of the various Com:  
imitcees" that had eceasion to go to the subject”  
  
188 The existing prong culating tae evacon bi  
have een listed separately". Broadly speaking, provisions 2y'a0m™  
Saaiet cason cot be lasted tse Sit  
69) provisiors which enable the taxing authority to  
we) Income, ete, which has estaped assessment  
‘Gi) provisions which empower such authority ste  
to mmpose a penaliy: and  
  
(Gi) provisions which create offences for which  
  
4 prosecution can be instituted in the criminal courts.  
  
‘An exaraple of the frst” is section 34 of the Income-Tax  
‘Ac. "1422, (how sections 147 to 153 of the Incometax’ Act,  
196i)¢. "An example of the second fs section 27% of the  
Income-iax Act, 1961" Strictly speaking, we are concerned  
hhere amly with the third class” But it will be necessary #0  
feler to provisions of the second class, for purposes of  
  
comparison  
\* Pett Fen Gos 1. Gomme, AUR 954 B95 Th  
ue. Sag EF \*  
“Aponte 160 15 ht Repo: mat win hemo  
‘Seep 10, pe  
see App 2  
“Poh nti 3a Radilgo Un of In AL.  
Dom fn aia “  
“he ene A 96 9 1968)  
Toe sme ASL 1964 9 18  
  
  
  
Page 65:  
‘Tasso of  
  
s  
114. We have considered the question whether the  
  
PHERE RS transfer of tho provisions" relating to evasion of tox to  
  
Sibebt  
wie  
  
Pies  
ea  
  
the Indian Penal Code would be advantageous, The laws,  
of which there provisions form part, constitute self:  
contained Code.” In the frst place, these provisions con  
{ulm minute and detailed references 10 the other sections  
ff the enactment of which they form part—e.g. the section  
Under which a return is fo be fled, or a stamp 1s tobe Axed,  
fr the like.. They cannot be divorced from those sections.  
Seconuly, i¢ they are to be tansferred to the Penal Code,  
then, whenever laws imposing “new kinds of taxes are  
passed Inthe future, ¢ may become necessaly to amend  
{Indien Penal Code also, and that might prove to be “sn in  
convenient process Thirdly, there are special procedural  
Drovisions, which require ‘the sanction of a ‘particular  
Suthority” for mstituling a prosecdtion for an offence under  
the parcicular enactment, or ‘which authorise the - com  
[pouriding. of offences, and s0 on. If the penal provisions of  
fhe "tauing enactments are teansferred to the Indian Penal  
Code," then the relevant procedural provisions of the Lax  
Jing enactments while will then Tose their justification  
for being retained in the taxing enactments will have to  
be. trana(eved to the Code of Criminal Procedure, ahd that  
process also would be inconvenient.  
  
115. So far as we could ascertain, there is hardly any.  
country governed by the common law system where the  
‘offence of evasion of taxes has been incorporated «in the  
Penal Code. ‘The provisions are found to exis elther in  
‘the enactments relating to the particular taxes or in ®  
{general Taxation Law!  
  
U6, Further, the administration of these laws requires  
spesitees Know and experienc, including" por-  
  
larly, a knowledge of Une Various classes of income SF  
transactions that are taxable, the various deductions, ex-  
femptions and concessions that are’ permissible, and  
‘the departmental "practice. Eveo if those provisions “are  
transferred” to. the Penal’ Code—assuming. that such  
tranter i feasible the” need for, this special knowledge  
and. experience will always remain. There will be no  
Dractical improvement as the police will not possess’ this  
Special knowledge and experience.  
  
117, So far ag we could gather, none of the various  
Committees or Commissions that have gone into the ques  
tion of taxation structure or Taxation Laws or the aden  
  
of Teation Las, has found ft with the placing  
‘provisions im the taxation enactments,  
7 Par 3, pa  
  
EE st Ime et 6 6,  
  
Sosea es of gh Tacraia Anse) Cinna Cae  
‘ho, lg efcaces a Appendage Asset)  
  
{ie ample seta ot, Teel Revue Coe of the U.S.A, die  
cused Append  
  
ee Append 113,164  
  
  
  
Page 66:  
a  
  
30  
  
218, We also considered at length the question whether Guasen  
ik would be dentable to nsert a general provision inthe ecm of  
Indian Penal Code, punishing the evasion of taxes. The Sea,  
sipiments for and asst the Adoption of Such a cots ia ease  
  
e summarised below: deel  
  
Arguments for and agains including inthe Inn Penal Code ofthe ofonce of  
  
For Agaiaat  
  
(2) A poovsion in the Indian Penal Code (2) The abhorrence is already  
will ceflect the society's abhorrence” indicated by the Tacometse  
of the crime ia quewion and. the Act. It apt necomty te  
  
importance wih itches wo f° put i inch Taian Peal  
(2) A comprehensive provision applicable (2) The purpose. is adequately  
  
1 ell ass would be deneable. served by existing provision  
inthe fw reting to each  
  
(P Evasion of taxes is» smaor problem, (3) The defect isnot in the\_taw  
sof should be deat sith camisally. ” but in ty enforcement, Even  
the existing penal provisions  
  
bre not enforced  
  
1) Act ke keeping ae accounts, mak= (4) To. practice, filing a tae  
false cates, keeping unaccounted” cetumn'y the Usual typeof  
‘money, should be coveted Stason.” This be suticeny  
levied for by exiting le  
  
Fn fo aermin shuld be (9) Tas coon tech  
atte Instance of ony perm, > sublet tequiing  
~ frowiige Gn she "Dex  
Posten to understand” the  
fechniaites  
  
(© A owseping provision may,  
in “precuce, turn our  
  
be Sapue, and thus cause  
is  
  
  
  
Page 67:  
Por Against  
  
8) Any widening of the penal  
rslons repueding taxon  
‘thould be uaderaken  
swith caution, as itmay being  
Into being a weapon which as  
‘reat potentialities for abuse.  
  
(8) Proscation a not\_the only  
Thou of cheching evasion:  
‘Fhe eat tema etn vats  
ther ompenal” mesure,  
Shen as proper tox eracre  
‘Sequsce sength of tiers  
incest “ow comciour:  
Bes, 'ctenion of cordial  
‘Sis wees an  
Eiotne laws  
  
(10) None of the various Com-  
‘mitees that have gone info  
fhe subect\_ oat ip  
  
Thave "recommended  
  
Soca Ghose  
  
‘After a careful consideration of all the issues involved, we have  
‘come 10 the conelusion that the inclusion of a general penal provi-  
sion of the nature referred to sbove would not prove to be an  
Improvement in practice, end may even cause hardship by resson of  
is vagueness. In considering the question of inserting euch a penal  
provisioo, regard must be had got only to those who are guilty, but  
leo to those who are innocent,  
  
  
Page 68:  
a  
  
119. As to. the question of insertion of new provisions Adtiton af  
relating to evasion of tax, we do not think it proper to dis- Sex Pr  
‘Com that question in the’ abstzact. Any” specie recom. ™™™  
freadation rust await specihe proposals for amendment.  
  
120. In ope of the comments received by us, a sugges roi sage  
tion has been made that the suppression of income, or feted  
fuppression of information selating to. sale and purchase, =™e=m  
Should be made en offence, either by including it in @  
  
Ghapler in the Penal Code intended to deal with social  
  
fied sconomie offences. or by inserting & new section 4778,  
  
‘The matter, however, scems to be amply covered by. the  
provisions inthe various eeactments relating to taxation’,  
Enda new provision does not appear to be called for.  
  
121. Regarding “avoldance’, it is obvious that, the Arotaae  
changes i any, wil have to be made not in the penal Taw fzte =  
Bot in the taxing enactments! That ts cutsige the scope “=  
  
‘of this Report.  
  
Carecony 2—Mistsr or Pustte Postion ey Puntic  
‘Stavares  
  
122 The third category of oleae mentioned by the Mum ot  
santhanam Commitee the flowing oS ie  
“use of tele position by public servants. in te me  
making of contract thd post Of pablc” propery, fase  
Iisue of Tloeaces and permite and’ similar other C9 3  
  
‘Tre Commie observed’, that where there was power  
  
Inote 90 when the power and discretion ad been exercised  
Inthe contest of searity and contrals and pressure.  
Spend public money. Tt also teerred®, to dishonest prac.  
{cor tike the nyster of “speed money” “(money paid to  
steel up the pres of ment oe te) and che  
eruption prevalent i cont ‘constraction, pure  
chases, sales, ete pes  
  
(2 Thy a geren mrymgtng mies Ba  
og Say rmemraretee, metng eb  
Speed Caaigta ad avg a  
cy ie a  
  
ee a  
SEISE ie maar mie rt  
  
  
  
Page 69:  
section 5(2) of the Prevention of Corruption Act, the  
felevant portion of which is quoted below" —  
  
“5(). A public servant is said to commit the  
‘offence of criminal misconduct ih the discharge of his  
‘duty if be, by comrupt or legal means or by otherwise  
[abusing his position as publie servant, obtains for hiin-  
Self or (or uny” other person any valuable thing. cr  
pecuniary advantage.  
  
542). Any public servant who commits criminal  
misconduct in the discharge of "his duty. shall, he  
punishable with Imprisonment for a term which, shall  
Pot be lees than One year but which may extend {0  
Seven years and shail also be liable to fine:  
  
Provided that the court may. for any special  
reasony recorded in writing, impoxe & sentesice 0 i  
DPriconment of les than one Year”.  
  
224, What sang hen of such pn wth  
cout obianing any such benef Such caer would be Yate  
nat they do happen, would be dificult to agerive  
  
‘timinal intention to the person concerned in soch cases.  
  
125 Tt has been suggested in one of the comments, re  
ceived by bs, that a new eectign—section 164A~should be  
Thoerted in the Indian Penal Code to penalise the misuse  
‘of position by public servants In the making of contracts,  
tier The mateér, however, seems 10 be sufficiently. cover:  
od by section 3 of the Prevention of Corruption Act.  
  
jit iit  
  
Carzaoty 4 DELIVERY cP Goons Sor IN AccORDAMCE WER  
  
ebony oe 128, The fourth category of the alfences Usted by the  
  
#f S24 sunthanam Committee ts the following —  
  
ast Delivery by dividuals and industrial and som,  
  
Ss, mercial undertakings of goods not in accordance with  
  
(Gweeer @ —peeed specifications in fuifiment of contracts entered  
{nto with public authorities"  
  
At nother, place in the Repost, the Committee  
‘observed: that frequently it was the dishonest contractors  
‘and suppliers who, having obtained the contract by under  
‘tting, wanted to deliver inferior goods or get approval  
for mie-standard work, and, for thia purpose, were prepars  
to spend portion oftheir ean profit fn an  
Anpextce tothe Report the Committee ‘discussed in de~  
{Rll how tavours could be shown by passing and accepting  
  
TT Prevenion of Comupion At 947 @ of #947)  
  
\* For 2 drools see Append 33  
  
{The Preven f Conran Act 2947 (2 of 187)  
  
\* Repor of to Satanun Comie, Page, Pe 2°  
  
\* Report of te Sathana Comet, Anmerre VIF, fag 298 ben  
  
  
  
Page 70:  
sods which were wot strictly in accordance with the  
{Sbeetications laid down in the accepted tenders, or by aot  
Spplving the penalty clause im respect of rejected goods,  
grb oe sey piping a etry ot the smth  
  
ving wrong certiheates about complction of inspection  
of aafderpatsh ogo.  
  
127. We have ised separately! some of the existing Exaing  
rovisions which have a bearing on the malpractice. in  
{fuesuon the most Important of these are sections 419. and  
  
‘indian Penal Code, which run as follows: —  
  
“815. Wnoever, by deceiving any person, fraud! Che  
lently or dishonesty induces the person so deceived t9  
diliver’any propery 20 any person, orto consent that  
‘any perton shalt retain, any Property, or intentionally  
indufes the person so deceived "to do of omit to de  
saything which be would not do or omit it he were not  
Skee stich a" Sin Shans o's  
sly to cause damage or hart to that person in body,  
sind, reputation or property, Is sald to "cheat  
  
Expliation A, dations concealment of ttt  
cee Tae attonets rarer 8  
  
42), Whoever cheat and theretydshonesy in aus  
duces the’ person dace dle aay ypery ofan  
iy pert or dk hee oe dene eras ee  
12y par hte atm Sen ine wha fae  
Mao allel ane 8 Soa a Le  
$oted Mia vale mah ane SE cre  
Ioronmett of lier esedpten ae Sere  
iep,oxend to Sse Soot Sha ace fe alee  
  
128, We considered carefully the question whethr the" ang”  
fens get i creed by sein SAS dan eee  
mal Code. “Chening’ ss “efed "tn eetlca 7  
requires— \* i  
(a) deception of « person, plus  
  
{&) fraudulently or dishonesty inducing the person,  
0 deceived to deliver any property ete  
  
OR  
(2) deception of a person, plus  
  
(b) intentionally Inducing the person 20 deceived  
{9 d> or omit any thing which he swould not do or omit  
if he were not deceived, and ‘which act or omission  
causes ete, damage cr harm to that person in’ body,  
ind, repuiation or property.  
  
  
  
Page 71:  
i  
  
‘The section, thus, falls into two parts’. Under the first  
pact, the act must be done fraudulently, ete, and must re  
Bfit la delivery, ete, Under the second part, were must be  
fatentonal indisement, ec, and the act or Omission in  
osed must case damage or harm. Deception, 18, how=  
fever, common to both the parts.  
  
129, Deception generally ty “to lead snto error by cause  
ing to believe what is false or to disbelieve what is  
  
“The following observations of Buckley J” as to the  
meaning of “deceive” are interesting —  
“To deceive i, 1 apprehend, to induce a man to be~  
eve that a thing ig true which is false, and which the  
peroon practising the decelt knows or believes to Be  
false To defraud is to deprive by’ deceit: it Is by  
deceit to Induce & man to act to his injury, More  
{ersely it may be pt, tbat to deceive is by falsehood to  
{indice a state of mind: to defraud fs by decelt to induce  
‘course of action”  
(he aspect of likelihood of injury, as an ingredient  
‘of “intent to defraud’, ig not Felevant for the present  
purpose  
180. The first ingredient of cheating is, thus, "deception"  
‘The point whith requires consideration ft whether there  
“Goception”. when 3 person delivers sub-standard  
without making any express representation that the goods  
fre in secordasoe With the, contract. The argument that  
may’ be advanced ts, that the contractor does not deceive  
{ny person, where he makes no repreventation that the  
fond’ are in accordance with the contract We sre not  
Frclined’ to accept. this argument. “Thegh decided cases  
‘dealing with Uhie specific point are few it would appear,  
‘hat in sch case a reproventation to the above effect could  
bbe implied. ‘It may be poltted out. thet, as provided by  
the Ezplanation to section 418, Indian "Penal Code". a  
‘dishonest concesinent of facts i “deception”. Ulustrations,  
{fo and () to section 419 also emphasise the same aspect.  
  
“GF Rang. Hokah “ALR. oy Som 36h  
  
See PoPsw Vaso, ALR. 1952 Ma 18 pee 4 (ibe Rao  
  
»  
i oo ae Spr i Sy  
  
188 th soe  
  
(O'R. N Gonderaon, “Ps as ae af Inet 9 der",  
Eig) Cosh" Eaw foal tom 2  
  
QB aay LER. 95 Ca $12 (BD.  
(BO. Ev. Sekt Bion (190 TLR. 15 AL a0, 207  
  
8 Appents 24  
  
‘Son ao pre 127, spa  
  
Birmdra Dai Narmada, ALR. 1963 Oo 23%  
  
  
  
Page 72:  
6  
  
131, As has been observed, “The practice of deception  
Smplies the practice of fraud and falsehood. For, there can,  
bbe ng deception without fraud, and falsehood Is 9 apectes of  
Fraud implied In deceit Now, fraud ie hydra-headed, aod  
IMs ways of attack are insidious and ingumerable.. It" may  
Consist of word, acts o conduct oF all combined’  
  
182, In practice, the point” may often be scademic, as Toe of  
sn teapot &t huge contekts where detaled bls re to be med  
Submited, the bile will have to describe the goods supe Bec  
piled in Great detail 50 that the contractor cannot aor)  
  
‘aking ot express representation a ete stage et other"  
  
158. Where the defect in the goods is discovered before Anat  
payment, Would be an attempt to cheat om  
  
184, Another point which we had to consider was, whe. Gongs  
ther casey where the “officer” receiving’ delivery and the sha  
offender are acting in complicity, are covered by sections ds  
‘i540, Tndign Penal Code. We thisk that they Would be  
  
‘covered. In fact this seems to have been ‘sumed in 3  
  
event decision of she Supreme Court, and in cases of Ce  
  
tin High Courts  
  
188. In Englund, at common law, short delivery was held Posen in  
not fo be “cheating” (in the absence of Use of false mea- Eas ae.  
‘sures cfc, as a genoral course of dealing, or fo many Cus.  
toms. ot uns there Isa conspiracy to eheat)@o The act  
Was regarded only as en unfair dating. It Was stated. tat  
  
aud, to be the object of a evininal prosecution, must. be  
caleulated to defraut numbers,  
  
Goats Pesal Law of Uni (9a), VoL 3, poge 2338,  
1 Pen 135 apo  
  
sof % Bp. AER 924 Gah 1,48, 63 inden  
ns Bi Bas 18 5 Gta C.J  
  
ane ritaalat\* Bats ALR. 14 O18 4 «9 Gunton C.J  
  
cee Ry Hi 915 86 LIE. 865 5  
  
ana Hin’ Law of rand, nd Ba, Vo. 20, pope a, fee)  
  
Ch, Baws Lal. The Uno of In, ALR, e835. an  
"See TS. Dh ALR, 940M 195. 15  
1 be don ia Shonen v. Sia of Bi,  
a8 29 ret G. RB Tem be dag os ae BA AE  
eT RE) Bac ts oy td Atl, Cit  
  
"So ano Rael om Cine (96), Vo 3 pug 063 a ey.  
  
1) ALE, Rep 6  
  
  
Page 73:  
‘Tats rule of Ube common law was altered, to some exe  
dent by section 32, Lammy Act "the relevent porcon  
Of the veetion rune aa follows! —  
  
32. Every person who by any false pretence  
(2 with eter 10 delraud. obtsigs {fom any other per  
Sh ang chattel, money, or vallable securty, or causes  
Grprecures any money to be palds or any chattel oF  
\aluabie security to be delivered, to himself or to any  
ther person fo: the use oF benefit or on account of  
himself or ane other person;  
  
‘The expression “false pretence includes,  
tence by act or cundust, without Words spoken  
  
Knicé 136. Tn one of dhe eoomentst received by us. it has been  
voice stated thet there are thvee Kidde of Malpractces that have  
conte to notice  
  
{a} The contractor, in collusion with the inspectors  
of Civoenisont, committed Hogal acts in getting stores  
of an inferior quality passed ag if they were of the  
Specifications specified in the contract, and supplied the  
Sine id lnoed the Goverhment. to) part with the  
value therea  
  
(Bh nt, eg tr pe  
A Beco, te, oe cers  
2 SED Sorat et cet  
Seimei ah a i ep  
-Tecmce, iing rn  
ST tater et  
Soe Ciera  
Ss er a NT ELE TE  
steer Cc matt pe  
‘thence as as ne  
  
sn to ea a eet ye  
qe Ses sae  
  
  
  
Page 74:  
o  
  
1ST. In view of the fact that the volume of contracts Propet  
swith Govecament and other publie wathorities has increased =o"  
emerdvany and ikely 6 increase further, and sho  
ving regard to the fact that the point was ralseg before  
&s, We propose a sbecife provision ‘on the subject" though  
‘ee thing that the existing law covers il." Before, however,  
it's eneted into law. one practical aspect which’ we. have  
{dested Serratty, wit "have to" be examined "bythe  
  
138. Some of the comments received by us objected to Pose oa  
twéating undertakings In public and private sectors aifler= Soe  
cntly an thr respect. It Bas also been stated, that’ some  
  
We g00dE are not delivered in accordance’ with agreed  
isons, for reasons bevond the control of the partes  
Concerns, and it has been suggested that it should be clear-  
Iy'laid down thas misdelivery or wrong-deliverY should be  
considered an offence only if done deliberately  
  
So far as the frst point is concerned, we think that a  
traydutent broach of contract ith the Government or &  
public authority can be regarded at Standing on a different  
footing trom a frsudulent breach of a private contract. So  
far as the second point is concerned, the provision proposed  
ys ia Been so famed as not to take in any stich honest  
  
180. We should, however, state here, that we have not Propo  
ontldered. the auestion whether” the proposed section’ trem ™\*  
Would deter honest contractors from entering into contacts Saved  
with the Government and other public. authorifies. An wet  
fpprehenstin to that effect has been expressed in one of the serine  
Smiments received by us on the subject Before the propor: fe  
tdsection is enacted, this aspect of the matter, which is =  
Dracticl one, will have to be examined by the Government  
  
2  
  
(Carecony 5~Hoatomg ano sROrsERERINC  
140. The fifth category of the offences mentioned by the Howding  
Santhanam Commities is—"Prosteering, black-marketing 2  
sand hoaeding.” (Stamy 9.  
144 Tho existing laws relating 9 these offences are Hising  
listed separately". "As will be soon, the detalle of the policy ere”  
In down jn thse laws have to be worked ost by orders =!  
and rules issued under those. laws. The. provisions that  
femerge, as 2 resait of those laws Tead with sich statutory  
“ Anpesic36 seb0 428, Tndan Pen Cade Proposed  
Pa. 19, a  
\* Aopen 3 sa009 a4, Haan Pal Gol Propo:  
‘Pu 137 a  
"See Arpetic 5.  
  
  
  
Page 75:  
orders or rules, are bound fo vary Jn respect of each com  
frosty or gtoup of commodities. There is a whole struc  
{ure of legielation and sub-legislation which has come into  
nistence ag a result of the exercise of various powers Dy  
Gariows authorities as to the control of exsential commo-  
ities” We donot think thae the transfer of the offences  
Ageinie such legisiation to the Penal Code would be conve  
‘eat fe should also be noted, that there are special rules  
‘Bevidersce and procedure cnacted by some of these enacte  
Menta. For example, section 11 of the Bxsential Commo-  
ities Act bars the court from taking cognizance of am  
‘lence under tht Ack, except on written report of a eb  
fievscrvant., Aguin. section If of that Act enacts a rule as  
ty burden of proof, tie obvious ‘hat the Indian Penal  
Goda GannSt, be encumbered with these provisions.  
  
Hing of 142, Another aspect to be emphasized Is that these  
  
‘Egiite’ omences are exsentsty ofa temporary and special character  
  
SESE The conditions of seurctt prevailing in respoct of 6m  
  
‘Seta Gommodey. are bound to afer trom time to time and From  
  
‘Sinsotilo.plnce to. place, and for that reason, their cansfer to the  
Indian Penal Code would not leed to aay Practical bene  
‘The histor of the leglstation on the subject may be noted.  
During the Second, World War, provisions on the subject  
were tontained in the Defence of indie Rules.” In 1946, the  
Genie Legisiartre passed the Essential Supplies (Temper  
fary Bowers) Act" under Enlries 27 and 29 of List 1 of the  
GFrernment of India. Act, 1909, “Trade and” Commerce  
‘eithin the Province" and “prtiction, supply and distiba-  
tion of aoods" a3 altered by the India (Central Government  
ind Legislature) Act 140" (heveinafter referred to as the  
Enalish Act.  
  
M3. The effect of the English Act was to empower the  
CCen:ral Lagislature to make laws with respect to trade and  
Sommerce in. and gYoduetion, supply and distribution of,  
certain specified goods', for a temporary period mentioned  
Invsection 4 and the Exsential Supplies Act came into force  
fon the 18th November, 1946. ‘The Act was to expire.on the  
‘xpityof the period mentioned In section 4 of the En  
  
‘Ret. But, by the combined effect of the public notification  
fesued bythe Governer-General under section. 4 of the  
‘nglish Act, and the resolutions passeg from time to time by  
the Consttient Assembly acting as the Dominion Legislar  
{ures the life of (he Basential Supplies Act was further ox-  
tended upto the 26ta January, 1085. “Before the Act expi  
  
othe President promulgated the Essential Commodities  
  
‘The Exava Soppies CTempomry Power) At 948 (24 of 151.  
ceaTg Int Cov Govern nd apr) A, 1d (9 10  
  
ec Sg Omen co the Cori of Tin tt) 5  
  
  
Page 76:  
Ordinance’, which was replaced by the Essential Commo-  
ities Act whieh le the Act now in foree, Detailed history.  
‘of the vatious resolutions of the Constituent Assembly and  
fe notification issued by the Governor-General would be  
found in the tindersinentioned decisions,  
  
“The brief historical resume given above yvll show the  
special character of the legislation on the subject  
  
144 One comment received by us suggests that thee Foo ae  
‘ees should ke included in.» Bew Chapter im the indian Sede  
Penal Code: ‘The comment slao ofers'a definition of [to  
Iewrng as  
trl pie and defi  
‘excess of» permusibis quan  
‘he meaning’ of the term "Blackemarketing” de obscore,  
‘pheslses hat the Geiition of that expression should ine  
Slode suppression of fect relating to the sequinton or di  
posal of things controlled by different special laws. The  
Sefniong seagesied inthis comment, however. themeelve>  
stl the existe of spell Is containing the neces.  
Sabstontve peovisons, Por the very restos, such Po  
Yastone cannot be inserted in the Penal  
  
145 Ip this connection, we may refer to the West West Beg!  
Bengal Black-markeline act 1048" (oow copealed), ‘See A=  
tion 2 of that gave very “wide debnition af black.  
Marketing’, But alive every clause of that definition  
assumed the existence of anethee (special) law, ie. a lane  
ben Beedle peo for Waning. Felted  
  
supply, distibatlen, sae, disposal ete, of goods, cr  
thee storage, production ‘or manufactare, solsition os  
‘movement, ic) ‘Thus. section 2(a) spoke. of “selling or  
purchasing for purposes of trade ‘any’ goods at greater  
Brice than the maximum price fied Byor under ony Tat,  
Rotation, c ‘onder for the time being in force foc the  
sot goo, “Seu 26 Sean heer th  
in accordance with any Taw, ete selling or daposing  
aticies rationed, ete " ery  
  
U6. a regards the addition of new provisions con: Aasion  
cerning the thtences of Roading, bllclctrting pd tae  
proftetring sn "amendment. of the Indian Penal Coe PHO"  
‘Would not be conveniept. ‘The details of the stock which  
The Eset! Gnosis Osis 955 Ga te  
  
‘The Rett Cannot Ac, 95 oe 98S.  
  
Resa Al, The Ke, ALR. 190 Ga. 20.  
  
‘Ranmands The Se, ALR igst Cal a0  
  
‘Suet Las ALR. 1951 Bow 36  
  
9d SEO Beg Backseat Bengt Aer sot  
  
  
Page 77:  
0  
  
can be lawfully possemed ¢hosrding), the conditions sub-  
ject to which transections may be chtered nto, (black  
tprkstigg) and the maxim peices hat could be charge  
‘ed (profiteering), “would vary "im respect of each coum:  
Todity, and, therefore, a general and sweeping, provision  
‘cannot ‘conveniently be incorperated in the lackan Penal  
Code.” We may aiso point out, that in respect of matiers  
128 which the existing provisions are. found to be Inad-  
‘equate, it is open to Government to initiate ameniments  
Uhereté or to Introduce further special leglalation, when  
  
Carmoony 6—ApuLTERarion  
  
‘Aceon 147, The sixth category of fences mentioned by the  
Grei3' SS santhanamy Commitee ie—“Adattestion of foot Stats  
  
‘and drug  
ESSER... l8®. The existing provisions as to these offences are  
rer fisted separately provisions ‘onthe Subject are  
  
conttined in sections 212 fo 216 loan Penal Code But  
relia ou the nel ete tow fs  
Atca"tnder the spedal ensctinente  
  
Tame re 140. Tho Prevention of Food Adulteration Ast? contains  
selon caborate provisions of 4 sbstantve, procedural snd ee  
  
cer which ‘cannot ‘be traneerred  
‘to the Indian Penal Code. Posibly  
  
Section 2(1) of the Act contains an elaborate definition  
ie expression “adulterated”, and'clauscs {)) (2) and  
(of that detintion refer to the “prescribed” eatcnt of  
colouring matter oF preservative, fe the \*presereds  
‘Standard of quality or purty, ete" The standard of guaity  
it party and limite of Colouring outer can thus,  
ascertained “only "fvom the Tales made under’ the "Acc  
Section 19 bars the tsising of certain defences by ths  
Vendor to the eflect that he. war ignorant of the nature,  
substance or quality of the food ooid by him (except it  
Gertain cases). Section 16(2) ermpowerd the. Court 19  
fause the offender's name, ete, oe published where the  
offender is a secon or slbgequent offender. “Again: soe  
{ios 18(5) contains 4 rule of evedance a6 to the Seport of  
bie analyst Section 21 confers higher powers upon  
Maglteaton of the First Class fn relation tthe sentences  
{hat they'eam pase for offences under the Act. It woule,  
obviouly, be lepracticae to transfer al thee oetions  
{o the Indian Penal Code. Tt would not be convenient fo  
  
“ele a Satya cso Gas hes tgs Goo)  
wach Ser EAS Re Haine ta Amecng Aa 97269)  
se Arent 6  
  
"Tie Proenton tf Food Adutetin Ac, 154 (37 of 1984)  
  
  
Page 78:  
n  
  
Sins tothe Petal Gade and‘ leave the remaining proce  
En pein Ac ante Sounl Yee  
  
190, A study of the Drags and Cosmetics Act! will also  
show, that tg penal provisions cannot be transfered to  
tee" nding heal Code There ae, vet rulemaking  
wets under" sectons 12, 16(2) end’ 88 ofthe Act,  
  
Ercach of the roles may attract penalty under sectong 13  
nt Zia) read with sections 1a), TTA(G) 16()(G0, 160)  
(0, 160), Se. Then there are special rules of evidence in  
ftlans Tong, “bere ate ape posse  
{aridicton and procedure in sections 10,20 and 36." There  
ire "provisions. for enhanced punishment on second oF  
Schau coring eto 10a) and 9 and os  
provision fences by companies in section  
Finally. there is ptovislon for publication of” perticdare  
relating (0 sententes in section To tranaerthe penal  
Provisions to the Indian Penal Code would, in view at  
{ose ‘special provisons, mean’ a virtual disintegration of  
the A  
  
IBA regards the aon of pew provisions, that te Ada  
oak anda bean of, ros tt sat  
  
152, The fact that we are not recommending transfer  
  
to the Indian Penal Code of the provisions as to adultera- #4.  
tion oes pet, of cours, mean hat we under-ate tho  
samy of the! afence of aterm” fn fact, publ  
ion on the subject appears to be srong.” A cochment  
Slened several ctzons esting ia West Bengal has  
‘Gat exons gaily of aflfration of meicines  
should be’ punished with The dentnsentenee long. with  
‘cation’ of property, that parton guy of adtere  
‘ion of food’ should be ‘punished ‘with ‘life imprisonment  
‘long with confiscation of property, and that i all cases  
‘onviction, wide publicity tough the Press, the cera  
nd. "the radio should be given." Asother- comment ‘has  
‘uagesied, that the relevant Acts may be amended 30 28  
ietprovide compulsory "rigorous Imprisooment and’ also  
fine to be imposed of the‘coovicted persons One, com.  
spent suggests that sections 272 end 214 of the Indien Penal  
Sede should be satabiy amended. and that tae muster  
iteration ay soactints eetee Scale SOE  
  
‘ence should be made’ cogntable  
  
If any amendments pertaining to sentence are requir  
those will have to be made %8 the relevant ehactsents  
eating to food and drugs  
Rie Drop snd Gomis Aas Gp aoe  
  
Pa 13 ma  
a Law.  
  
  
  
Page 79:  
Fall of  
  
?  
i  
  
H  
  
i  
  
na  
  
18% The fallure of prosecutions under the Prevention  
ot Food Adolteration Act is often, put forth az u matter  
eserving serious consideration, "Abd no. doubt {tls 30,  
But such fares, re noe dn to's defect nthe Eel  
  
visions or it helt i with in speclal Faw.  
Fac causes re tobe found'esewhere  
  
154 Thus, prosecutions may fail because of defective  
reports of the Public Analyst" or delay in the examination  
fof samples’. Sometimes, the Fules a3 in force up-to-date  
fare not brought to the notice of the court? Complications  
Imay leo arise where the procedure prescribed by the Act  
{or taking samples ig not followed". The some difscalty  
‘may, are ifthe provisions of the Act requiring complaint  
by a particular person are not complied. witht  
  
185. In this connection, it must also be pointed out, that  
Digher Sure have ooy Eile ngress pn the mage  
tracy the Importance of leglation relating to adulterat  
of food, and the need for ensuring that mere technicalities  
‘Jo not hamper or defeat the cause of justice,  
  
(Carecomy Tiare axo aMsAPeROPRIATION OF Pualic PRO  
puny ano Fusas,  
  
196. Tho seventh category of the offences mentioned by  
the Senthanam Committee "Theft and misappropria-  
tion of public property and funds"  
  
‘The exising provisions as to these, offences are listed  
  
pe separately". ‘The oflences are mainly dealt with—  
  
(3) in the Indian Penal Code;  
  
(3) in the Prevention of Corruption Act, 1947; and  
  
(Gi) im, special enactments relating to "particular  
subjects  
  
‘Transfer to the Indian Penal Code of the provisions  
contained in the Prevention of Corruption Act, 247, is not  
practicable, ag the Act containg its own rules’ of evidence  
nd procedure  
2S ge ted Biv Oma ER 9 Pa a AT,  
pee  
  
"Manipl Oporto of Deki. Si Rim (968) 2 La este  
  
“Of, Ma Sigh. State, ALR. 1954 Pun. 332 33.  
  
{Gh Food upser¥. P Kanan, ALR. 1964 Kea 268.  
  
“Gf, Saw. Liv Suan, AER. 1984 AL 467  
  
sg St Dah Maki Je a, ALR. 1964 Pen, 52, pe. ot  
  
"See Anpentie 1.  
  
ofS em ok 3 ak 6 Peon of Coan a 87 a  
  
  
Page 80:  
157, Transfer to the Indlan Penal Code of the provisions Tranter aot  
of Sher special acts under this category does not  
‘appear to be feasible, as the provisions are a part of the  
{megrated schemes of the particular enactments,  
  
188, Tae addition of new offences under this category Addkion of  
lg a matter which need not be considered until any dell- mw po  
Cleney in the extoting provisions is browght ta notice, "abe"  
  
JS, We, however, think thatthe punishment for the Pon  
ay pu pron heal be gine ne oe:  
  
SE oe sane aie an Sach tate “We popes eee  
rhastendvest tebe fadlan Bosal Onde an the sabpet Be  
Thar intnabe der the nda Penal Code aeeton  
  
Ei and appratie totoe tre ave say ot Salt  
  
wis ft Su Code eeeuone aq, 28) Vit would nok  
There agsins the scheme of that Code to plas th  
  
Prosoed prion In tat Cole  
  
160, As regarde misappropriation of public property,  
the’ offence, I Smite by a public trvant, would ih  
‘gs "case, fall under geeton 409, Indian Benal Code  
(Grima breach of tas by 8 pobli servant of by banker,  
‘erchant or agent). ‘Phe maximum panlskovent for that  
‘flece ts imprisonment for lite or impeachment of either  
despa in en seas, ad ale foe ich seme fo  
be suficlentiy deterrent. "We do mot, therefore, propose  
any increase in the punishment. ®  
  
161, One of the comments recived by as ali states, fing sa  
that the offence of theft (or misappropriation) of public Fitts,  
Property ft raver thon the sare eflence in respect  
  
SF Soper ofan individtal of company, and should be  
Sequatey punished  
  
(Carmcony 8—Twarriextna mr ticmcEs  
  
162, We now come to the eighth category of the offences Tagcing  
mentioned by the Santhanam Committee: naciely, "Track: tee  
‘ng in liences, permits ete" is  
  
Tyree pode! say, pve geaag 4  
eee, eek, alee  
Sie nt Eines Eon  
feed a Gal eat cee ts Sey  
Amposes conditions in the licences, rs v  
Oe te tenets rok HE Oot  
  
a oe  
  
le  
  
  
  
Page 81:  
\*  
  
1s tet th  
ont estaetete  
sleidc vines camel  
Sa itn ata are  
eed  
{nBicad'of setting up the factory himeclt=. The Commitee  
has made certain recommendations’ regarding import and.  
Stace Mamie ome  
Stun! pecresseas  
Seraeredes Gi met erence  
Sete coon swam  
Saris oe bera.or ae ae  
Ghar dancere ene cas  
Cate erent  
Saree rar de, ek a  
lr rane eet  
  
clk, Steal gan She nt,  
Seetoras Gatton esas a  
practice of material allowed to be imported. for use in  
NGM Acciar ar ioe Bare  
  
‘which would be twice the market price of the import:  
ES  
  
Mescing of 164. The Committee has not 51 ted any definition  
wiptebe, oe Uaiet ng "A debates Ua acct, any dein  
Site. permits and allowing’ any aiber Sees beta ee  
‘Steins. permite and alewiey any 4  
  
[chao enjoy the true of ack Hoonces na oie’  
  
Another comment states, that “taficking” takes place  
when'a cence fe transferred without the petnision of oe  
fa7gelen scthorty, though auch transfers are prohibited  
by law, or ‘when a premium is charged cn suck trensters  
‘in spite of « prohibition under the law  
  
‘Hepes of the Samat Comin, ge 53 0236 per 7, tema  
oy GO to (th Gh Gah Ce tas Ca  
‘Report ofthe Sahar Conlon, pig 54) et  
‘Repor:of the Samthanen Commie, 58 2g, per 10 (4  
  
  
Page 82:  
165. 16 seems fo us, that the matter can be more eon  
‘veniently deat with by 2 suitable provision im the law  
Under Which the licenses are issued.” When a license is  
fEtved, 2 condition ean be inserted that it shall ‘ot be  
ffonsterabie, Breach of the condition could be made  
Punshable under the felevant enactment.  
  
166, So far as licenses fr importing or exporting goods  
actin “Snttaventin of’ condition iy the heen  
SShoig the unpoct or export ie an offence under  
ection 3 fof the Imports act "And {would appear  
that under Clause SG) the Export (Goottel) Order, 1063  
IMs deemed to: bea condition of every cence th  
Ilcense shall not excep with pereoion of the Tleensing  
duthoriy ete)" isnafer ihe license, and thatthe foods  
for the-export of which the licence is granted shall be  
Be “Heensecls property at the time oC'export Similar  
[provision has betn fade By clause 8 of the Hmport (Con-  
Wray Order, 188  
  
‘This being the position, an unauthorised transfer of  
the Heense {"traficking") would seem to be already cover-  
‘eds far as impors and export licenses are concerned’  
  
167. It there ore any practical diffeulties in the on-  
forcement of the relevant condition in the licence, those  
Aificulties Would not be solved by making 2 provision in  
the Indian Penal Code  
  
168, We may also state here that, a5 has been pointed  
‘out in’ one of the comments. received on Une Propostis  
Under consideration, the magnitode of the mal  
feiicking may vary mith te paricla hactent (ie  
  
we enactinent which requires that the activity of opera:  
tion or transaction in question sbould be licensed). For  
‘hat Feason aio, It willbe more appropeiate to. deal with  
the matter by a sultable. provision in the special enact:  
ep cps hy than by Reeral pono fe  
Uatickng) applicable fo afl Beene ead permis i ser  
fel it might cover even.a license or permnt which fs trans:  
ferable under the enactment under which it is irved,  
fnd thor lead Ww nocnssteney im the'lawe We’ do not  
‘therefore, fee! Inclined to recoramend a provision in the  
Indian Ponsi Code on the subject  
  
ina fovo ol Br ia) 97 CRT et  
  
Ser Bet & Cs v Adlimal Caller, ALR. 1965 Cok 47h  
  
siete wafepeed\_ tat Bw prove foe mlamam peace under  
secon Snap be eraaced shoe ne  
  
see Mahan Lal Jays Sigh 196) 3 Ge Law Journ 379, (eta  
igh Coon ba  
  
ie  
  
  
Page 83:  
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rte of  
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H  
  
Appenties,  
  
1%  
Concuusion  
  
169, In the end, we should emphasis that the problem  
of cheating crime in general, and ef whitecolia crimes  
{in particulae, is « complex’ One Tt io much wider thag  
{he"form and content of the penal law, of the placing of  
16 polo, "Tne nhbtons which’ preven! 2 pon  
from commiting “vive. generally may Rave their origin  
{in various factofs which contribute t the emergence at  
Conucene, and. the | creaon of see of gut The  
SEnetions imposed by the penel law consti one  
Species of these inhibitions \*  
  
170, Crime is not x legal problem; it is @ social and  
economic one. The sanction: which can effectively operate  
{otcheck crime are not legal obly. AS hos been observed™—  
  
“Among the basle elements in aay culture are  
socal values. These have been developed out of the  
ionct experience of ach sce Experiences and  
haviouc"pattsmag which. have Brought the goup  
fatistaeton are positively valued. Experiences hice  
fie row aatifacan re nepali valued  
‘Sanctions are set by the soeetyGesigned to “encourage  
approved behaviost and cicourage” disapproved be:  
HRttiour ‘These sanclons are embodied in te flkways,  
ores, conventions, eligiow ideals and taboos, public  
Spinich and las o's, ead ay mtd  
righ education. Every society has to deede  
Kenda ot behaviour shall be discouraged eh  
dwt nd by eppeal fo er sanctions  
Seen in our teie’y 4 great rellance.on law and yet a  
onsiderable larespeet for many” laws. cases  
in tniedy “speaking, concerned only with acts which  
tie made parksable under the caminal Inw®  
  
171, Wen we consider the 7  
cooutianon of a ‘portcuar class of" ries he  
fecomer still more Somples, Beeause then one fas to cone  
sir oven the criminal nwine ip general bu, he  
‘nore detailed question an to why the dese to commit the  
‘imesof that porteatar class eres,  
  
nese ne hae mw  
Sung eabaeeaanearares  
SHG'SAR tntpsy in Gea the Soop of cect prove  
  
baa  
  
ge Wore, it snd he Clini Law (The  
ecg ete CD Page a8 sete  
  
‘Tat snk Baga, Criminology, (960 awe 275.  
  
  
  
Page 84:  
the offences which, according to the Santhanam Commit-  
fee's Heport,cught tobe covered, Tt should be stated, that  
the appendices elating. So exsting laws are” Wlustative  
nly, and are not intended to be exhaustive  
‘A tentative craft of the amendments which we  
sn the Indian Penal Code sad in the Code of Crmiaal Pre:  
edie, 1s given in Owe of the Appendices  
1. J. L, KAPUR—Chairman,  
  
2.8, HIRANANDANT \  
Member  
  
41.8 70°R  
  
5. RAMA PRASAD MOOKERSE  
  
P.M. BAKSHI,  
Joint Seoretary end Lrafteman,  
  
New Deut;  
‘The 11th February, 1988,  
  
‘Appendices 34 od 38  
  
The pot of Special Sexeary Leghiatne Deeriment and Member  
‘enw Coan ts at Sen BBS UR =  
  
  
Page 85:  
‘APPENDIX 1  
  
[EXISTING STATUTORY PROVISIONS REGARDING OFFENCES CAl~  
ccuustip 10 rato‘ on OusIMUCr Tit EcosOMIC BEUILOPMINT  
‘oF Tie coumERy ano ENOAMCER 128 RCONOMIC HEALTH  
  
‘Acts listed inside  
(1) The Customs Act, 1962 (52 of 1962.  
(2) The Atamic Energy Act, 1902 (33 of 1962).  
() The Cotfee Act, 1942 (7 of 194).  
(8) The Imports and Exports (Control) Act, 1947  
(8 of Tout  
(5) The Essential Commodities Act, 1955 (10 ot 1988)  
  
(@) The Indian Standards Institution (Certification  
‘Marks Aet, 1982 (98 of 1952),  
  
(2) The Indusieg (Development & Regulation) Act,  
? 1951 (5 of 1961). ‘eputaton)  
  
(8) The Ten Act, 1988  
(0) The Coir Industry Act, 1956.  
(40) The Foreign Exchange Regulation Act, 1947,  
  
11) The, Oiteide Regulation & Development  
0) Te ht lee Ase  
  
(12) The Reserve Bank of India Act, 1034  
  
(03) The Forward Contracts (Regulation) Act, 1852  
(4 of to ce ‘ Ast  
  
(18) The Mines & Minerals ete. Act, 1987 (67 of  
1381)  
  
(19) "he Securities Contrasts ete, Act, 1956 (42 of  
1836)  
  
  
Page 86:  
‘Name ofthe Act  
  
@  
  
1 The Cusoms Ac 196s (85 ‘Without prejudice ro any ation that may be taken under this Act if any per~  
  
{Aso confiscation and penal (@) "Toi selation to any goods ia any way knowingly concerned in any fraudulent  
  
Ne, eee sesions tit and 113 rm o aap a vn any dey Cn tee  
(veg. Astoflse decoration ea the ie Beige ane i A ey he Iw  
se secion 132. The uae being in force wath rapect to uch goods oF  
  
(© acqites posession of oxi in ay way concerned i carrying, mov  
ro apn cen ing paces  
a eet ling we i  
fate sre also confsctivo under scion 1 eshallbe pasate —  
  
in the case of an offence relating to any ofthe goods to which sion  
"23 applies andthe matt price wheret exceeds one lah of rupee  
Tarren et wih may eed ve ey ad  
  
Provided that, in the absence of special and adequate reasons £0 the  
"cerry, to be recorded in the judgement of the court, such ie  
‘esooment shal no be less than six months  
  
  
  
Page 87:  
“The Custom Act, 1962 (con)  
  
2 The Atomic Energy Act, 1962  
G3 of 963).  
  
3 The Coffee Ay  
Goria). on  
  
\* Se oman  
eof 347).  
  
in any ater case, with imprisonment foe a term which may extend  
{6 tro yeas, rth in, or ith Bah, ”  
  
(Ast ofenes under the Act being epee “sconce cies”, and  
(Sheed for punting sever sacha ee Sas Kamat  
Dirwpat Bhatt, & 1965 Bombay 6)  
  
24 The section mabes contravention of orders made under setons 14.17 and 18  
ishable with imprisonment for a teem. which may eaten ta nents  
SeXion ry, cr alt provides that the Central Goveeament may. by order  
prohibit, except under a Tieence, the production, possemian, vie, dora,  
Export or import of prescribe siete ot other mineral or of sn plant  
  
{or development of atomic eneray et  
  
20 Section 20 provides that no coffe shall be exported from India ther wise than  
by the Board or under an authocsation granted by the Boardy and the pro-  
hions of the Sea Customs Act have been mase applicable to any vision  
Of this provision. ‘The Board is constituted under section ‘Section 31  
eas wh import of exported cole  
  
Sectog § makes the contravention of attempts at contravention of any order  
% Sade flere AS pune wih tmphonment fo 2 tom woh ay  
‘end to one Year  
  
tn ooo x ee ca sen  
refs caer ae a a a A  
ae ee oh nase ee  
  
  
  
Page 88:  
'$. The Essential Commodities  
‘ex 1958 (10 of 1955)  
  
6. The Indian Standards ast  
tution "(Cerigeation Mati)  
‘Act, $2 (36 of 1952).  
  
> paiement  
(6s of 1950)  
  
cy  
  
4  
  
piso he Sx Cay Ac, 8 fei, erect) of  
Eoin 3: be punishable with imprisonment for a term which may extend to  
Sac yea on wah ic or with bob  
  
(As tothe ace for punishing such offences severely, see Statev. Kumari Dirupati,  
‘ALR, Tpeg Bombay 6)  
  
“The section makes contravention of orders made under section 3 8 puishab  
VWidhimprisonment which varies Avom one. year 10 thee yees in cera  
  
TGrcumscancee and alg gives discretion othe court ro make  
tiene esos of he ne "Seton 3 es fone  
‘Serna commogiee Production, <unpy  
  
“The setion provides penalty for contravention of the provisions of scion §  
Mani guctay Saf he het” Seston'5 probit nproper we of te andar  
Se chat ta i non, oy ae remit  
  
ar per i rahe reembng the  
‘name of the Indian Standards Institution, etc. ~  
  
Te ae tea al 18 and Sar reco or rer  
Tortty As Dt) 1B ad 8G and 2989) or diecton or  
oe pid oth macnment wich ay ete to 6  
smombo wits fine, Secon 3 makes oblipmtory for every ower of exiting  
dertabing to have kvepstered inthe prseibed mas. Section  
‘gece regseraen, Schon ft probit crery pewon frum etabsting  
Peck iSiuntal underline excep under Heehcebnued by the Cente  
sere stan rcs or prone or manson Rew ace  
‘Similar provisions ‘re contained in section 13. ™ NB a new artic  
  
Section 24A puniahes fave statements.  
  
  
  
Page 89:  
APPENDIX 1 (concld)  
  
o)  
  
(Development  
Regulation) Act, 1951 (cond)  
8. The Tes, Act, 1953,  
  
9 The Coir Industry Act, 1953,  
  
1, Foreign Bchange Regulation  
  
‘Section 186 gives powers tothe Central Government to cont supply,  
“ntbution and prices of certain articles,  
  
“The section makes the beach ofthe provision of section 18) & (i) punishable  
Fier a oece er the Came Ack Sect revista  
‘bo consignment of ten shall be exported except under a ence by  
‘Government or the Tea Board  
  
Te sige mi conten fe porn ose 1 unl i  
teeta yh ni cot peodacs cep snder's hence ued by oe 08  
  
es ai ae Nace ee set oh  
‘behalf of the Coir Board. acne  
  
section makes a geton contaening the proving of sections 4 9 or  
MHS Gh eee $3 of oF ree nde, scan me tiny  
  
‘which may exend to eo Years of wit fine or with both.” Contavention  
‘Sf provibor of secon 19m eho porahable with fmprsonment for © term  
Which may extend t two Jeary oF with fine or with Cath Section 4 places  
Testctons on persons resident in Indi dealing nfo  
  
Sections er dia, lata etricions on persons esidet in indi from mak  
ing any’ payment to or forthe credit of ny person resident cutsie Ind,  
  
Section 9 emporers the Central Goverament to purchase exchange  
  
any  
inthe ot resident i lad at price xed by the Govern  
pan say pon rice  
  
  
  
Page 90:  
‘Section 19 empowers the Centea! Government to dizect owners of foreign ex  
  
‘change or foreign securities 9 make a return therot tothe Reserve Bank  
‘within such a period as may be species. The Cental Government of the  
Reserve Bank may also raqure any such person to furnish 1 the Goveenenent  
‘or the Bank any information, book o- other document as may be required by  
‘the order t be 90 produced oe Tarathes  
  
1, Th les eruana & 9 Ses ne tht enn a yu made nr te pros  
pment) A "he Ace hal be punch imorscment which my exten to  
» ‘months, or with fine which may extend to one thousand rupees, or with both.  
  
Sections capowers the Cental Government to me rk fr regulating the  
‘Grotmming ase, or Sor prebbing he grat of sch ete epee  
Say mineral on ny ae  
  
Section 6 empowers the Central Government to make rules for the conservation &  
‘and develpment of manera uy andy mer ala for reglang dling, to  
sepa pogaing and sang ool well and for Ue anion  
or ed suet opens, and OF lang of remedies  
pretnt st of of damage 19  
  
12 TheReereBankof nuh Ac, 32 The eton makes coarnton of pov of set 3a pital wih  
Te % Nie. which may extend tthe. amount othe Ui, hua prongs ot  
iitepes’ whats the vafinee commit, Secon 31  
Fe yr, inet din, Spe oe int  
nthe promis mie reagent fr tie  
  
payment oft, ak to feat on Send.  
  
  
  
Page 91:  
APPENDIX 1 (Concld)  
  
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i)  
  
B  
  
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5.  
  
Ferwars Contr (Repaton) 20  
Ady, 1953 7  
  
‘Mines & Minerals (Reguation & a1  
‘Developmens) Ac, 1957.  
  
Satyr Repatn) 23  
  
Tee gage ee pees omg regs  
SS Uae Sea a Te  
a gpebas se We Sip oe  
  
MOAT Sei A ms Lean  
jose Sa Seo ae  
  
sib sguin an met 9 prloa ati) of  
tc mae le ee Ry Sa  
SE AGE a PAN ay Sal See nal  
Se mee  
  
Se i nw pa mdi oy reign  
ig oa a oe oe  
See Tae tne ein  
‘under the Act. pos  
  
Te ena an, nr», pean cn hep. er  
Se a a tala a Ee Se She  
cng Ey Say eon a pode  
SERS Gen poe er oe eee  
Ronee LS toRieG ine art ea  
EERE of SRE Sk Sarl oe  
Se Mare SaaS ter  
  
  
  
Page 92:  
19 Seca 15 empowers the Central Government 1 ay shat conracte  
° chin bereccn members oo Teagued tack Sacenge shall Hega  
inert de Said nouhcation may apy. Seton 16 empowers  
  
she contncts to pete undenybte open  
  
I seca ei” Seaon ope Cemen a  
  
‘bligory on permoar in ates! tht tay be special wwe ®  
cence for dealing eta "  
  
19 Seaton 1p prohibits persons from being members of any sock ex  
recognised ene forthe purposes of assisting In, emering nt  
fertcming Sree ie accu  
  
  
  
Page 93:  
a  
APPENDIX 2  
  
ExrsrNa STATCTORY PROVISIONS REGARDING EVASION OR  
  
[AVOIDANCE OF TAX 09 DUTY ANDTHE CONSEQUENT PERALTY.  
  
1. The Indian Penal Code s, 177, 18, 191, 192, 198, 199  
ead with s: 198, Income Tax’ Act, 196 ete  
  
2 Indian Stamp Act, 1890 (2 of 1899) (Seetion 62),  
  
3. The Central Excises and Salt Act, 1944 (T of 1948  
(Section 9, 17 & 20,  
  
4 The Estate Duty Act, 1958 (94 of 1953) Sections 50  
nd 60  
  
5. The Terminal Tax or. Railway Passengers Act, 1086  
(€ of 1980) (No provision).  
  
6 The Central Sales Tax Act 1896 (76 of 196) See-  
‘ons 93), 10, 1315). as  
  
1 The Wealth Tax Act, 1987 (27 of 1087) Sections 12,  
16,86.  
  
8. The Expenditure Tax Act, 1957 (20 of 1957) Sections  
16 17,3  
  
The Gitt Tax Act, 186 (18 of 1958) Sections 36, 17,  
  
20, The Income Tax Act, 1961 (48 of 1961) Sections 276,  
27, 278, 20,  
  
LL The Customs Act, 1962 (62 of 1962) Section 135  
‘Act repeals the Sea Customs Act, 1810 and the Land  
Customs Acs, 1824)  
  
12 Super Profits Tax Act, 1068 (14 of 1963) Sections 10,  
19 and 2  
  
18 The Companies (Profits) Surtax Act, 1964 (7 of 1964)  
Sections 8, 20,21, 22.  
  
1. Tar Inoxan Pena Cooe (45 oF 1860)  
‘The following sections of the Indian Penal Code are  
relevant fn conneeticn with evasion of taxes  
Section 17  
Seetion 181  
  
neg tn  
be nese  
con ma Bess  
fe] ieeisgene  
Sue oe  
Sing"  
ube  
  
  
  
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a  
APPENDIX 2 (contd)  
  
2 Tue Isptan Seantp Act, 1899 (2 oF 1899)  
  
Section 62~Penaity jor executing,  
duly slatped  
(0) Any person—  
  
(@) drawing, making, issuing, endorsing or trans-  
{erring or signing olherwive than tea witness, of pre=  
senting for acceytance or payment, or accepting, pay-  
ing or receiving payment of, oF In anY mariner nego  
tiating, any bill of exenange payable otherwise than  
fn demand or promissory note without the same being  
daly’ stamped; br  
  
() executing or signing otherwive then at a sits  
neasomy other iment chargeable wits daly ‘with  
Out the stme being duly stamped: of  
  
(©) voting or attempting to vote under any proxy  
rot duly stamped,  
  
shall for every such offence be punishable with fine which  
Sy extend 1 Svehundred rupees” Provided tat, when  
ny penalty hes Ween ‘paid in Teapeet of any Instrument  
Linder secuon $5 sect 40 or setion the amount of  
Schema sab allowed edyton othe ne  
ny) “subsequently” tis section in respect  
atthe same instrument upon the person who” pad och  
penalise  
  
(2) If sharewareant ie Sasued without being duly  
‘stamped, the company fesulng the same, and. iso" every  
fernon ios at the Ume when i ie tnued isthe managing  
Eirectc'or seeetary or other principal offer of the Com:  
pny. shall be punichably with Be which may extend %  
Fre bandied nipees  
  
3. Tae Crnnat Exctens ano Satz Acr, 1944 (T oF 1044)  
  
‘Seti 9Wherer cats any ofthe flowing ofes-  
ae  
(peony he payment of any duty pad der  
this etal for every Buch obec be porsshabic  
tis Stat «tm fn ny eons  
snot etn at Gh way cand 0  
Heat Wag Sea  
  
Section I7—Any owner of occupler of land or any  
‘agent of such owner or occupier in charge of the” man-  
ment of sat land, who wilfully coonives at any offence  
Against the provision: of this Act or of aay rules. made  
thereunder Shall for every such offence be punishable with  
‘Imprisonment. for a term which may extend {o slx months,  
‘of with fine which may extend to five hundred rupees, or  
‘wich both  
# Law.  
  
instrument not  
  
  
  
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ve  
APPENDIX 2 (contd)  
  
Section 24-When any exeisable goods are carried by  
sea rang vesvel tie that a vessel of Uhe burden of thtee  
Fonuted tons and uivwards, the owner and master of such  
vette shail each be punishable with imprisonment for 4  
(ST Shay ina exdend tobe months or with fe whieh  
tray extend fo une thousaed rupees, or with both  
4. Two Esme Dore Ser, 1953 (34 oF 1955)  
  
Section $6 deals with grant of representation  
  
Section $3--Property escaping ascesement: If the Con  
woller—  
  
(e) has reason to Believe that by reason of the  
conislen ct failure on the part of the person account,  
Sle to sabraitan account of the estate of the deceased  
de scion ection ee fo dls uly tet  
Uitiy al material facts necesary for assessment, =n  
Progecly "chargeable to estate duty has escaped asses  
rent by reason of undervatuation of the property im  
Chided ie'the aecount or of omiselon to include therein  
{ny property whieh ought to have been included or of  
aisedement st too low a rate oF otherwise, of  
  
(1) is in consequence of ny. nformation in Bis  
pone tang ts belle nfeletanding ia ere  
  
not bsen sch emission of falure ag is referred to  
sm clause (a) that any property chargeable to estate  
uty hes escaped assessment, whether by reason  
lundervaiuation of the property included Yo the account  
ref enission to include Userein any property which  
‘Sught to have been irchuded, in the or Of assessment at  
foo low a rate or otherwise,  
  
the may at any ‘ms, subject to the provisions of section 72A;  
Pequire. the person occouttable to submit "an eceount  
‘required winder section 3 and may proceed to assess or Te-  
fseas Such property” as the Provisions of section 58  
applied thereto.  
  
Sect 62.~Penalty for dejeult or eonceatment:  
  
(0) If the Controller, the Appellate Controller or the  
‘Appellate. Tribunal, im the course of any proceedings under  
‘Hie Act, is saioied that any person—  
  
(a) has without reasonable cause failed to deliver  
the account of the property of the deceased under  
fection 39 oy section $8 or to comply with any requis  
tioh of the Controller under section 65 or section 89 or  
thas witheut reasonable cause failed to deliver or sub  
‘mit any of the accounts or statements required under  
Gby of the sections aforesaid within the time allowed  
fand in the manner required; oF  
  
  
  
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wo  
APPENDIX 2 (contd)  
  
(&) has without reasonable eause falled to comply  
with a! notice nder subsection (2) of section Si, OF  
  
(c) has concealed the particulars of the property  
deceased vr deliberately furnished Inaccurate  
ars thereat, “or  
  
(@ being a company referred to. in section 204  
fails without reasonable cause, to Pay the amount of  
esiae duly gue {rom the company ted that section  
Within'the time specified in this behalf,  
  
Ihe of st may; by order im writing, direct that—such person  
shall poy by way of pealty—  
  
(@) in the case referred to in clause (a) or clause  
(2), in addition to the amount of the estate duty pay  
able by him; sum not exceeding twice the amount of  
such du  
  
(Gi in she case referred to in clause (b) or clause  
(c) tn addition to Uie amouat of estate duty payable  
by him, 2 sum not exceeding twice the amount of the  
(state duty, if any, which would have been avoided st  
‘the principal value shown in the account of such person  
hhag been accepted as correct.  
  
(2) No order shall be made under subsection (1) ye  
less the person. concerned has been. given a reason  
Cpportunly of being beard  
5. Tie Tenmmat, Tax oN Rawar Passinoens Act 1056  
  
‘(Act 69 oF 1956)  
  
‘This Act contains no provision as to evasion or avoid  
ance Uf Tas  
  
6. Tie Canmmat, Saris Tax Aer, 1996 (7H oF 1956)  
Sectwon @—Levy and collection of tax and penalties,  
  
(G) The authorities for the time being empowered 29  
ages, collect and enforee payment of any tax ner ‘he  
feneral sales tax taw ot the approprsie State shall, an  
fetsit of the Government “of Inia snd subject to any  
les made Under tig Reh dou, collet nd euorce pay  
ent of any tax, dncluding’ any penalty. payable by  
eaten under thig Actin the saa mane asthe tae om  
Hie SU or pathos of gon under he eral ale at  
law of the State is asserted, paid and collected ung. fot  
Ans purpose they may exerci allo any "of the powers  
they have Under the general sales tax law ofthe State, ond  
the) Revisions of ich iw. Incoding potas ela  
folrelurns, “appeals, reviews, revsiows refetonces, penal:  
tee and compotnding of eileen, ehall apply accordly  
  
‘Provided that if in anv State or part thereof there is  
rho general sales tax law in force, te Central Government  
  
  
  
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»  
APPENDIX 2 (contd)  
  
ray, by riley made in thi bebalt; make necessary prow  
Ravi for “ail or any of the mates apeciieg tn this Sub.  
Secon, and such flee may provide that a breach of any  
Folcshal be purlshotle with fine which may extend to five  
Fundred rupees: and. where the ofence ig « continuing  
Shease. wile a aly Ge which may extend to ty rupees  
for evers day daring which the ence continues.  
Section 10 —Ponatier:  
  
U any person—  
  
{) falls to got himself regitered as required by  
section Trot  
  
() being a registered dealer, falsely represents  
‘wen purchasing any clase of goods that goods of such  
{ias are covered By hia certiteate of registration; or  
  
(6) ot being a registered desler, falsely repre-  
sents when purchasing goods jn the Course of inter:  
‘State “trade or commerce that he i's tesisiered dealer,  
  
(a) after purchasing any goods for any of , the  
purposes speciied in clause (b) of subsection (3) of  
econ 8 fails without reasonable excuse, to make  
Use of the goods for any such purpose;  
  
(@) has in bis ‘any form prescribed for  
the purpose of subsection (8 of section € which bas  
hot "been obtained. by him oF by his principal or by  
his agent im secordance with the provisions "of this  
‘Actor ang Tules made theresnder:  
  
(f) collects any amount by way of tax in contra-  
‘vention of the provislons contained in s0etion 9A."  
  
Section 12—Powers to make ruler  
(3) In making any rule under this section the State  
Government may direct that breach thereot shall be  
Ponishable with Sine which may extend to fve hundeed  
fig aed ah he nc 3 ong enc, wi  
it daily fine whch may ex rupees for ever  
‘uring ‘which the afence contaue.  
1, Tas Weatmi-Tax Act, 1957 (£7 oF 1957)  
  
Section 17 —Weatth evoaping assessment: If the Wealth  
‘Tax Officer —  
  
has respon to believe that by reson  
Stim or {SNe on the no of the tee to nak  
  
  
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o  
APPENDIX 2 (contd)  
  
4 return of his net wealth under section 1M for any  
  
Ssessment Year of to disclose fully and waly “all  
  
Tratcrial tacts necessary "for his assessment for” that  
  
‘Year, che net wealth chargeable to tax has escaped  
  
assecoment for that Year, whether by reason of under~  
‘Seessment or assessment at too Tow arate or wiher-  
  
sn consequence of any Information in his  
  
posession, reason to believe, “notwithstanding "that  
  
kere has been mo such omisiion or failure ais “re  
fee) sn cle (that net eats chargeable 0  
{ix has eaeped qiesement for that year, whether &  
feson of undersdsessment of Sacastent‘t to low &  
{ate or otherwise he may, Sy casey falling ander clause  
{G) at any time within eight years and {8 cases falling  
ite lau Cy at any’ pe within four ears othe  
tod of that astessinant jar, nerve on the astessce. a  
‘tice. containing all or any of the requirements which  
may be included inn notice nder sib-eection (2) of  
fon fend Pa ofertas or reams ach  
fet wealth, ond the provisions of ths Act shal  
ine as muy'ter apply Sr tthe nodoe had Baued tinder  
that sub-section,  
  
‘Section 18-—Penatty for concealment:  
  
(2) If the Weaith-tax Offcer, Appellate Assistant Com:  
missioner, “Commissioner or “Appellate TYibunal ta the  
course of any proceedings under this Act is satistied hat  
any pervon  
  
(2) has without reasonable cause failed to furnish  
the feturn of his net wenlth which eis required. 1  
{lsh "tinder subsection’ (0) or subseecton (2) of  
fection 1 cz section iT or has without reasonable cause  
{alled to furish ie within the time allowed and tn the  
‘manner requtted: or  
() has with ut reasonable cause falled to comply  
swith @ notice under subsection (2) of subsection (2)  
‘of section 16; or  
(c) has concealed the particalas of his “asets or  
detiberately furmishéa inaccurate ot bis  
ass or debs,  
he or it may, by order in writing direct that such person  
SAH pay By way ot penaye i  
(0) inthe case referred to in clause (9), in addition  
to the amouat of wealth payable By his, Sum ‘not  
xepeting one-anda-alt ties the amount of Such ta,  
  
(Gi) in the case referted to in clause (6) or clause  
{9 ante te ant of weak “puree  
Shout of the tax if ange which would hans Bes  
  
  
  
Page 99:  
2  
APPENDIX,  
  
avoided ifthe net wealth returned by sch perso had  
een cepted us correct  
nl), Ne ede sal be ade der subeion (1 ee  
person concerned haa been given reasonable opp  
niyof being hoard  
(@) No prosecstion for an offence ander this Act shall  
be tues tm Tepes of the sume fact in felation 40  
which 2 penalty has been impomed under this section  
(4 The Wealth-tax OMcer shall not impose any penalt  
under his section without the previous approval ef the  
Inopeeting Astuzant Commissioner of Wealtrtax,  
Sestion 86 Prosecutons  
(1) A a person fasts without reasonahe eause—  
  
(a) to furnish th doe time any return mentioned  
to ston ia,  
  
(@) to prostce, of cause to be produced, on or  
bofote the “ate mentioned in’ any Hotice under sabe  
Section (2) or jubsection (4) of section 16. such  
‘Account, tetords and. documents ag are referred "to  
in the motice,  
  
(os fren within he ime sosied any  
satepent or information which "such person  
Sound to furnish to the’ Wealthtax: Omer under  
section  
  
he shall, on conviction belore a magistrate, be punishe  
ile with fine which may extend to tem rupees foF every  
day during which the detault continaes  
  
(2) If 4 person makes a statement ina verification  
meationed ip section 14 or section 23 of section 34 or 30  
ton 28 which is false, and which he either . knows or  
Belleves to be {alse, of does not belleve to be true, he  
shal’ be punatabie th simple inprisameal which  
Inay extend to one year, of wih fine which ay ex  
{ene thousand raees ‘of with both  
  
2) A person shall not be proceeded against for an  
afte ter this secon except atthe instance of the  
  
4) The Commissioner may either before or after the  
institution of proceedings compound any wich offence  
  
Explenation—For the of this section, "Mati:  
trate!" means « Presidency ate a Mageate sot  
the first class or a Magistrate of the second class specially  
fiipomered byte Gent! Government to try ete  
  
contd)  
  
  
  
Page 100:  
%6  
APPENDIX 2 (contd)  
@ Tue Bxreworune Tax Act, 1967 (29 oF 1961)  
Section 16.-Expenditure escaping assesment:  
If the Expendituretax Offcer—  
(a) has reason to believe that by reason of the  
comissign of failure on the part of the assess to make  
"return of his expenditure under section 13 foram  
Ssseasment year oF to digclowe fully and truly “all  
Imatercal facts necessary for his assesement for’ that  
Year, the expenditure chargeable to tax has escaped  
{Siedoment for that gear, whether by reason of under  
SSreasment of assessment at too low a rate of other  
(0) has in consequence of any information in his  
possession’ reason to believe, notwithstanding that  
{here has been no such omission or failure a is refer  
red to ia ease (a), that the expenditure. chargeable  
{o tax hes escaped assessment for any assessment year,  
Whether by reason of under-assessrnent or assessineat  
{too tow a rate of otherwise,  
the tnay, in cases falling “under clause (a) at any \_ time  
Si ih yar andin cae fling under clase (8) at  
say time within four years of the end of that assessment  
sear, serve on the agscasoe a notice containing all oF any of  
‘he requirements which may be included in 8 notice under  
‘subsaection (2) of section 13 and may proceed to asseas ot  
Feausess such expenditure, and the provisions of thie Act  
Shalleso far ay may be, apply as ifthe notice had. issued  
Under that sub-section”  
  
‘Section 17,—Penatty for concealment:  
  
1 the Expenditure Tax Oficer, appellate Assistant  
Commissioner, Commissioner, oF apliate Tribunal im the  
‘course of any’ proceedings under thi Act is stished that  
  
samy person—  
“2) has without reasonable cause falled to furnish  
  
the teturn of his expenditure which he is required 12  
Eifaih under sabeecion () "oe mubascton Cot  
Section 13 of section 18, or has" without. reasonable  
‘Sau failed to furnish i within tho time allowed and  
{nthe manner required; oF  
  
(Gy has without resonable cause failed to com  
wih notice under subsection (2) oF Rub-setion  
otic or  
  
“G) hat concesied the partcslars of any expendi-  
ture ot deliberately furiabed inaccisate"parieulas  
thereof, be, may bY order in writing diect “that such  
person shail pay by way of penalty  
Section 52—Prosecstions  
(2) Ita person falls without reasonable cause—  
(2) to furnish in due the any return mm  
  
i ny eatoned  
  
tn  
  
  
Page 101:  
\*  
APPENDIX 2 (contd)  
  
1b) o produce, oF cause to be produced om, or  
nefole ake Hite motioned im any potce under eu  
Geclon (of "subsection (4) of ection. 15. Sach  
coun, records and documents as ae referred 12  
inthe notice:  
  
(c) 10 furnish within the te specified any state.  
spent ‘ee ofertaton sich such petoon is, bound To  
‘ivaish' co the Expendituresax Omer under section  
a  
he shall. on conviction before a Magistrate, be punishable  
‘wine which may extend to ten Fopees “for every day  
tng eh the dealt continues.  
  
(2) Ifa person makes a statement ing verification  
rpeliloaed th section 1 section By ection 22, or aeetion  
Bf ‘wnich ts false, and which he either Knows or believes  
iS'be fase, or docs not believe tobe seuey he shall be  
Punichable sith simple imprisonment wich may extend  
Brome year or ith Hoe which may extend to one thousand  
rupees or with both  
  
(2) A person shall not be proceeded against for on  
ahead tien cepa he atance af the  
  
(4) The Commissioner may either before or after the  
snaltusion of procedings compound any such offence  
  
Explanation—For the purposes of this section “Magis  
trateinoane rosdeney Mapteate, a Mastrate of te  
fra clas, of 8 Magistrate ofthe second clase speclaly ee  
Eerefed by the Central Goverment ry once Ser  
  
8. Twe GurT-rax Act, 1968 (18 oF 1958)  
Section 16. —Gift escaping assessment:  
  
pte ty t,o gi  
settee rs eas  
Sei aine dune ce  
tr  
sper ce fy Sala SD, ce  
iene :  
Seagate sas  
Enis charieaatemmaces  
aS ey ose  
ellie Sir aeg ae  
  
  
Page 102:  
%  
APPENDIX 2 (contd)  
  
he may, in. cases. falling under clause (o) at any sime  
twithia sight Years and in cases falling under clause’ (O) at  
Thy inseewichin four yeues ofthe end of that seesomen  
Sear, serve the asteice otic containing all or any of  
ie quirements which may be included In notice urder  
subssedion (2) of section Id, and may proceed to assess OF  
Sescees any teal git" which has cacaped. sscaement,  
Shd‘the provisions of this Act aly to. Tors as. may be,  
Spply asf the notice had issued Under that sub-section.  
  
(2) Nothing containing in this setion iting the time  
swithin which any" proceedings for assesment or ve-ssoss-  
Theat may be commenced eal apply to an sseeament of  
‘Euettament fhe made onthe setae or any perso 2  
Smesuence of or to give eect to any Snding or direction  
Soniained in on ozser under section 22, secon 3, section  
HA section 26 or section 28,  
  
Section 11—Penaliy for default and Concealment  
  
(1) I the Gittstax Ofcer,, Appellate Assistant Com:  
rmissioner, Commissioner or Appellate ‘Tribunal in the  
Sourse of any proceeding ner this Act satiated that  
any person  
(@) has without reasonable cause failed to furnish  
the feturn which he is Fequined to furnish under sub:  
‘ction (2) or sub-section {2) of section 13, ‘or section  
tor hes without reasonable cause falled to furnish ft  
withia the time allowed and in the manner required:  
  
(©) has without reasonable cause faled to com  
with notice under subsection (2) or sub-section (4)  
Of section 15: oF  
  
(©) has concealed the particulars of e  
  
dslterstely Rrnahed inecrate parsealry teres  
ie or may, by order in writing, cee tat such person  
  
Sally by way of penalty==  
  
on, ncn cleric pn ade  
ion to the amount of gifctax payable by him, 2am  
  
1 heed on ahd hl ter te aroun of ch  
  
bi, a sum net exceeding. one half timer the  
an ie canes  
  
Soi deren Wed aia  
  
DaSeuree  
  
cng hal be made under sub-section (1) unless  
1 person. conce ‘been given a reasonable oppor:  
‘unity of being heard  
  
  
  
Page 103:  
96  
APPENDIX 2 (contd)  
(3) No prosevution for an offence under this Act shall  
  
bbe ingtsuted in sespect of the same facts) in. relation 10  
Which a penalty has been imposed under this sectloa,  
  
(4) The Gitttax Offcer shall not impose any penalty  
tunder this Section without the previous approval of the  
npecting Assistant ‘Commissioner of Gift-tax  
  
Section 38-Prosecution.  
(1) Ie any person fails without reasonable cause—  
  
(o) to furnish in dve time any return of gifts  
wena his Et,  
  
(©) to produce, of cause to. be produced, on oF  
betole the Bute mentioned in” any notiee under sub  
Section (@) of, subgection (of section. 19, ich  
Soom hecrd and ocument sre Telecel in  
the notice,  
  
(6) to fumish within the time specified any state.  
sneol‘dr'nformation which such perton a" bound to  
Rirnsh to the Gifvtax Oflcer under section Sf,  
  
he shall on conviction before a Magistrate, be punishable  
WWih'fne ‘which may extend to rupees. ten for every day  
‘Xuring which the doteult continges.  
  
(2) If a peroon makes a statement in a verification in  
‘any Veta Ot gifts fureisbed Under thie Att or In veri.  
‘von mentioned in sections 22 29 of 2 whichis fase, and  
sehen he eltuer knows or balicwes to be false, or does not  
Ialcte'fo ‘be true: he allan convieton befove w Magee  
Yio, Se punishable with simple impesonment which sy  
Shed te ane year, or with, fine "which may extend  
‘pect cme’ hodand or with both  
  
(5) A person shall not be proceeded, against for an  
cs ute ths Seton exc at the state ok ce  
  
Explanation  
For the purposes of this section “Magistrate” means =  
Presidency Hagitrate; Magistrate of the frat cls oy =  
‘Magistrate of the second clas apectally empowered by the  
Centsel Government to try offences under this Act.  
10, The Incouet-nax Act, 1961 (48 oF 1961)  
Section 276—Failure to make payments or deliver returns  
‘or statements or allow inspection  
1t a person fails without reasonable cause or excuse—  
(2) to grant inspection or allow copies to be taken  
in ascordance with the provisons of section 134;  
  
  
  
Page 104:  
©  
APPENDIX 2 (contd)  
  
(6) to unis in due time any of the returns. or  
snents mentioned in section 130, subsection (2) of  
‘Elion Tas, section 56, section 243 section "8;  
  
(6) to produce, or cause to be produced, on. or  
eto the Bate mattioned fo any sotce under "au  
Scion (0) of section 12 ston “acoounts “and doe:  
ents ah ace refered to in the notes:  
  
() to deduct snd pay tax as required by the pro.  
visions of Chapter RVEEB oF under subsection (2 of  
Section S86," oF  
  
(6) to furnish « certificate roquited by section 208,  
he shatt'be punishable with fine Which may extend to  
ten"rupees for every day uring” which the default  
continues  
As to pevallice imposable by Income Tax Ofcers, see  
  
Sections $id to 274 Income Tax’ Act 16h  
  
Section 27i—False statement in declaration, (Ax amended  
‘yy aection al of the Finance Act, 1964 Act  
3 of 1968):  
  
16, person makes a statement in any verification under  
this Act or under any rule made thereunder, or delivers a  
account or statement which is false, and which he either  
knows or believes to be false, or does not believe ta be  
(ue. he shali'be: punishable with rigorous Imprisonment  
Jor a term which may extend to two years:  
  
Provided that in the absence of, special and, adequate  
reasons tothe contrary to be recorded inthe judg at  
‘Betcur sch inpisonment sil net be for less than se  
  
Section 718—Abetment of false return, etc. (As amended  
by the Finance Act, 1064 section 42):  
1a person abets or induces fm any manner another  
rn {oak td delet an\_Seouny siateneato  
ration relating to any income eto tas  
Shichi faite and Sich Re elther Koows tobe flee or  
does not believe to be tue, be shall” be punishable” with  
‘gorous imprisonment fora term which ray" extend’ to  
‘ro years  
‘Provided that in the absence of special and\_ adequate  
reasons to the contrary to be recoded in the Judgment of  
{hele mice impesonent shal mot be fortes then al  
‘Section 281 Transfer to defraud revenue void  
Where, during the pendency gf any proceediog under  
this Act. any assess Greate 8 charge of or paris with te  
ssn yao le, orga, exchange or my ther  
‘ode of tracer whatsoever. of any Of his sosets in favour  
‘of any other person with the flantion to defraud the  
  
  
Page 105:  
\*  
APPENDIX 2 (contd)  
  
revenue, such charge or transfer shall be vold as against  
Sy claim in respect of any tax of any other sum payable  
Bye ansesaee aa a result of the completion of he. said  
proceeding  
  
Provided that such charge or transfer shall not be void,  
it made for valuable consideration and without notice of  
the pendency of the preceeding under this Act  
  
1, Thue Costonts Act, 1962 (52 oF 1962)  
Section 185.~-Eeasion of duty or prohibitions:  
  
Without prejudice to any action thet\_may be taken  
under this Act it any person—  
  
(@) isin relation to any goods in any way kxow.  
ingly concerned tm amy jreudulent evation Or attempt  
sr Ubction of any duty chargeable thereon or ef any  
frohibition for the time being imposed under this Act  
Er'any otter law for the time being in force with ress  
pect fo such goods 0°  
  
(6) acqultes possession of oF ig In any ay com  
econ mary. removing Sepa neon  
  
ping, concealing, selling or putchasing or in a  
TRE Manner desig wit any goods which be knows  
‘rhas reason fo believe are lable” to conse  
Sider section 113,  
  
be shall be punishable—  
(0 in the ease of an\_ offence relating to any of  
tie goods to which sect 123 applies and the market  
Pri reo extn ge, a of rupees ithe  
Frisooment for term which may extend to five years  
a with Bae =  
Provided that in the absence of special and ade-  
ec soassaa tothe contrary to be recorded ip “the  
[Eigen Pe corsa imprsmment ball not  
for fess than sik months;  
  
Gi) in any other case, with imprisonment | for\_@  
term whlch ay extend to two years, or with fine, oF  
‘oth Both  
  
12 Sorex Prorits Tax Acr, 1965 (14 oF 1968)  
Sections 10, 19, 21 and 22 may be seen.  
13, Tug Commanras (Portis) Sunzax Act, 1964 (7 oF 1964)  
Section 8-—Profits escaping assessment:  
1  
  
() the Income-tax Offcer has reason to believe  
iat by reason of the omission of failure on the part  
  
  
Page 106:  
%  
APPENDIX 2 (contd)  
  
of the sssessce to make 4 return under section 5 for  
ny ansesrgent Year of 40 disclose fully and truly all  
material facts. tecessaey for his assessment for sy  
Ssscssment gear, clargeable profits for that Year bave  
‘Sheapod asscuamest or have Been underassesied of  
‘sessed at too Tos a cate or have been made the sub~  
ect af sxoomsive eljed under this Act, or  
(b) notwithstanding thet there has been mo omis:  
sion‘or failure as mentioned in elacse (a) on the part  
Of the sisesece, the’ Iacorse-tax Officer has in conse:  
‘auence of information In his possession “reazon to  
Saliove that chargeable profits assessable for any  
assessinent year nave escaped assessment or have been  
lnder-aswessed or nesessed At too low a vate or have  
been the subject of excessive relief under thls Act,  
be may, in cases falling under clause (a) at any time, and  
fn cases fang under clause (b) at any ‘ime within’ four  
Years of the end of that. assessment year, serve on the  
ease a potiee containing all or any of the requirements  
‘which may be included ina notice Under section 3, and  
may proceed to asvess of re-asess the sinount chaigeubl  
{a surtax, “and the provisions of this Act shal, 0 fara  
Inay be, apply as ifthe notice were a notice issued under  
‘hat section  
Section 20 -—Feilure to deliver returns ete.  
If any person falls without reasonable eause to furnish  
in doe Rie any rien under sbetion () of Seton 8,  
fr to produce, or cause to be produced, any accounts. of  
‘Sectmente required to be produced under section 6, he  
Shall be punishable with fine whieh may extend to” Sve  
hundred Fupee: and with a further line which may ex  
tend" ter rupees for every day daring which the default  
continues.  
  
Section 21-—Palee statements:  
  
fa persan makes in any return furnished under sc.  
tioa 5 any statement which false, and Which be either  
knows or beliewes to be false, or does snot believe to be  
tue, he shall be, punichable with simple imprisonment  
Wwhin "may extend to sie months, or with fine which may  
‘extend {0 one thousand Fuses, or with both.  
  
Section 22—Abetment of false returns, ete.  
  
Tf a person makes or induces \n any manner another  
person to make and geliver any account, statement or dec-  
Taration relating to chargeable profits ‘liable to surtax  
which i false and which be either Knows to be. false or  
‘Sees not believe to be trua. he shall be punishable. with  
imple imprionmens which, ray extend ix month, of  
  
‘may extend to one nd pees, OF  
with both  
  
  
  
Page 107:  
APPENDIX 3  
  
RNG GTTATOTORY MONISIONS FENALISING SUSE Oy rostniOw sx Pun SexvanTs (OTMEA TAY THEFT, HRIBERY,  
‘Musarshormiarion an eneacn oF TRUSTT. occUnAINe Ik Vantous censors) “  
  
2. The Indian Penal Code (45 of 1860) 8  
  
ine  
(iin  
  
Gans  
  
Offences regarding mise ef poston, ex.  
  
‘Gist ofthe Section  
  
‘TE & public servant, by corrupt or illegal means oF by  
attri abusing hit postion ae patti srvare of  
tains foe himself or for any oxher'persons ay le  
Ble or any ether pecsary advartane, ie Thilo  
  
52)" wih” imprisonment  
  
{ora term  
‘shall nr be less thao ae yar, bu which may extend  
  
hres  
  
1077 Year ad sal avo be lable thine prot  
thet the coure may, for any speci) rons fecorded  
inverting, impo sentence of impraonmet af Yes  
‘thanone sear  
  
Public servant slawfilly engaging in trade.  
  
Public servant unlawfully buying or bidding for pro-  
very.  
  
Public servant dsobeyig directions of the aw wit intent  
1p save peta ftom punhment or propery Tose  
fbefture"ietable {0 impricamest eich nay  
tend 10 two year, of with fine or with both  
  
Pb servant framing nce ea of wring with  
iat to save person from punishment or plop  
From forfeture pent  
  
oo  
  
  
Page 108:  
13 The Indian Post Otice Act, 198  
1858)  
  
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omy  
  
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(vipa  
  
(inaas  
  
step  
  
6  
  
Publi servant al ceeingogopay aking  
Tepor onder, were or cee wsch ‘he news  
Sree ele  
  
Wheever, having egal authority to commit persons for  
"lo tone ot Rep. Peru fr con  
  
aement,corruply or alcouly fons ny person  
{oral oc contnement ce Kees any pesto n cone:  
iment inthe eer ofthat shorty Rowing that in  
So dong i acing ontrarst f punble  
sth Impesonmens which may extend io seven Sears  
‘orth ny or wit sh  
  
‘nenional omission 02 ca the pat of public  
ervant ound t app  
  
Intentional omission to apprehend on the part of the  
‘public servant, brand’ appechend peron' under  
sence of lawfully corte.  
  
Omission to apprehend, or suflerance of scape on  
‘ot public servant, in ae nt otherene ove for  
fn fhe tad Penal Cose  
  
Whoever, beng an officer of the Post Oifice, cing en-  
‘rusted withthe delivery of acy posal aril Row  
Ingly demands or receives any som sf money in  
respect of the postage thereto which Is not chargeable  
‘Under this Act shall be punishable with fnpeeonment  
for a erm which may extend to two Jeary, an shall  
Alsobe punishable with Roe  
  
‘An Officer of the Post Ofice, who sends by page, of  
as in any mall bag, any pal arc" ypntwhich  
outage bat not bees paid or fchurged in che" manne  
Brcebed by this Ay intending aeeby to dtd  
  
wor  
  
  
Page 109:  
APPENDIX 8 (contd)  
  
‘The Indian Post Office Aes, 1898 (6 of 1858)  
  
4 fie Prison Act, 1854 (9 of 1854)  
  
ins  
  
iso  
  
42 ter part)  
  
‘he Goverament of the postage on such postal article,  
‘is made. punishable with iepriannment for & term  
whigh may "extend to two Yous, and is also made  
‘punishable with fee  
Whoever, being appointed to sll postage stamps —  
(3 tks om oy uch fr a) tgs aor  
ity of postage stamps, 9 price higher than  
Rartiats by!any tule made ner section 6(3%a),  
‘Shull be punishsle "with imprisonment for  
{erm whith may extend to six months, of with  
fine which may extend t0 Rs. 200) of wth both;  
  
(©) commit breach of anyother rule ade under see  
ion 16 (Such. cegardng tion of rice oh  
Tie povage saps snd pring ie  
<teg snd retuaneration of persons sling pote  
tage stamps ce etc), shall be punishable. ith  
fie wh nay cen wo Re 3  
  
‘An ofcer of a prison wh, contrary to any rule under  
  
Section 39 tthe Prions Act, Snowing wafers any  
  
sed ce be mde mt orev  
{o'be taped to any" person oot the ns ef  
the prison or communicates or temps 19 com  
tate with any person or abete in ch wn ofene,  
made lable to" imgrisoament for term” not cx?  
Sees mo oto Bem xen re  
  
  
Page 110:  
$. The Reformatory Schools Act, 1857  
  
Got 1897) Pr  
  
wr oF  
  
6, The Incume-Tax Act, 1961 (43 of 1961)  
8 ection 1373).  
  
7 The Gestoms At, 196 (52 0f 963), © 13640)  
  
Gi) 1366,  
  
Section 27 (ter  
  
‘Any olfcer o person incharg® of reformatory schoo}  
bo, contrary to ay rule made wager secon 26  
{his acy KovwingySllers any prone’ ace  
be introduced into or removed fom any reo  
sal tayo ay Sch commutes  
fr atemps to. dommmeste you  
‘ender ouside che its of he feformetory school  
‘ot abes in such offence; made lable oImpronaent  
{ora term aot exceeding six mosths or Wah oe aot  
keeling Hs. S20) OF to both  
  
Section 280 read with A publ servant who dicles ary puticulry, the  
  
sey Se a  
Se each oer as  
peter  
  
Many ee of Cet gies  
DSe. or or mre  
shol'Wauten we canes  
WS arma ee eer  
tyre gael ome et  
Sets Sel eh  
Save  
Saeki raer  
esa ies Ree woe 2  
Seay Sepks swag ieee  
See @ Eta Spe  
Soret ete wea  
wane sents epi any  
Sod Spe hana  
  
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Page 111:  
| : a :  
a hil pala  
  
APPENDIX 3 (consid)  
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6  
  
“Tee Customs Act, 1983 (5 of 1962)—comtd  
sale  
acon  
1% Thelndian Foret Ac 1997 (1601927)  
10, The Rectan Ae, 1948 (63 of 1548).  
  
  
Page 112:  
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Page 113:  
APPENDIX 4  
  
Exusrixe svarvT0nY PROVISIONS RECAROENG OFFENCES IM THE NATURE OF  
oer op onTeacrs AESULTING IN DELIVERY COOBS NOT ACCORDING  
  
"To srEciTICATIONS.  
  
‘There ate no direct provisions penalsing such breaches of contract fot  
delivery. "Bot those may Be noted  
  
‘Section 420, Pensl Code —  
  
Rule 1246342), Defeace of  
nal A ts  
  
“The various enaciments relating  
to weights and measures (hsted  
fn the Second Schedule to the  
‘Standage of Weights and Nea-  
Sates Act, 1966)  
  
Seation $5 Indian \_ Standards  
“fastetion Act, 19§2 read with  
‘ection 13. ‘See aso the Asti  
Sieur Prodtce (Grading and  
‘Markering) Act, 1937 and the  
Drugs Act, 1945.  
  
Punishes “cheating”.  
  
‘Authorises the making by the Govern=  
ent of an order for securing the peo-  
‘fusion, mumafacure, supply ot ale  
‘Weordhng to the peesribed standards  
And specicano “of any article ot  
‘thing which “ne Governe  
nent us eential to any Of the ur  
oes specified In Rule 12502).  
  
“These would be zelevant forthe use of  
aise weights OF measures,  
  
“This wou he relevant for sno falely  
egg MS Sadie me  
  
—\_—  
Sn Br Lal «State AIR. 196) 8.0. 168  
  
  
Page 114:  
{$861 3000) $561 y  
(OE sounpeniiog Lae ORL  
  
  
  
Page 115:  
"The Easensial Commodicen Act, ‘Section 3()—  
  
  
  
Page 116:  
x class of ‘artces which have been the  
‘Sabjecemascer of the investigation:  
  
sath mete aah  
Saoies races  
‘be taken under the contol ofthe Govern  
=  
  
Serie tet tha ese  
  
Berea.  
la 1 the Central Government  
any Sede cateling woe eee a  
  
  
  
Page 117:  
= APPENDIX 5 (contd)  
  
3: TheTes Act, 1953(a90f 1952) 20 Section 30 of this Act closely follows the  
  
4 The Cotwa Cla Acs, 1918  
(23 of 1918). °  
  
Drovisions of the Indusines (Development  
Regulation Act s95t oF refered to  
  
i Whiet of the Aet i 1 encourage snd  
mmainain the soppy of doth to pore  
Sizes ut reeomble nce" P=  
  
42) Sections) empowers te Cate 0 ime  
  
‘ders nr whe  
reuirg any pea  
  
may direc ig ths prices to be  
Paid (othe marufacurer for standard  
Both  
  
90) Section 91) rs the State Govern  
  
‘Seal (@ "fe the price at which alone a  
Seandard cloth or any class of ssandaea  
4 oth shal be old to the public”  
  
(8) No penton shall well o aay 0° ofe¢ x=  
Spieler ate othe pool, sanded et  
  
Section, (1) prescribes i  
fpunshmest\_ fe is preseribed  
Ender section 24 ofthe A  
oF 1958 refered to above Wit  
{his diference that this “Act  
thes ‘not prescribe. additional  
enaky feat com  
  
Section & peecritespunishent  
or coatavention of secben,  
  
Sen) i Sox me  
seeacp mala ats  
Per  
ae  
  
  
Page 118:  
otherwise than at which price as ny be  
fixed by the State" Government  
  
S.Foaaleeii9e2 736 6 The Catal Goverment ay he ies Son 34 pris inn  
5 Butea a oe ee ened “or” Woladan weer abe at  
+ wie tat ltt , ‘ip the Indion market. No one can sell sections 16-17. The puniabr  
sae nee NS: Aine carinel iut ty etd up's he  
  
. sas hiteckat Eases  
45 selon 25 proves that any steals Sen 388 pretty push  
SOAS eh Skis dpe ee eee  
inclusion in the surplus pool. s{1) 1 fine upto Ra. 1,600,  
  
Sad the axcessprodice may  
tho ‘be ‘confiscated.  
  
‘The Central Government of State Govern  
"ment muy. witha view Wo prevent per  
  
on from acing pejuaicaly to “toe mair~  
  
ne ant aa et ce .  
ro the communis" direct that such per  
  
fon shall be dened. Section 92)  
  
‘humerates. some other competent a>  
  
‘horites fo exercise sila powers  
  
{6 TheProventive Detention Act, 3X  
1930 (4 of 1950)  
  
2. The Rubber Act 1947 (@40f 13 Seaton 13 exngowers the Governmen to Section 133) ates that an  
  
oe x the fnecinum or siioam poses sr perna who buys or sls rub  
  
wt . yes the miximom and minimum pris tobe erat a pice which iy move  
  
‘rg inthe course ef busines of es than’ the ‘maizor price or  
  
‘Shot rte peeled the onder. {eve han the miner pice,  
  
: Sait be punishable wit fm:  
  
: prisomete for 4 team. which  
  
we! seen ay extend to ‘one year oF  
fith fine oF with both  
  
  
  
Page 119:  
APPENDIX 5 (coneld.)  
  
3 4  
  
Tie, Dre (Com)  
\*Gootedusy  
  
Secon gcmpowes the Chis Commisioner Secon 19) “ic  
Tein tepect af ny rag teal” “Ss co eles be pot  
SSumpaceorrceinbecarpeityadenee oPue’ ASS Shad Ye Bene  
spit roduc ‘he matron ganiny She wif opened at's  
SEAT hy'in be sce BY tem wha ye  
Matera sprodecer  
  
‘Section 7 requires that excess stocks  
should be reported &o the Chief Com-  
‘issloner.  
  
‘Seaion 8 prohibits the refsel to sll within  
‘the quantity prescribed  
  
Secsion 3 empowers the State Government  
‘to declare any area to be contrlled aren,  
fix @ minimum or masseuum price of 2a!  
‘preane ete  
  
  
  
Page 120:  
0 The tam —  
notes nO ra pee  
  
BGreg  
  
  
  
Page 121:  
APPENDIX 6  
ustine StaTUTORY PROVISIONS RELATING TO ADULTEEATION OF  
‘oop AKD DaUGS  
1 Indian Peel Code  
(as of 1860)  
‘Section Marginal note ‘Relevant text,  
  
1272 Adulterstion of food or Whoever adulterates any article of food  
rink stondedl for le. or rink, s0 as to make such article  
Donious ss food or dink, intending  
  
{sel guch article a¢ food oF dim  
  
‘ay extend to soe montis, oF with  
fine wich may extend to one. thou  
sand rupees, oe with both.  
  
275 Sale of noxious food or Whoever sll, or fers or exposes for  
“ri tale fod or drinks any arte which  
  
fis Seen rendered oe” has become  
foxious, or im stte-unte for  
‘ein to Beye be same ts  
onus a fed or diay shall be  
inshes ih pane fee  
Ecsenpton for stm  
‘entendto 6 month orth fe eh  
nay extend to one hound ress.  
rita both  
  
274 Adulteration of drugs. Whoever adulterates any drug oe ma  
‘ical preparation in sch man  
Sito Teste" the oticacy or  
the operation of uch dure or  
reparation, or fo make" noes,  
reading ‘ot 1 shall be sold  
{ed for any medicinal purpore,  
had now dncergone  
Sion, shall Be. punished with  
rcament of "eter dose  
‘term which tay extend te  
mone wth “ae which,  
mend "00° ohe’thovsand raped  
‘rth both =  
  
m4  
  
  
  
Page 122:  
BJ  
APPENDIX 6 (contd)  
  
‘Section Marginal note Reeuat text  
  
275. Sle of adulterated drugs. Whoever, owing aay drug of me-  
75, Sale of adhered ‘Hea preparatin to Bave been ade  
  
trl mat menrer a ese  
ts ecacy to change ks operation  
{nde onthe eo  
Foe any Uopensary for medal  
purposes as unadulterated, or eases  
Eis tio mediin proee  
Sateraso, shal be" pnts with  
mpesonmear of etter description  
for cerm which may extend ot  
toms, or with fine which may ex"  
fend to. one. thousand rupees, oF  
swith Boe  
  
76 Seokdrugava dierent Wheres tsovingy sl, or ers of  
‘rag or Preparation. exposes forsale, or sues from a  
ee or Ps Seat inate,  
= Snyder medlel prepa, at  
Sie der medal reption  
Stall be pani ‘fonment  
either Sereripn fr aterm which  
‘Bay extend os mony or wh  
fine which may extend to one thou  
Sand rupess, o Wit both.  
  
284 Negligent conduct with Whoever, does with any poisonous  
feepect to polaenoursub: substance, any act ina manner so  
Stance fash of negligent as to. endanger  
  
shuren ifort to be Hikely To case  
hurt or injury to any person,  
  
cx knowingly or ty omit @  
kesh care wk" 2ny”poonoue  
Siege hi pein“  
ite danger fo noma ie om Sach  
potsogoun substance,  
  
shall be punished with imprisonment  
of either Uescripcion for aterm which  
‘may extend to six mooths, or with  
fine which may extend to one hoe  
sand rupees, or with both  
  
  
  
Page 123:  
ue  
APPENDIX 8 (contd)  
  
2. Prmnion of Fol Adstraion et  
"GF ‘of 1954) al  
  
Section Marginal ote Relevant text  
  
15 Penahies (a) any person—  
  
(2) Whether by himself or by  
(© Seon on har teal Sapo  
tao tala or manatees for  
  
‘by other manner interferes with  
et ale, oF  
Om =  
@) =x =  
2 sa in, ition oe pe  
sf whlchhe may be  
OS pandas  
© foe the fret offence » with  
  
  
  
Page 124:  
APPRSDIE & (erat)  
Seco Magia ate elvan te  
% Pron oes ot  
(mua) Ceo) stich a th cay  
  
(i) for 4 third and\_ subsequent  
  
‘otences, with imprieanment  
fir teim which may eend ©  
fue years and ‘with fine  
  
foot be. less than. two Years  
{2a steh ine shall nor be” let  
‘an Bes Uousand rupees  
  
  
  
Page 125:  
Relevant text  
  
17 Oflenees by  
(conta) Cormpanies  
(wond)  
  
18 Forfeiture of propery,  
  
‘ae the company shall be deemed  
‘ote pty ot theo“  
Bint tnd pished soteding  
  
Provided that nothing, contained  
ines fates, all ener  
fy. auch pewon liable © any  
FPsamene vies this Bet  
Five proves hat the offence, was  
  
fed without his Knowle  
ethane aed all de ie  
ence te prevent tie camamission  
SF euch offence.  
  
(2) Notwithstanding snything coo-  
‘ined In sub-section (2) where at  
‘offence under this Act has beet  
‘ommitted by a company and it is  
proved that the offence Beet  
Elmmited wich the consent oF  
‘connivance of, of is atinbuable  
to say acgiest on the par oly any  
dgecog, manager, "secretary oF  
‘ther eifcer ct the company, ch  
firecor, r ereaty of  
Ste fer sal te Tabi be  
Drocesded aguast and punished  
‘eeordingly. Explanation™—For the  
Dorpoter of thir secton—  
  
© “eigecte” ig ration 10  
  
‘Where any person has been conviced  
‘Under sac forthe contravention of  
ay'ot the provisions of this Act of  
of any rule thereunder, the ate of  
fod a respect of which the Coots  
‘znton har been commited mey Be  
‘Bete’ othe Coverament.  
  
  
  
Page 126:  
ne  
APPENDIX 6 (coatd.)  
  
& Dogros Dogs Act 1936  
  
Section Marginal note Feevane text  
  
{6 Conwol of Cena Govern 1) No oe hal mance ny ane  
‘mont ever manufacture med drg ber tan  
Sica sans optum, sare accordance  
  
“ ‘ade under subsecuon @) aod  
  
Scot foe  
Be nay bo  
‘gared i oban under tive rues  
  
Bd  
  
16 Eshanced | punhment Wherver, haveg tern convicted of an  
for ‘certain fences wf oflence puniabeble under seen 10,  
ter previous eamision, srton By 'ecten 33, oF ses  
  
subject for every such subsequent  
‘fence wo. impriscamem which tay  
ged fr ea, hr without  
  
  
  
Page 127:  
APPENDIX '6 (contd.)  
+ Ohy der i857  
(3 oF 1857)  
Section Marginal note Relevant vex  
  
1 Confiscation of adulterated When opiam delivered by a cultivator  
‘piu. siento feetving offer, oF a  
suspected of  
  
be given to the cultestor  
  
If upon such examination the opium  
shale found © be so aerated  
  
“Agent the report. -  
‘miner may order that t be confecat=  
(cy and the order of the Agent sll  
‘be final "and not open to "question  
in any Court,  
  
Drves (Coneral) Act, 1950  
\* Gee S30) ia  
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6 Point Act, 1919  
G2 i919)  
None.  
  
2. Drags det 1940  
G5 0F 1940)  
  
12 Power of Cental Govern (1) The Central Government may, afer  
‘ment tke vais” “egauhation with the Bow “and  
ser previoes publication by notifies  
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‘fe foregoing power, euch  
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eermining whether ergs of  
Standard quality;  
  
  
  
Page 128:  
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APPENDIX 6 (Contd)  
  
Sesion al note ‘Relevant  
  
Power of Ceatal Govem- © mx  
(cond.) ment to make rules (contd) (6) =X  
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@) preset, endions , be  
sr pockage of he coal:  
  
13 Offences +), Whoever contrvenes ny of  
  
  
  
Page 129:  
APPENDIX 6 (comtd.)  
  
SO  
Section Marginal note Relevant ta ~  
14 Confiscation + Where any. offence punishable under  
  
‘ects a Set coat the  
Sonsignment of the Gruge in respect  
St which the offence het been come  
‘mitted shall be Table to confsca-  
  
ton.  
17 Misbranded de + Forthe $fthis Chapter a drug  
7 = ‘hall be deemed to be micbrande  
  
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ts flr nes as mans  
Hcy to ceive another Grup  
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(6 ie ie sold o offered or ex  
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cited manner jo  
  
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iy" paricue jor  
  
) ifthe label or costainer bears the  
  
fame ofan Sadia or company  
  
Parportng to be the mtfacturer  
  
fe Pradiest of the rag whlch  
idual oe company Is Acie  
  
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Page 130:  
pay  
APPENDIX 6 (cond)  
  
Section Marginal note Relevant text  
  
Probibition of manufoc- Fem such date as may be fixed by the  
  
fureand sale cf certain State Goverament by ‘nticaion in  
  
russ. the OBciel “Geaete inthis ber  
hai, no person shall himself “or by  
‘ay other person on his beta  
(©) manufacture for sale, of sal, oF  
  
‘ack or eit for sae, oF Se  
  
(0 any dog which is not of stan  
° Sard quay  
(i) any misbeanded drugs  
  
(Gi) any patent o¢ peopietary mie  
ek er oped  
the prescribed manner" onthe  
ible cain ther the  
‘ienta contained in i  
  
(©) any drags insotzwenton of wy  
“ol the Prove of thir Chap”  
ters or any rule made he  
  
  
  
Page 131:  
APPENDIX 6 (coatd)  
  
‘Sectlon Marginal ote eleva text  
  
27 Penalty for manufacture, Whoever himself or by any other person  
‘ie. of drugs inom his behalf manufactures forsale,  
Scatravension Sth” sells stocks of exhibits forsale or d=  
Gap ‘wibtces any deus —  
  
(deemed to be misbranded under  
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fy shal be pon sale  
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or iy fle made hcendersal  
Punisbable wih  
  
‘heh may end 10 tree 9a  
  
‘or with fine, or with both  
  
  
  
Page 132:  
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APPENDIX 6 (contd.)  
  
Section Marginal note Relevant vet  
  
38 Fey foramen CW fing ComiadoTea  
‘ices Sheek. pron ane  
  
Provided thatthe Court may, for any  
‘special reasons to be recorded 1  
tring, impose sentence of leet  
to Yeats  
  
(©) under case (@) of sectoa 27, 6  
ncorvicte of tn oflence et  
at cause shall Be punishable  
‘with impriscement fort tent  
‘hl may exten to five yeas or  
  
‘wth fine) or with both:  
(2) Whoever, having been convicted  
cham efence undet sion 28 or sect  
  
31 Confiscation  
  
‘dug in respect af which the  
‘atisied, onthe pplication of an  
  
  
  
Page 133:  
226  
APPENDIX 6 (contd)  
  
Section Marginal note ‘Relevant text  
  
2 Coprzance of offences (1) No, procuion under this Chapter  
» (© NovPe" ite cee by Poe  
pur.  
  
©) No Cour iferos 0 tat oe Fre  
‘tthe ae cae stall ey on ence  
‘unihabie under ths Chapter.  
  
34 Offences by companies  
  
35. Publication of sentence  
pase Under this Ac.  
  
  
  
Page 134:  
APPENDIX  
  
SBaisrine SrATUrORY pRovisions 45 TO THEFT AKO yasAPPnoPRIATION oF PusLic ProrEInY axD Fusps  
The Prevention of Corrupion Aer, 1947  
  
Name ofthe Act Sexion Gis ofthe section  
) co) i)  
  
1. The Prevention of Corruption Section 5(8X:) provides that pubic ser  
  
‘AG 19472 1947 5 Ser cAI Eel to hove com  
filtel the oence or cminal misconduct  
ihe dihonety or fraudolenty mis:  
Spproprates of otherwise converts Tor  
1S own ‘ue any property entrusted to  
him or under his conte o allowing a  
‘ther poons0 0.30.  
  
  
  
Page 135:  
APPENDIX 7 (oootd,)  
  
o) @  
  
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3)  
  
“The Prevention of Coupon Act 5)  
1947 (comed.) ™ “  
  
4. The Criminal Law (Amend 64  
ment) Act 1962,  
  
The Indion Post Ofce Ac, 39  
» Toe loot eas °  
Dine \*  
  
Section 5(3) introduces presumption that  
‘whore an ‘accused of an pera om his  
‘hal i pact ot pecuniary r=  
sources or properly dipeoportcate to  
his knoin source‘ income he wil be  
deemed 0 be guilty of misconduct unless  
bbe has ‘satsiscoly explained  
  
Section 61 empowers the State Govein-  
‘ent to appoint special judges to ty cor-  
‘upton ad missppresriation cases under  
sections 161—165 and 164, Indien Penal  
Code aud section s(2) of the Prevention  
‘of Corruption Act, 1547  
  
Seaton sates tat ay aficer who cm  
si eon dahon meen  
Ipyonment fora cmt Ach ay ek  
fend seven Yeas and shall 60 be  
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Sesion 36 ater Ha ofc te  
Say postal article whole pop he ne  
Biegler tending Secy'  
aud the Government of he Fosags  
  
‘The punishonest may extend to  
imprisonment upto two years  
cor with ine oe wth bath  
  
mr  
  
  
Page 136:  
44 The Railway Stores (Uslewful —3,—\_Section, 3 provides hat if any  
Fees)” Aas Got Toa ie ession any at ol  
9) stale or unawtally obtaised and cannot  
  
‘Set atid ce ca  
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igus wena Sy  
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sSecmarie Saas os  
  
Bewo yer  
6 The Ai Force Act 19 Section 368 sats that any person, si  
atin30- ns oe  
  
‘search of @ plunder, ‘be punished  
  
srk merbonmen ors Gop ch  
Thay extend tog ear 0 a  
[Eknent as is ethene provided in this  
‘Aces Te the once is concede  
fot inactive servic, the manitum put  
Iihment tha can Ge awarded seven  
yan  
  
Section 52 provides that any perzn subject  
Tothig Act wh commits any ofthe flow  
  
Ing offences, that ew 9  
(@ commits thett of ay property be-  
inning t the Goverment ort a,  
‘Neval or Air Force mess  
  
  
  
Page 137:  
APPENDIX 7 (contd)  
3) ® ®  
  
‘The Ait Force Act, 1950 (45 of 1950) (© dishonesty misappropriates o- cov  
‘emud) vets fo is own we Eny 8 ro-  
penyi oe  
© commits criminal breach of tus in  
‘espect of ony such property oF  
(© dishonesty: receives or retaing any  
Such property in respect which  
et the offences veered to above,  
Foowing or having reason fo believe  
‘punished with impriscnene  
en years. or such hess  
‘nun as ri Acts cae  
tienda  
  
Divo 67 Section 67 mutesan stempt wo comet  
Such fence punsbae foro erm wt  
‘nay extend tone half the ger te  
‘vided for that offence ‘or Sch is  
firimeot ae menned ath Ace  
it foram atempe to bet a ffs,  
some act shall be done wards ie  
{Senin of the tenes  
1 The Army Act 1950(46of “The Army Act contains almost sini pro-  
1950. Wino inthe Ale Foes Act, 1950"  
  
‘See section 36B, section 52 and section 66.  
  
  
  
Page 138:  
18. The Assam Riles Act,  
1541 (5 of 1941).  
  
‘Section 7'"Q” makes i an ofenceif a rile The paniahment may extend 10  
‘man plunder, destoss or damages any one Year of with fine up ¢0  
property of any kind. ‘Rs. 200 or with both.  
  
9. The Cental Reserve Paice 93 Section 9f provides, inter alia, that every  
Porce Act, 1949 (66 of 1939). ‘member of the force on acve duty, who  
breaks into any Rouse ot other place for  
‘phundet ce plunders, destioys or damages  
‘any Hind, shall be punishable  
  
Trasportaion for ie et  
  
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mes  
teeta cdnetr et  
‘collective i uber  
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consider to be responsible for such ass  
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40 The Inon Forest Act 987330) Seabn 3960) provides for cin fe  
(sof 52). which parake of the character of  
‘heft and nia oa of pale prox  
  
1. ‘Toe Indian Resse Yorce 6 Senin 6 tne da ia perso beloaging  
wR ais of 0. sree teeny  
  
  
  
Page 139:  
APPENDIX 7 (contd.)  
  
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‘The Indian Reserve Fore Act  
‘1888 (coned.) a“  
  
12. Adminisaton of Evacuee  
Propery Act, 1950.  
  
13, The Indian Eletrcicy Ac,  
1910 Gof 1910)  
  
4, The Indian Penal Code (45,  
of 880).  
  
”  
  
‘Section 32 sates that ay pers who une  
Taw comers thi own eS  
Stoner pope, ll be" pune  
Sith nptgonment or tem Wich ma  
{Bend to thre ear or wih Sn oF  
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for such an abstracts shall be presumed  
idence of such an abstraction,  
  
  
  
Page 140:  
ingot of cid, dcripn fo 4  
Sal ao be lable ine” 7 7  
  
495 Section 4os provides that whoever, entrust  
with property, dishonest misappeo-  
Brae fee Mao i  
{he fey tn elon of ty deton  
ofthe lw te, he wl be deemed t have  
  
“entusied with propery as a cach  
  
Sip or grat cpr, commis  
cope, Sal be pulsed Sa apr  
Sento er Strinin or arm  
Twhch may tend ossven yard  
  
also be liable to fine, seat  
  
408 Section 4o8 states that whoever, being. @  
‘ert of servant, entrastedin such capaci)  
‘wih property commis cranina breach of  
  
  
  
Page 141:  
APPENDIX 7 (concld.)  
  
) i) o) @  
"The Indian Penal Cade (4s. of rust in tespect f that property, shell be  
  
1860) (cond) ‘Bonished wath ‘imprisonment of cither  
  
499 Section 409 provides that whoever, being in  
“ny manner entrusted th property im hit  
‘apaaty of public servant ete commu  
‘criminal breach of trust in respect ofthat  
opel be pant wis imp  
fr imprisonment  
‘Sther description fore term whch may  
‘extend to ten years, shall so be lable  
  
i  
  
r  
  
15.The Indian ‘Telegrh Act, 25 Ifeny person intendinginter cia, tocommit Punishment may emtend 10 ime  
is (13 of 1885) Imuchic damages femove tampers with" pracnimeat pte thee “year,  
touches anf ater, machinery te~ “or with ne, ee with bod  
  
25A Section 2sA makes provion for punishment  
  
27 Sesion 27 puns afr ho, The puns eed we  
: Miisnment ups re yoy,  
Send mesos about paingtherequre’ orth fe of wd bas  
  
  
Page 142:  
33 Section 33 makes provision for appoinment  
‘addtional pli force in toe ates  
where wrengial damage to teegrph  
Peopery ie iy and. malicoly  
Sempited)‘Teerencs peda  
SE by the inbaeanraf such pl  
  
16, The Telegraph Wires (Unlow~ 5 Section § prowides that whosoever is in The punishment may extend  
ful Possesion) Act, 1950 ‘Peomsn of any quanaty of telegraph impcionment ups $ sears ©  
‘hres shall be punistabl, uns fe proves. with fine, or with But  
tht they ae a posession lawl.  
  
(74 081950).  
  
  
  
Page 143:  
APPENDIX 8  
  
‘arsrayo startToRY PROVISIONS RELATING TO THAFICRING 1S  
Wrcences, Peas, Te.  
  
“There are mo direct provisions on dhe subject of wralfichng in licensee.  
‘The provisions of the following enactments, however, may be noted  
  
Inissries ee. Aets 1951  
  
‘Sections 11, 11 (8) 12), 13, 18 (G) (0X8), read with section 24 which  
Js the general penalty section, snd secton 24A, which i the penal section er  
Jalve sacamant, See aso section 30 (Uy Gs A) Ds (mane),  
  
Te Imps and Expos Conrl) Contavecg, tof an order mace  
“AS of oun esa Se) onder" the” Act of ay condom  
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‘he Fri Exchange Regaton ct 7 of 94) ston, 4 (0, sion  
  
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erie thy son rss si, ao PY econ  
  
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[Nore :~Sometines sh fences may fal under vetoes 420,467,457 UFC  
  
‘also, if permit books have been tampered with?, s  
  
"ALR tow Gal Ss  
SAI 1957 Oo 06  
NG) Sat of AP, Sbboiok ALR. 960  
  
  
Page 144:  
APPENDIX 9  
  
PRovISiS oF THE DEFENCE OF INDIA RULE—1962 RELEVANT OR  
"Auauocote TO TH OFFENCES TR GUFETION  
  
Rule Gist  
  
356) (Us Ws We (0m),), Certain “prejudicial aca  
(o) and (9).  
  
6 Sabocage.  
  
” Receiving of sabotage property.  
  
a Profubition of prejudicial acts, pubic  
‘tions and communications (ponish-  
  
‘ment imprisonment) upto Ave  
Yeats of fine, oF bath  
  
ns General control of industry. Under  
Sub-rule (0), penalty for contravention  
‘fan onder under th ‘pce  
‘ment upto thee years o fine  
If the contravention is made by re-  
‘sorting to any corrupt practice oF  
‘ther malafide acon er By inducing  
fy (person 0 abuse. his authority,  
then imprisoament-may” extend  
Seven years. Forfeiture to. Goverd-  
iment Of the property in. respect of  
‘Which an order posed under the rule  
ir comtavened, ir allowed Tor ithe  
onder 89 provides.  
  
Deen of Inia Rates  
  
126A 101367 Gold Control Rates.  
co Prohibition regarding coins and noses.  
"Thies to be read with. 13, tndan  
  
Coinage ‘Act, 1906 (3 of 1906).  
  
133 Regulation of dealings insecurity  
(Government ‘securities are defined  
tn secon 2 of the Pubic Debt At  
1940  
  
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Page 145:  
APPENDIX 19  
  
[List of Gretna Acts peneatyio\_r0 Anri-SoctatOFrexceS,  
Orden vita OFP=NCES LisTED BY THE SaNTHANAM COMMITTEE  
  
1. Child Marriage Result Act, 1929 (19 of 1929)-  
  
3. ‘The Chren (edging of Labour) Act, 1933 (2 of 1933), and other  
‘Act regacding Iabocr  
  
3. The Drugs and Magle Remedies (Objectionable Advertisemens)  
‘Act, 1954 (21 of 1954)  
  
4 The Untouchabity (Offences) Act 1955 (22 of 1955).  
  
‘5. The Spisitous Preparations (Inter-State Trade aad Commerce) Con  
Urol Act 1955 (9 of 1955)  
  
6. The Prize Competitions Act, 1955 (42 of 1955).  
7. The Young Persons (Harmful Publications) Act, 1956 (3 of 1956).  
  
8. The Orphanages end other Charitable Homes (Supervsions and  
Control} Act, 1960 (10 of 1960)  
  
9. The Dowry Probiition Act, 1961 (28 of 1961).  
  
Va Sas © Bones Coban © Ga AER 1of4 Bom ib  
  
  
Page 146:  
APPENDIX 11  
  
Provisions oF THe INCOME-TAx ACT, 1961 (43.08 196t) REFEMRYD TO m4  
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271 (MIDDLE) AS OFFERING SCOPE FOB BVASINT  
  
Section Number  
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‘eaployee)  
  
Excludes from total income in the case  
‘of non-resident Income from iotcrest  
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Government under a loan agreement  
‘withthe fowernational Banke ee ot  
bonds similry issued by a Financial  
Corporation te  
  
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APPENDIX 11 (coud)  
  
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‘Deals with acquisition of capital asset  
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provide for change of come-tax OF  
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‘able or nes, shall'be chargeable to  
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Deals with unexplained investments.  
‘Deals with fsses in apeculation busines,  
‘Deals with loses under capital gins.  
  
Contin. special provisions. relating to  
‘roldange of tak, manly i relat 1  
‘oncresidens and in ration to sale  
Gr purchase tock of secutiies, sad  
fther wanrecons invelving secure  
  
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super tax on undistributed  
  
  
  
Page 148:  
APPENDIX 12  
  
“Suntacane op cxnranw roness 48 10 Tax BYASion FIC, DISCUSSED 1X TE  
  
Ruvons or Incone-tax vvesTioarion Coassion, 1049 FRESIDED OVER  
‘nv Sin VARDACHARIAR  
  
‘Tye Income-tax Investigation Commission, constituted under the  
‘Taxation on Income (Investigation Commission) Act (90 of 1047);  
was required to investigate and report on all matters relating to taxo-  
son on income, with particilar reference to the extent to which the  
existing Taw etc. Was adequate to prevent the evasion thereof. Ques-  
tions 33 to's of the Questionnaire tasued by the Commission (pages  
3 and 950 of the Report) pecially” daalt with certain matters  
Concerning evasion, In its Report the Commission dealt with evasion  
nd avoldence at various places, ‘The important points are sum-  
imarised below:  
  
Page of the Repore Gee  
  
7. <5 Digtinesion between avvidmce and  
  
79 1083 (pueagropho 181 10 183) Avoidance and evasion.  
See also pags 24, pares 47, 86, Under-statement, of income on, re=  
  
Sad 193, Tues described a one ofthe principal  
TEyS of retin ander  
  
‘Pages 103 1 105, pars. 231 1 296 Tacome-t offences  
  
  
  
Page 149:  
APPENDIX 13,  
  
Poms as 10 EVASON ax AVOIDANCE DISCUSSED 1TH REFORT OF THE  
“Tarxaiom Eoin COMMISSION (1953-54)  
  
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Vol pages 189 and 190, Evasion iz. deliberse distortion of  
ares? ko cate a pence fhe lie the iy ocved  
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Page 150:  
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APPENDIX 13 (evntd)  
  
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, Vol Hy pags 189 and 190, (i). Special arangements for dealing  
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(0) prover teppeenatin In income:  
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it enforcement of collections;  
  
(cif) soluntary disclosure of conceal  
Report, Vol, pase 202, paras 36 Recommendations were made to  
‘iso neomeoe) ‘ree the maim iat of pealy  
  
that’ presectone under see $f  
Od 580¢ the Incomestan Act 1983  
were seldom resorted in achal  
Proce  
  
Report Vol. I, page 320, para. 11 Certsin recommendations were made  
  
“FEastoms duties} ‘sto the law reuting Wo" enue  
  
“slice  
Report, Vol: If, pages 353-361, Sumnmarises the vaious recommenda:  
Pars. Lao 197 tions relating t9 evasia and wld  
dance." Mont of these concern of  
‘ingtratve matters CF topics  
Report, Vol. Ih pages 7273.74 Dincetes the reatons for evasion and  
Paras. 19,2530, Tans)” Svoudance of ales See ad  
  
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Page 151:  
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APPENDIX 13 (©oneld.)  
  
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(@) Carrying on business without re-  
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ot rms “ete, When assessment  
Becomet due) “or "disappearing  
  
from the  
of the parucalar State.  
  
‘Report, Vol. ITT, page 99, para 12 Observes that sigce stamp duty it  
‘Geamp aves, Tevled on he instrument, ii Uheore=  
‘clly ‘possible that the party may  
  
  
  
Page 152:  
APPENDIX 14  
  
Sengny or rons save Inna Tas Ray”  
Sin Kanon Deru of Econo Sorat, Man  
J or France, Covaneser or Tne (1850)  
  
One of the problems dealt with in the Report of Mr.  
Kaldor was the probiem of tax evasion, ‘The matter” was  
alt with at pages 103 wo U18 of Nis Report, The possible  
rumedies, considered by him are summarised bel  
  
(bis proposals or resubmicion of = single  
sonal ta, wits aummer of dierent taxes which were  
‘ound to reduce the Sacentive to evade’  
  
(Page 106, para, 189 ofthe Report).  
  
(Gi) Proposal for the submission of «\_comprehen~  
Emepayer "and the invoduclon ef'a reporting aystem  
{Sxrpayer "and the i :  
  
fn all capital trancactons by means of tax vobchere  
  
(Page 108, para. 194 of the Report).  
  
di) Compulory auditing of sccounts of tax-  
payets whase Income exceeds certain minima,  
  
¢Page 1, pre the Repo),  
(io) Stati and egg of uns  
(Page 1, pare he Repo).  
  
Mr. lors Bop  
(0) Seruting of ascot by the Depatoent  
(Page 12, par of the Report  
(oi) Previn hough deere  
  
1 pa 2 of he Rear.  
  
ca BERETS ERE ante  
(Page 11 par 380 te Rap.  
  
(oi) ot haring ad tain  
  
$eeets, NS to 120, paragraphs 208 to 218 of the  
  
APPENDIX 1s,  
‘Tax evasion rmosecrons 1g LOA roR—Exmcts aout  
‘Hevowr oe tus, Doct Tees rns Eager  
Canaan 08032),  
(Pages 150 and 160-170, para. 712 apd 183, 7.60  
“7.2 One reason  
4s eal (obo that in acial prac 9 Geog Seana  
tent like imprisonment ts bag meted oot tre ea  
  
ry  
  
  
Page 153:  
us  
APPENDIX 15 (contd)  
  
sehen, they ae caught. Though the direct taxes Acts pro:  
‘ide for prosscation and imprisonment in eases of conceok-  
nent and fale ratements tm declarations, the Department  
acy ding the last 10 years. got even» single "person  
Convicted for evasion. Tt is seen that prior to 1889, rome:  
tuna. were being freely resorted to i suitable eases, We  
fect ther unless ta" brought "home ta the potential (ax  
vader, that stlerpts af conceelment will no coly nee pay  
ihe actually land firs in jal there could be na effective  
heck against evasion. At preset, a tow evader even if  
‘caught Baw only to pay the lax sought fo be eveded and. 8  
Derceniage there ‘ae penalty” ‘Phough "the Masia  
Penaity eviabie i 180 percent of the' tax sought fo be  
Evaded such high penaly is rarey levied: Even the mode:  
Fate penalties levied by the aasasing oflcers are reduced to  
Fominal sums by appellate suthorites- ‘Both these facars,  
the non-zesort to pregecution and the non-levy of deterrent  
‘enaiies have, no doubt, encouraged the grow of evasion,  
  
7.63. We have suggested in para. 7.80 that in the matter  
of levying penalties "a ditington should be" made ‘be:  
ween the’ diferent hinds of defaults and offences, and  
{hat the penalties leveble shouldbe specied ine detailed  
schedule in ou cinema doen thet fe  
Trade in the matter of requiring approval of  
Thspecting Assistant Commianoner for letting penalties,  
and such. approval should be obligatory only “bt eaves Gf  
Tore ‘serious ‘offences, where the quanta of penalties levi:  
ste. are heavier. Further, the Inspecting AtsstantCom-  
inition should be atatatony required to give» bestng  
to the tasetven before according his sppsoval ty the love  
of pnt isu ctr In ode Yo ald nds Io  
  
lays in the Analisaion of panaity proceedings, we ae  
sctnimend "at hg lew ahold be Biehded 0 ore  
‘quire ‘such proceedings to be completed within one year  
OF the passing of the relevant sesentment order’ oF of the  
Sppellate order of the. Appell  
  
“1.64. Section 81 of the Incometax Act and the corres-  
‘ponding sections of the other dinect taxes Acts provide for  
the prosecution of « person who falls, without, Teasonsbie  
‘ase or excuse, to deduct taxes at source and pay them t9  
the Government or to furnish such certificates, returns  
bor statements, ot to allow inspections as required under the  
Acts” He is punishable. on conviction before 8 magistrate,  
with tne whleh'may extend to Ra. 10 for every day of dee  
‘fault. “Under Section 52 of the Income-tax Act i's pecson  
tats fle sateent in the vere contained nthe  
‘elurn of income, turn of dividends, application for  
Fegistration, | sppeals, etc, he is ble, op conviction  
‘before a Magistrate, with’simple| ft which may  
‘extend to six montis or with fine which may extend "to  
  
  
Page 154:  
5  
  
no  
  
us  
APPENDIX 15 (coneld)  
  
Ts, 1460 both, The petiod of npesoament, prescribed  
Piheotng® cvect txes'Aete for such fences, iy however,  
APPENDIX 16  
Exrmacrs ros riz Cena Cobe of nr Huwcantan  
omar Renensre 12  
  
Section 126  
() Whoever castes considerable prejudice by his ete  
vats da the prowine of Na offee service or public charge  
Il Endrin whe eel eo  
thiol of the Hungarias People's Republi o docs 20 by  
Srmion vhs duty oy by not dmg pope, sal bn  
fruniated Wii loa of ubeety rangiaa fea ve Co twelve  
(2) Punishment shall be los of berty ranging, from  
ten aan teen years oF athe ENE  
vauda) else has ausd prtslanly grave pre  
jae,  
(1) the erime hasbeen commited fn times of wat.  
(2) Whoever carries out a preparatory act for sabotage,  
shall be punished wth Jou "of Hbery eenging rom at  
‘onthe t ve sears and in pes of war with Hus of bert  
Fanging ram two year to igh Years  
  
Section 125,  
  
1) Whoover destroys, renders useless or damages, @ Denson,  
  
ral Mer arcate is, dae  
ee en ai :  
structure, -stode of products produce, war material oF  
eeetinigcmat kilieen  
  
Sas 8 wth the gt of weakening the sat, sock or  
feconomie ‘order of the Hi  
  
be ri tows of berey ranging trom Ave year 10  
twelve years,  
  
(2) Punishment shall be loss of Hberty ranging from  
ten Sears to Aiteen years ot deathy it  
  
{) the crime has caused particularly grave pre-  
  
(®) the crime has been committed in a manner  
ceusing public danger oF  
() ja timec of wae  
(3), Whoever carries out a preparatory act for destruc.  
tion, thall be punished with lass "of liberty ranging from  
Sx'months to five years and in times of "war ‘ot  
Tiberty’ ranging from two years to ight yours.  
  
  
  
Page 155:  
ates of  
Sc  
  
inde  
  
ate io  
co  
  
8  
  
APPENDIX 16 (contd)  
  
Section Wt  
[An ofcial person who infringes his oflcial duty, ee  
  
cook eee ee auge ha aa poston. in any” way $0  
  
{Soft tae unleaeesS io rotre tir Ee  
  
iSwtet scvantge for hime or for another shall  
  
Ponithed with ies of uberty not exceeding three years. onetime  
Section 152  
  
pYoc demand oso el  
igi eye  
an i ee af  
(ey hs leet et el oe  
ct Se a!  
  
(b) when coinmitting the act or using. is influence  
has pretended to be an aflcal person. balan  
  
i  
Bi  
  
(2) Pan‘shment shal be los of liberty ranging from two  
yeats to eght yeu ifthe ‘erime has’ been "committed  
  
profession  
  
Section 196  
(0, Waoever makes oe sores with the\_ aim of puting  
snes Gauulaen avails fr general consumption Inuront  
Wiheatn, shall be punished With Toss of Nberty no exceed: Ra  
{ng one eer a  
(2) Whoever pute oto circulation the article defined in  
vers bal nihed Sih ae ety ie eect  
Thee years  
(3) Whoever commie by negligence the crime defined in  
pact ysl be punted with los of liberty “or corte.  
Tiomaitedueatonal work not exceeding one Year  
Section 198  
(1) Whoever mates, procures, keeps oF pul ato cule  
tot Tag Sule er pthlogl tape y ang  
Wot evaling the pescipton of the authorities, shall be  
uahed wih toss of Hetty no exceeding one Year  
  
(2) Punishmers shall be loss of, liberty not exceeding  
three years, if the crime was committed  
  
(4) profeseionally,  
() by a reciaivist, or  
(c) in stlminal partnersbip.  
  
  
  
Page 156:  
of, Sei  
  
oy  
  
APPENDIX 16 (contd)  
Section 224  
(4) Whoever Intrnges his daty based on Taw or ona ds: U  
pos a nee a tata tay lees 0 Sea  
Rre‘production, usitzation circulation, declaration, putting Gaitae  
ae reesei eecping an sisee or bundling. ef brute OF Sonny.  
proce and oy doing so causes considerable economic pre-  
Janice shall be punished with lon of liberty not exceeding  
thre yen.  
(2) Punishaven: shall be fos of Nberty ranging from six  
  
Bye”, months to ve years ifthe crime  
  
eae hate  
  
iia  
  
(c) was committed by a reeidivist,  
  
(in vespect of « considerable quantity of products  
cxypiniue oof procs and preduce of Senidrabe  
  
(3) Punishment shall be los of iberty ranging trom two  
ots to bt yes he intent of te peoples economy  
Were gravely peyusived by the era  
  
(4) Whocver committed the erime by negtigence shall be  
punthod wits fine al te intron of the popes oc.  
omy were gravely prejudiced sith Hoss of iberty or excres  
tlonal-edseatfonal work aot exceeding ene Year  
  
Section 225  
  
() A.worker, authorized to take dispositions indepen- Wout  
leet, og state organ, social organization or cooperative, Buin,  
Who gravely’ or systematically infringes the requirements  
of rational economy, displays an economic activity involving  
omaiderabie waste of toney, material, power or labour,  
  
Shali be puniched with loss of Uberty not exceeding three  
  
(2) Punishment shall be lose of Hbesty ranging from two  
years to eight years it the intereats of the people's econcmy  
Were gravely prejudiced by the crime.  
  
(3) Whoever commits the etline by negligence, shall be  
punished ‘with loss of liberty or cotrectional-educational  
Work riot exceeding one year ahd. if the interests of the  
people's econamy were gravely prejudiced. with loss of  
Fiberty not excecding three Years  
  
Section 228  
  
(0 Whoever misleads the competent organ of the peo- sts cating  
ples economy by sopplving untrue data, Sncealing data, eee  
Erin any other manner, in order to obtain the granting of ty  
‘th 'Investewent or cred or the approval of the economic Rey,  
Bisons noone the aisbaion of fed and ccuatng  
  
andthe og of rice saben of the  
  
foreign exchange authority, hed ot  
  
Hibrfy not exceeding tures sears. Pnnes SHH se  
  
  
  
Page 157:  
Mina of  
  
130  
  
APPENDIX 16 (contd)  
  
(2) Posishment shall be Joss of liberty ranging from six  
snotths to tive years if considerable economic prejudice was  
‘Caused by the erne  
  
(@) Punishment shall be loss of liberty ranging from two  
vvenrs to eight veats if the interests of the people's economy  
ove gravely prejodised by the crime,  
  
Section 227  
  
(1) Whoever misleads the organ entitled to. carry, out  
econstnie control of to collect aconomic data by supplying  
Shtrue data on the ragnagement, by concealing data or in  
ny other way, or refuses to comply with the obligatory  
Supply of data or of report, systematically fails to oep the  
Presehibed accounts shd regosters or presents in them’ the  
Brecctibed dota systematically fasiied, or attempts in any  
thee way to frustrate control, shall be punished. with Toss  
Of liberty or correctionaleducational work not. exceeding  
  
(2) The same punishment shall be inflicted on  
wha takes s hostife measure. against a worker for  
Supplied correct data to the organ mentioned in pars. (D)  
  
Section 228  
  
(2) Whoever sends sbroad or publishes in Hungary  
vethout the permlsion prescribed Uy lw 2h vention,  
Uther, exploftablo. teehaical idea, shall be punished with  
fatter” mo exceeding “three years Hf no. raver  
  
(@) Punishment shall be loss of liberty ranging from  
‘wo. pears to eight years, ifthe Interests” of the people's  
‘econoiny were gravely prejudiced by the erime,  
  
Section 229  
  
kl} Lost ot iberty nat exceeding one year shall be n-  
  
person who infringes or evades a duty or prohibition  
cea easton cn tas esas ntes,  
‘honey circulation and en‘investment and renewals bj—  
(a) granting diectly oF indiectly an unautho-  
sieed Sito akong tee of ch ee  
(©) sing for another purpose a credit granted  
{or a eit purpose or the fonds granted for a def  
ite investment oF  
  
(cy realising an investment without permission,  
an javestment "Gr tenewal with fds froma not  
Shited source or a renewal with funds fo be used Zor  
‘hother purpose,  
  
  
  
Page 158:  
a  
APPENDIX 16 (contd)  
  
(a) diverting totally or partly the cover of he  
cred, preventing ealotcement of the secures of the  
creat’ Qien, mortgage, statutory priory €o\_satisfac-  
EE asignment, snireyahip, ee) or frustrating in  
‘nother way tatisfaction of the creditor” from: the  
  
@)\_stranging that wages he pald nat to the debit  
ot wl wage tnd, or tat Sone oer fazgent thas  
Wages be made to the debit of the wage func.  
  
1) Panlehment shall be loss of liberty not exceeding  
three yeafs it inieetisineoived in the arden. of invest:  
fests and netaeyoonomy were gravely prejudiced "By  
the crime  
  
Section 299  
  
(dA worker i a managerat postion or ie Rigi  
tor Gualty" contre of am infustil of commensal ‘enter: Set  
spat, who actin ich manner that a fod  
  
‘rales of bad quality be put into circulation be way.  
alsity’ product of does not prevent the  
ig cation och produc ane  
‘Shilged 30 to do by Bs sphere of activity, shall be puns  
sw los of erty not'exemedng one esr to graver  
‘rime was commit  
  
2) Punishment. shall be loss of Kerty nat\_ exceeding  
‘ree yeare, I the exime was “committed in Tespect of  
  
fe quanlity of Industrial products or industrial  
Droducts of considerable valve.  
  
@) Punisnment shall be loss of Liberty ranging from  
ssc months Yo five years, If the interests of peoples eeonomy  
Were gravely prejaiced oy the crime:  
  
4) Whoever commits sucha crime by negligence,  
shall be punished in the eae defined fn pars.) with Ions  
ot tery or eorrectiona-edvcatonal work not xcedl  
Se year and inthe ease defined in par.) wit tos  
‘testy nat exceeding thee 3  
  
a z Section 251  
  
(2) hares noes tel ng oho fang at  
of the qualty of incusteal produc shal Be punised wit  
loss of iverty or correctionsi-edueaional work not exceed Stay"  
ing oe yeas, n'a tonsequonce, «considerable ‘qussity pen  
cof industrial products or industrial products of consider: Se eat.  
hav ep, in ofl nda  
  
her quality category than lab down by a standard  
the Hungarian “Poop Repubie or by atother bhaiag  
recripton  
  
2) Punishment shall be los of Mberty not excending  
sae yea ifthe taterete of the peoples wre  
gravely ptejudiced by the crime, people's economy  
# bw  
  
;  
  
  
  
Page 159:  
182  
  
APPENDIX 16 (conta)  
Section 232  
  
Sees (2) An industrial product, for which quality require:  
SEES, weld ane txed by a Stendard of the “Hungarian, People’s  
soir tat  
Uh an on oe a  
vy Lhandard bt the Hungarian People's Republic, t shall  
eRe Gy erento aaa  
seh bore seme crtcea a oe  
Scere  
duc fy fe not on the basis ofthe standard of the Hungs-  
ate i eden Cer  
fi taal tens maria nea  
Se SR REN alte te  
Span  
sein ase cea a2  
  
paragra  
Fetal bad avolity, which -canaot be used for ts  
sees usenet considerably reduced.  
Section 238  
ate x (3) Whoever attests in a quality certificate or inane  
SEES ound? document guaranteeing. quality untrue data on the  
  
‘satis? “ality of products or produce, shall be punished with las  
  
SPiinsity fot exceeding three years.  
  
(2) Whoever commits the exime by negligence shall be  
ponte tt a ees ‘or cavrectonat edueaiosl  
Work not exceeding one year.  
  
Section 234  
  
hoover puts into crclation products or produce with i. 56  
gual ate sandr mark of the Tears with whieh (al  
‘Or pode ocr not comply or pts Into t=  
are eee ta be gat inte creation Ee product ot Ses  
frtet dt cf the ma ft real nda, TH  
ft with that of another, shall be punished with loss of  
berg Nbr cosectionatcducatonal” work not exceeding  
foe yer, ino aver crime wes eommlid  
Section 295  
  
(2) Whoever asks, demands or scents an\_ advantage  
to Skin Rap etl wh ike  
SEONRe punished wit tow of bers nt ‘hoewting tires  
con  
  
VE  
  
i  
  
  
  
Page 160:  
1s  
APPENDIX 16 (contd)  
@) Punishment shall be loss of Uberty ranging from  
six months to five years If  
() the perpetrator is a recidivist;  
(2) considerable economic prejudice was caused  
by the crime.  
  
() the provistons of section 184 shall also. be.  
applied to bribery.  
Section 236  
(2) Whoever— Secu,  
() carried on commercial activity or maintaine  
  
‘on industrial enterpfse without a proper Ticene,  
(0) carried on unjustied intermediate trade with  
goods or peculates with them fn any manner leading  
Wo protteering,  
‘shall be punished with los oftberty not exceeding three  
sears, :  
(2) Punishment shall e Toss of erty ranging from  
six Sith fo yen spectotion wae comrade  
(@) protesslonally,  
(@) by a recidivist,  
(6) Sn eriminal perinership,  
(2) In respect of a considerable quantity of goods  
cor of goods of Considerable value,  
{) was camouflaged to give the impression that  
the Gonoine acts tread by Ie bad eon acted  
Ups sate enterprise, other sate economic organ 9  
cooperoive. within the sope of is regular activity.  
) Pusishroent. shall be los of erty ranging from  
toot te ht yeu if eines of te Foniey  
IN RE cave HE crn is. fale user pore pumice  
ent shall be los af liberty ranging from five yuaey #0  
fifteen years  
(4) Tn the ceses defined in para (2) and  
cation of property may ea be applied a8  
anishment "onda recivit. mat also be  
Expulsion” trom certain placer of Yhe county.  
Section 287  
(2) Whoever carries on foreign teading activity with: Ureuhorad  
cout “being propeciy authorized 9010 do shall be Punished fas me  
With ios of Tiber not exeweding three pears me  
2) Punishment shall be lowe of liberty ranging trom  
two. years to eight Yeats it thy interests of the, People’s  
sonomy were gravely préjudieed Dy the crime,  
  
43) cons.  
ements  
hed wit  
  
  
  
Page 161:  
188  
  
APPENDIX 16 (contd)  
  
(2) Whoever commits. the crime by negligence shall  
bee unishied wah a fine and, if the interests of the people's  
Sconomy were gravely” projudieed, with toss of liberty of  
Sorrectinaleducational ‘otk not exceeding one yeu.  
  
Section 238  
  
0) Whaeer  
gesagt or erty fr gods a  
(epg o ee an ye at  
  
ea ee gen  
eee it Se %  
  
stl psbet ih ow they at excentng tee  
  
sah iz  
  
2) Punhgent ta of ery ang, tom REP  
sx Setar sal ae tbe ca tom Oe  
(o prt,  
(bye wt  
(0 in mia parr,  
(3 inecmen ef comterble quantity o pds  
‘or goods of considerable value, \* ¥  
Gy Punter sal be oma ery rng tm  
owe fans cal plo of tery meee tt  
  
My Senge pt By he Se  
  
(0 tn ee talng uncer. pre zaph (2) nd)  
ee ae  
  
Sana pelea ating cd  
  
onan amet emesis Se  
  
aoe Seat  
  
5) A perm cormiting the rine by nghgene shal  
te Snub ahs Bae by pete  
  
(6, The set os perm, who dot not exe he gi  
ing UY Maho Sana Be  
meray dana  
  
Section 289  
vy futur Stand te cuts cee trade  
alse weighing," counting by injuring the qual  
fac shall be punished wil ny of libery not ‘enostiog  
  
ne Year  
2) Punishment shall be los of liberty not exceeding  
three years, ifthe crime was committed  
(6) profesional,  
() by » resdiviet or  
{6) if the crime involved considerable Tos to the  
  
  
Page 162:  
135  
APPENDIX 16 (contd)  
  
‘Section 200  
(2) Whoever, to the prejudice of publie supplies sine to  
(a) destroys, makes useless, hides, conceals or MH  
  
utiliser the stock of products or ‘ania  
  
epic « peohibido by law or By vioiaiing the “rules  
of proper economy.  
(0) stores, in felation to his requirements an  
excelsveantity of products oF and there=  
Ep'Senies iculls for others im dbisining ther.  
(2) obtains by misleading conduct a. Heence for  
the dSquiitions putting nto irculation or transport of  
‘produce or prod ot speculates with such licence,  
stall be punished with los of iberty not exceeding. three  
years  
  
(2) Punishment aball be loss of erty ranging from  
six months to Bve years, Af the erie was coma  
  
(@) by a recaivist,  
  
(©) in respect of a considerable quantity oF prom  
ducts produce oF products of produce of consles  
able vatee  
  
(2) In the cases falling under para (2) confcation, of  
property” may is Depplnd x upplementary panic  
(1) Whoever comnts the erie by negligence shall be  
punished wite 8 fine bynes  
Section 241 ear foe  
(2) Whoever — Es  
  
(a) countertelts oF forges money in current tender  
{or the purpowe of putting 8 into ercuation,  
  
() acquires money counterfeited or forged by an-  
thet for putting fine creation, Ore  
  
(6) pute into circulation fase or forged money,  
  
shall be punished with los of iberty ranging from wo  
‘Years to ight Yours  
  
(2) Punishment shall be los of hberty ranging trom  
five Jers to twelve four f rotey forging wan cob ted  
  
{) in criminal pertnerthip,  
  
() in respect of e greet quantity of money or  
money of great va “of money  
  
(2)Punisent shall be lo of Uberty ranging trom ste  
sponta to five year if coins were Counleteted oF if he  
Kor ae hia eed bey tee  
  
  
  
Page 163:  
tribe,  
  
a  
  
186  
  
APPENDIX 18 (contd)  
  
4) Fox money forging, comuctin of property may  
anode Eile S Splementary punishes  
  
Secon 22  
  
1) Un the caw fang under clause (2), pra),  
seein 3t'the perpetrator had lawfuly acquired te flee  
Sethe ate Riba tt hs genuine, thd  
Seiten "copia tht the money fas fae  
ivedPurantgnt al be sof erty or correctional  
Eig tota won nt exceating one Fae  
  
(2) Pansat sal be uo Mery n\_ecnaing  
tind) ORI Sie an “tommiied a eet tt  
ERE Ghat of money or money of rest vale  
  
Section 268  
  
Wow cries out ap act of preparation fe money  
  
toc tal be puna what ery or nee  
Sectan 24  
  
(a) or se appieaton of eton 41 such aeration  
ag say writen om tesston, tha hou hae  
heptane fase in Setetin shal Be conc  
ee ctlereting of mony in ection,  
  
‘pletion on removal of «mati serving tg show that  
Beacon redaction for the Precour metal  
ont fame Seal lo be eoadeed forging  
  
(2) tn pplying sone 24 248 money hall mean  
rn or paper sey and bank nto  
  
(@) Secures saund by the State and other bearer’  
sect hice i in poneralcalaion"sal be judged a  
Sao way taper money.  
  
(4) Foreign and securities shall be granted the  
same protection, as Hungarian money and securities,  
Section 245  
  
(2) Whoever counterfeits or forges stamps with the alm  
‘of putting them into. circulation or for use, or acquires  
Stamps counterfeited oF forged by another person for the  
sane purpose, shall be punished with loss of liberty not  
txeweding three ears.  
  
(2) The same punishment shall be inficed on a person  
who puts Into clreulation er uses false, forged ur already  
Used Stamps 25 genuine or unused ones.  
  
(2) Punishment shall be los of Mberty ranging trom six  
months to five years if stamp forging was com  
  
a) in criminal partnership,  
  
  
  
Page 164:  
ry  
APPENDIX 16 (conid)  
(®) in respect of a great quantity of stampa or  
stamps of great valve.  
  
(4) Punishment shall be loss of liberty not exceeding  
‘one year, ff the quantity or value of the stamps utilized oF  
{put into clrculaticn is not considerable.  
  
Section 248  
  
(2), In applying eection 245 the word stamps shall Samp  
  
comprise  
  
6) stamps intended for postal or financial use,  
whi? ate meircution, wntatrawn from creation,  
Shick Jer put nto circulation,  
  
b) atarmp. nication, withdrawn fom ies  
tates og got et pat inte ican, Intended for Woe  
trcny Bela of activity of the pest postal meter  
Stneliation impresons, specal abd ether everpeins  
{ntsnationa Tess coupons. peat. seeips farther  
IeRaenption onan plied by the pos fo connec:  
oh with Postage,  
  
tate adininistration prints under striet con-  
erat, Sofia stamp imprestions snd without sich  
Iinpresios  
  
(Gia maha or sal, serving for tation,  
to plive'the nature ad cntert of rma, scnpiane,  
‘quality or quantity of material, or applied by a finan  
at chery or organ,  
  
vse a seed by the os of wee  
ST ensuring Sevier ahd fof maring the volume ct  
tins  
  
‘of stamps for collection. ~  
oy es feel ce ne rte  
Aion ae Hangoran lamps  
  
(1), Whoever infringes or evades a duty or prohibition Cry  
defined in statutory provisions on foreign exchange contre fete  
  
find'in statutory prowsions regulating possession tnd. it~  
Sulaion of precious ets aati zade from Previous Sous  
pea af pied win fiery not excseing  
ee Years.  
(@) Punishment shall be loss of Uberty ranging from  
six Months to ive years, ifthe crime was comm  
(@) professionally,  
(©) by e recdivist,  
(©) in connection with considerable value,  
  
  
Page 165:  
a8  
APPENDIX 16 (contd)  
  
3) Punishment shall be lo of tert, ranging from  
two Years te phn yearhs dE orsign exchange" contra}  
Inerdots were gively prejudiced by the crime  
  
2) tm the case falling under paragraphs (2) and (3)  
confiscation of property and expulian from cerain parts  
SPiie"Cotny Pty Sho"te applied ae mopplemesary  
punishment  
  
(S) Whoever commis the crime by nostigene in, con-  
neclion with considerable Yalve shall be punished with 8  
Tine  
  
Section 248  
(0) Whoever —  
  
(a) presents untaly or conceals before the author  
sity @ fe "Gdate) of importance in. Severmising is  
  
Fiabuity to tee and thereby or by any other {ype of  
conduct reduces  
  
Tema, (2) by deceiving the authority takes advantage of  
exemption frum. taxation or tax allowance, #2 which  
he ts not entiied,  
  
i?  
  
(0 the abomce ofthe cnition ed by aw  
ox wihoat oie peranion ier tom faland  
fletaue contol 8 pedduct or produce fesafved oie  
Ex pecuuary prof’ prodaet ox produte. diverted Uy  
or peciaiary prods prada x pra. diesied bp  
nother shall be punished with Loss of liberty not  
Siedlog thes yole  
  
©) Punishment of the crime shall be oss of erty  
rangi fr ox mons tbe yeas, eonmited  
  
plying this section, it shall be deemed to sn=  
  
On  
Sactn 208  
  
See Seabe wpe Ge cre de  
seem coll STE etc ey  
aD eae, ty  
  
eee  
  
Oy sare x promi pm  
  
sled dutiatle goods or co-operates with’ “the same  
  
rig smutied goods) shall be punished with toss of  
Tay ee cnkecing three yous h Tom of  
  
(2) Punishment shall be loss of liberty ranging from  
six months te Bou v4are it the perpetrator ta reid,  
  
  
  
Page 166:  
159  
  
APPENDIX 16 (conte)  
Section 250  
  
UW) In caces of infringement of daice in connection Coxon.  
vith cen speciation proftesing crises Felting to  
mili supplies. Granes wislaing foreign exchange copa  
Ein of ta frst as defined in clause (2), para (), section  
2%, money. om athersbjeclr with vwhich” the xiwe was  
foriatted and belonging to the perpetrator, thal be cone  
Secated.  
  
12) Contsstion may shoe spolied, ifthe money. or  
‘othe? object f= not the property or the perpetral  
the proprietor had previcusly known dhat the crime. would  
be cominitied.  
  
(), In cases of a customs duty crime the goods in r05-  
‘pect of which the eriee was committed shall be confseated;  
[foods being the property of s state organ or of 8 co-upert=  
five cannot be  
  
(O18 the money oe other obj, in eset of which  
cherie ay Comite cent be Conbacste, te Fee:  
ESP ORM BCR ged ic ay the Wee a the ES  
thie onnseate  
  
(©) he Court may ami contcin of the olin  
en fbn perpen spo the valor sue onto  
  
At that would mean for the. perpetrator sn ineguiabts  
Prejudice not in proportion wily the nature of the crame  
Section 251  
  
Comin! ocedings forthe crimes ensmeraied below Irma  
Sete e's statutory provision’ inffingetnent ot tics  
Ta sat inion ot date in  
onnection “with the economy (eecen 23), wast  
insbandry (Getion 225), islending the —organg of the  
beople's economy (eection 226), “obstructing. econome  
Exntrot" Sad" collection of ecomdinke data akcion 2),  
Ise of invention. (cectlon 28), crimes Infringing disc  
ime in investment and Enanee (seetion 225). puting into  
Exretation and industrial product of bad quaiity( secuons  
$0 to 22) anautoriend foreign ‘trade, sctvity. (ection  
Bi as ead (etn 28)" sates dy cme  
  
sen  
ted oe Gate fey ae  
Sen ee ema  
  
  
  
Page 167:  
rete  
  
bsnl  
  
vas  
  
Matron  
  
i  
  
10  
APPENDIX 16 (cont)  
Section 291  
Whoever removes. the property of snother with an un  
towhal ment come 2 thee  
Section 282  
Whoever unlawfully appropriates, the property af  
anottentectrusted to Hin of tispons oan Ei were his  
‘Soom am embersiement.  
Section 288  
Whoever for unlawful gain induces or Keeps another  
sy “itera Nena atte facts and cases thereby  
Dresudice commits  
  
Section 294  
Whoever being entrusted with the management of  
anothers property cause, vslating bis duty under such @  
Ecmmiaion, damaged in ach property, commits a malver=  
Saten  
Section 298  
li diower commit tet, qmbslrent, ted or  
malversaton to ce of soval property shal  
Mins with lo of liberty ranging from sor months t0  
we yoars  
2) Panishment\_shall be las of liberty ranging from  
towol pears to eh yours if the erime wae soma  
(2) by a recdvist,  
(0) in criminal partnership,  
(6) in a place where It caused publle danger.  
  
Punishment shall be—  
(@) oes of berty ranging from five years to  
  
tovelte years particlaiy rave prejudice wae cnt  
  
By the Crimes  
  
aru i be, ranging from tem yous  
  
teeth bs ie sGnrited Sinn partes  
  
eon  
Wo es en pa he  
ea tee et ere ey  
aoe  
  
  
  
Page 168:  
1  
APPENDIX 16 (coneld)  
  
exe ths rit ont  
we Sh  
sec \_  
  
0 may, nt mpg es  
a ps ins ew ee  
ie an eee  
Stara mia  
  
1, Ren sn gy meee  
  
@) Whoever manages the property of another by virtue  
of an offcial commission or approval (guardian, curator)  
dnd hile” doing intinges ig ty” by "bepligence,  
thereby’ causing. Toss In the value of the property, shall  
be’ punished with loss of lberty or correctional-eduestional  
‘Work not exceeding one Year.  
APPENDIX 17  
Exmuacr or ceevaIx secrious op uz Prat. Coor oF Norway  
  
(Nomwaca Pac, Cone’ 8) suacins ye  
‘Aster Stans or Fonts Pr Cones”  
  
88. Anybody who, in time of war, fails to full » con-  
tract reliting tothe supplies or the. transport. of the  
iy forces of a ratier “of irsportance truley or  
{lvl defence, oi accessory thereto, shall. be pushed” by  
Imprisonment up te ten years If tho act has caused heavy  
dlamage tothe defence of te countey or the death or serous  
Injury to body or health of another, maximum of life  
Imprisonment may be ips.  
1 tn brah ef contra reat tom aig the  
trator ine oF falling or ime  
Prltonment up to six months: \*  
Anybody who commits such an act agnngt a state allod  
swith Norway, or at wat wity common eneny, shall be  
‘Smiley punished (12-1519  
  
128. 1 civil servant misuses his ofice to violate some-  
ody’s rights by undertaking or omitting an offclal act,  
the shail ‘be punished by fines or lost of office or ‘by:  
imprisonment’ up to one year  
  
If he has acted for the purpose of obtaining an untav.  
ful gain for himself or anther, or If the felony has pure  
posely'" caused "serious injury’ ‘or t Violation of Tight,  
Imprizonment-up to five years may be imposed  
  
fog eyo We aay is eo. Aber = Wie  
‘Sher cal in Redon Tbe Gime Pee Ups nee ae  
  
  
  
Page 169:  
182  
APPENDIX 17 (contd)  
  
155, Anybody who by bresch of assumed obligations or  
by spreading of false rumours, brings about famine ot  
stareity of necessities, or is accessory” thereto, shall be  
panshed by imprisonment up to elght years.  
  
73, Anybody who spreads incorrect or misleading  
information in order to. influence te prices of goods,  
securities or other ebjects, or is accessory thereto. shall be  
  
punished by imprisonment up to four years. Fines may  
1 imposed together with Lmprisonrment. Under extreme  
Ty extenuating circumstances, fines alone may be Imposed  
Gini  
  
APPENDIX 18  
Exmuens ov centasx aberions ov nur Anomerasa Prat COO  
  
“cos FAOM THE TRANSLATION PUBLISHED THE  
Senne ‘or Fontan Penal Cooes (1063).  
  
242. Any public oficial who illegally omits, retuses to  
do of delays any act of his office, shall be punshed by 2  
fine from one hundred to ene thousand pesos end. special  
‘Tngalieation from ne menth 9 obe Year  
  
‘00, Jlling from six months {© two years shall be  
smmponed on  
  
1, enytody soho causes. the price of any, merchandise  
woe "do lowest bon! of security tebe raed. oF  
towered, by means of flee news, ftious nagoBations, or  
UpSoiniotnce or: coliton among! the propel holders  
of any merchandise or product, wath the purpose to sell it  
onty Yor fired price  
  
2 anybody who, disguising or concealing true facts or  
circumstances, or eemauvely ataling or seggeting false  
{acts or excumstances, afters any bond or securty of any  
Corporation or 300  
  
3. any founder, president, manager, or receiver of any  
‘corporation or co-operative or any other commercial estab.  
lishment, who publishes or authorizes a false or Incomplete  
Salange Gr report regardless of the. purpre he had to  
pablish i  
  
APPENDIX 19  
  
Eyotze Law RELATING 70 SPREADING FALSE RUMOURS 0  
  
[Ax common law, every practice ot device By act conse  
pasty sone ot news to enhance the price of ects OF  
[ier inerchandise was held to be vnlawful. ‘Theve prac  
A i der, “fivetaiing™ (practi, romance  
ices) including. ingrosing buying” Up ‘oon  
Reo) for earatng te aelling monopoly prices and  
  
  
  
Page 170:  
1  
APPENDIX 19 (contd)  
  
nar offences. Spreading false rumours was aio one  
Ckunple of mosh practices, The bare ingroming of a whole  
Scam In order to sell at an regaonable price Was  
ipo an cflence” By'a statute of 1040 the several offences  
‘Sf badgering (busing up corn, ete, and carrying them  
isewhere for reeale),ingrosting, forestlling and "egtat.  
{ing were abollshed.- But section 4 of that Act preserved  
Ihe Common lav offence of spreading alae tumoaty to  
thance or thate the prices of Vendible commosities. “The  
Sceton ip quoted below —  
  
“Nothing n this Act contained shall be construed  
to agli the one o mowing tad anduently  
Spreading or conspiring to spread ‘ary false Tamout,  
Sith intent to enhance ce deety the price of any goods  
Gr'merchandise, or to the oflence of preventing,  
Endeavauring so prevent, by force er threats, any  
lade, wares merchandie Doing bxouBht nF  
fr or ‘market. but that every such ofence may’ be  
  
Uried, and punished a if this  
  
ot had not  
  
APPENDIX 20  
Poston ar ENLSH LAW RRZARDING CERTADN OFFENCES  
  
Bribery and corruption —It is a misdemeanor at com  
mon law for an officer Who has a. duty to do. something  
Inwhich the public are interested, lo tecelve a Eelbe  
either to act in a manner contrary to his duty or to show:  
favour in the discharge of bis functions! ‘The offence Is  
punshable by fine and imorisonment. whether the bribe  
[reccepted or not ‘The matter is now provided “for in  
\_gteaier detall by several enactments, including —  
() The Public Bodies Corrupt Practices Act, 1889  
(82 ana 88'Vie, e 3)  
(4) The. Prevention of Corruption Act, 1906  
(6 Baw. 30)  
(il) The Prevention of Corruption Act, 1916  
87 Geo. 5 6 wb.  
(0) Section 9, Customs and Excise Act, 1952  
(13 & 16 Geo" 6, © 44).  
(0) Section 125(2Y, Local Government Act, 1933  
(23 & Geos, 6.51)  
(vi) Sections 171 and 99, Representation of the  
People Act 19H (12.13 & 14 Geo. 6, € 68)  
  
“sal om Cine Gs) Vol 3: page  
‘wenalng sepgin ee, Ace ot Cotapirey Acts 1944 (7B  
“teow epee  
  
‘Hd (983, pa. 383.  
  
‘eld (pa), fn 343, 348 B09 a 353.  
  
  
  
Page 171:  
164  
APPENDIX 20 (contd)  
  
Conspiracy.—A person may be convicted of “criminal  
conspiracy” even where the act conspired to be committed  
‘Would not He's ofence If committed by 2 single person.  
Tess foom this point of view that the offence of chiminal  
cepted definition of conopiray te Mat given BY Tastice  
‘Wilfes"oa behalf of all the Judges, is one case namely,  
lin agreement of {ofo or more to\S0/an inlaw act on 83  
do ablawtal act by: unlawful meane! The caselaw thas  
his"aswsoped on thin subject ‘has Brought ot the wide  
scope of this ofence. OF interest for the present Purpose  
Sre'the tollowing conepiracies held to be crminal  
  
(i) conspiracy t0 injure the public health, as  
selling Unwhotesome Load ”  
  
Gi) conspiracy to combine to violate the provisions  
of « Statute e salary rule ete, where the voltion  
Sf Such statute or statutory. rule would be a  
dlemeanour at common law criminally punishable  
Some specified manner.  
  
(Gs) conmpiracy to do acts contrary to the public  
rors Thevistest ‘ease ‘on the subject is that of  
Sha!  
  
‘Conspiracy to cheat and detrand.—It is stated, that it is  
really etimial 10 conspte to commit fraids in trade’ or  
Pile chews whether te fm cea, ne by  
{or civil remedies at law or in equity or would be crim  
nally punisheble. Examples of this conapirecy are combi.  
ition of bankers or ofeers of companies to deceive and  
Aelrand their shareholders by. publishing fale balance:  
Sheets. or by concealing the foselvency of the bank and  
fgrecments to take part sm deceptive schemes in order Wo  
"alse the price of sacks and share above thelr trae value,  
‘ot to False the price of commodities by tious sale  
  
Conspiracy to prevent, obstract, pervert or detent  
ustce This tals Under three class.  
  
(i) conspiracy to make fale accusations of cimes  
or founded iil claims;  
  
(i) conspiracy to threaten to make false nccusa-  
tiont or claims ahd  
  
Sais 6 Re Kaw Reps (GS, 9 FL. 9s 37.  
\*Seedhcasn in Rael on Came 99 Va pe 313 a4 215  
‘Rulon Coie (958 Vol 3, Page TOR.  
anal om ee 99 Vl. 3 ae Band Ac 4  
"Show Dior of Pate Proacaon (960) 4 LR.  
  
cme lating LoD ns  
  
past ein Re oe 98 2 pe 7  
"Sen sho Arco (962), pr ges,  
  
  
  
Page 172:  
10s  
APPENDIX 20 (conte)  
  
(Gi) conspiracy to interfere with @ fair tial of  
pending proceedings!  
tical interest is recent case where the ale  
connatacy ‘by cerala polite afters to fake remand to  
hinder prosecutione by Rot bringing the offenders before  
the: courts or by warning petoonaé concerned of intended  
  
Conspiracy or combination affecting trade,Theve have  
fcc the stectaatter of legialaton artculaiy tela  
ton’ to. trade disputes. Subject to" such legittation, 2  
Criminal conspiracy in restraint of trade which has been  
‘detined as an agreement between two or more persons to  
ddo or procure (0 be done aay unlawful act In cestraint of  
trade (65° wstence, threats, fd, oF coersion!) is puntsh-  
  
How far combinations to monopolise or divert trade  
would’ fall “within. thia “definition a moot question.  
Criminal ions do. not seem to have been ‘onder  
talken in England in respect of goch combinations a¢ being  
‘conspiracies in restraint of trade  
  
Cheating —This is an offence at common law In mani  
cares "It ls unnecessary to enumerate. the vorious sats:  
orien, “Akin to this offence ie an offence of obtaining  
{fools by false pictences governed by section 32 of the  
Esrceny’Aet, 1916" (Gand 7 Geo. 3c.)  
  
Conspiracy.—See above  
  
Embezalement.—See section 17 of the Lascony Act, 19108  
{930d Geo" 6 50.Ther are several eter spetal ACs  
  
False pretences Seo under cheating  
eet st commen law = mateneanor fo sll  
(ood oF drink ‘with the knowledge, that it ie dangerous  
oF unt for human consumption” "The Law onthe  
Subject is now’ contalned in Food and Drugs Act, 1083  
GES Ene Bch, 1, which consolidates the previous Acts  
Rust oo Gines Oogth WoL a, pe te  
anlar (gh Cin Rope Ragas 2 hed in  
  
‘tae on Cre (98, Vl 3s 08 19 0  
  
“Rast on Geo. VoL 3 eo.  
  
‘Ratt Crime (3, VOL 3 ate 178  
  
‘snl oo Came (ee, Vol. Dae 13 1 14k  
agasRane 00 ene 958, Va 2 age 6+ ARABS G96 pn  
  
“At (962, pa 170  
‘Arched (98), br 335  
  
  
Page 173:  
166  
APPENDIX 20 (conta)  
  
of 1096, 195) and 1954 and certain other enactments, Sec-  
Hons 1 to 12 of the Act are mainly of interest ag dealing  
veith afferces committed in the preparation and sale of  
Injurious inod and adulterated drugs falsity in libel and  
‘advertising In food and drugs and sale of goods unit for  
‘human consumption. (The common law ofence is classied  
either as s public nuisance or az a common law cheting)\*  
  
conigined in section 3 of the Forgery Act 1913" ‘There are  
  
SEALS Gea hace et ek  
encore eo (ar tan ie  
  
me Phy cams aa a  
  
Site has Sates Se  
  
SORA Mecca rane ee  
  
y SRS ESTAS EIS 1  
  
Profteering.—See Prices of Goods Act (199%) section 1,  
Birr Soe and Servicer CPrice Contéop Act oat & 8  
  
ele miathit—The oence of conspiracy to onmit  
Scdeetod tha many tte oath angel OB  
umole eaeulated to cause widespread alarm: and balding  
Rema on Gn Gh Ya 3s pe Hd, aR  
"arcld 63)  
  
“Rona on Gree (998. Va a 46.  
  
‘Ras on Crime (99, VoL 16  
  
‘Runt on Came (950 Va a  
  
Arco 9) pre 38 ae 34  
  
"Aric (96) a 34  
  
“Arce (96), pm,  
  
  
  
Page 174:  
ry  
APPENDIX 20 (contd)  
fective airaid sheers aid making to the plice false  
statements concerning Unaginay ees, {2 atta  
affence of pobiic mischiet  
Jn the case of Newlond it was held that thes offences  
ete Pat the law of conipnracy. tte aes oma  
By Se'fnaividasl and notin conjunction ‘with others then  
iP ndctable only if iis an offence in Wart a common  
daw or'by statute  
  
sever “ws Daag  
Sie ung in he Prev  
peor ata ta Gi Bere  
id anc ne tay 2 Gant  
BOG ch sot eh ina tate  
Seta ht rt  
Sagat he Stns nce At  
  
‘Tax—As various enactments relating to taxation con  
{ain penal provisions, it woulg aot be possible to summarise  
them here: But ‘part from statute, the making of false  
slatements relating to income-tax with intent 16 deftaud  
  
misdemeanour's¥." Section 5" of the Perjury Act, 1S  
(142.Ge0.5.6.6) “which 1s Quoted. below, is “algo of  
interest:  
  
False statutory declarations and other false  
statements without cath If any person ‘eowingly sind  
willy makes (otherwise than on oath) a statement  
false in a' material parteslar, and fhe statements  
made  
(a) sn o statutory declaration: or  
(b) sn an abstract, account, balance sheet, bole,  
serial, Geclsration “entry, eatimate, inventory, OEM 3  
B'Ssthoused of reine to age ates: ee  
fsa ore ‘make, attest, or verity,  
by any public general Act of Parlament forte  
tine belngn forces or  
Pal pre  
Ry. Neal Giga) 3 AER. 1969 (CCA)  
‘See Repo Stare ptig (a2, Cd. $599 aml (941) Ana of  
‘grins Aco of Pocat and Soca Secs Wt uy Gee ae  
  
‘Set Arched Cn) par. 8341348  
IR.» Hae (940 1 RERR8H4 (990 3 QB. 53. dn,  
‘Acct a6), para 3547  
‘ilbury sel Ba, Vol 3 ea 70, pe 14  
  
47M. of Law—i2  
  
  
Page 175:  
Ey  
aerENDik 20 oma  
(on my al detrton ot at  
sda an ea  
SEN sat it Ro Pint  
Brat ne! Sr"  
ve a uy stencil be Une  
ea i go em at ae  
Shc Mea! Feri ng ae or  
Pi Bok Sas Sea a  
teat nh oy a aa Apa  
scans ne teatats OP  
sea Sa he wit sca WO, es  
Arai  
Toe pv the amet, et UK  
sete te i  
Sea ree a et a  
‘pelea i  
re fawng srl matin ae open tan  
oo atenag Sivonen  
Gif somo nk der te en  
pee  
‘in ener ann ear At, otion  
sen be ease Se I pale  
1) eet Sinn acon 0  
Brine lise Saati ca eile  
BUS Sel eta by Ao Set  
Msn Oe une egy Ac DH  
ce!  
(cay t rat  
i a te sorting oe  
eRe, thera pe pee nme  
Bertier 4 tardona® & Reais  
eS flee hea aod es  
te Path  
Gn non of haat Ae 0 en  
wali ties ada ane  
ar aaa ogee ete apts  
eects Shen waaay  
Sr elec tah usa fhe  
SRP each Mca Se ops Sot  
TR. HoodeBars (0943) K. B. 455 (1943) ¥ ALR. 665. .  
Fie eS een ae  
Trae a  
“Hist Eas  
aa es et  
SESS en ete  
  
  
  
Page 176:  
18  
APPENDIX 2 (exncld.)  
2 years or ine up to £10008. Consent of the Attorney  
General is required for prosecution under this provision.  
‘There sno general, provision creating the offence of  
‘evading of avoidance of ox.  
  
APPENDIX 21  
Ecowontic cates 1 cEeramn PASTERV-ECROPEAN COUNTRIER  
Apart from Russia and Hungary, provisions relating to  
sonomic umes exist in certain other countries of Eastern  
Eirope: A'briet summary of the important provisions it  
en below.  
Atbanie  
‘The Criminal Code, 1952 of Albania! contains Chapters  
dealing with penalties for toot. waste, misose "and thee  
{gma of destruction “of Government ‘or. socal "property  
(Chapter 2)" te wel ‘ag detailed provisions relating ©  
Sconamic crimes (Chapter 3)  
uct, Supa gripes soclade comes industria pro  
lucton snd mint the monopole ofl:  
‘against regulations of ternal fade and again ‘Snancial  
tegataionsy evasion of taxen and faire toiver age  
cata! quotas. Crain hmpbreane fates 3:0  
sll DEM Pevalty le permsible for economic  
(2) Confiscation of property ie mandatory in  
economic erimes, “exeepting In 3) enses." (Under  
‘Article 25, "cetain objects ike furnitare, foodstus  
‘ae not conscatod)  
(6), The procecaton can tranafer cases relating to  
sonal ere to miley courts  
  
ply  
ae at ha oy  
ee pean fae te  
fulfilment of the economic assignments, or in ‘any:  
eat ae et  
  
"See. 8G. Goverment Lew nthe Soret Union pas ps  
  
  
  
Page 177:  
»  
rar ont  
  
asin sateemtap oe mt ae  
nat istour “ifthe sot ha Yeon ‘commited. nin  
Lame he" punhment shall be confinemest trom  
ieee  
snd la a  
coteaarme mire ata,  
SPS Se atk  
SheeaR  
  
cen ie Mier wn act, soe  
softies pacer ae  
ee eet  
  
ct 21th ie peso  
ue al sta itt era  
SSUES Biniled By onintmane up toe  
Sees des ee  
  
Czechoslovakia  
  
Sections 86, 135 and 196 of the Criminal Code for Courts  
(as amended in 1956) are quoted below:  
  
“as, (1) Whoever, tals to docharge or wats;  
‘ox evades the duty rofession, occupation. ar  
Scrvice oF sommite anyother act from” hostility  
toward the People's Democratic order with the inten.  
  
(a) of frustrating or obstructing the carving  
ut oe accorplchmes "ofthe Govtmnvent  
{fr fhe development o¢ the natioonl "ecoesmy  
  
(b) of eausing serious disturbance in the sctl-  
ity of a publie authority or other ageat, netional-  
led enterprise, people's co-peratives or any other  
organization ofthe’ socialist sector ‘shall. be  
Punished by confinement for from 3 to 10 years.  
  
Sega) acer, eign, tore  
Some mars uate  
Seong cl at nh  
Eieus Sateen sana &  
Bina Be cater tee wa daee  
Bae  
  
  
  
Page 178:  
m  
APPENDIX. 2 (contd)  
  
exceed 1 year and by fine o (under aggravating etrcum:  
Stan ef thaaomect for from 9 ton fo 9 Jeet sad  
Sy Bre  
  
Stl 1981 « rate busines. os other peraca  
‘who ie eeponsiole fr the management ‘  
nic-“even through negligence“. “dicharge" an oblige  
tion resuluing.ffor the uniform economie pian or  
Fequived publle deliveries” ot public. works, he, shall be  
Duntahed "by confinement not (exceed 6 months’  
  
Poland!  
  
‘Beooomie crimes in Poland are dealt with inthe “Sell  
  
Cciminal Code” of 1045, Chapter IIT (Acticles S945) and  
  
ther special laws. A brief suramary of important provi  
Sng i given below:  
  
o @  
  
Anicle 39  
  
iy. of an individ own work  
Srthat of subordinate eroonch ot  
fe deren. of du ether  
thine proper cae ofthe, webaleal  
Saunt the emer  
fa itera or ‘produced  
oF aig dectng of ue  
Dent oa tage of row mae  
Tee pod. "Panickment up te 1S  
Yeu? lmpiscme).  
Under, the amendment of Dece of  
  
ih Marty 23 (pena fo Mate  
Seg af Gon of else  
  
tion of of inferior quay  
  
Anicle 40 ++ Diverting 19. free marke of goods  
‘assigned Tor” distribution “chrough  
‘Government stores. (Punishment ep  
ois" Years" imprisonment)  
  
eee em Therefic, he we  
rater be caine ts EE Seve  
  
‘Sonate! fom metal ‘  
= 46, Goverment Law ee, in Snail  
  
  
  
Page 179:  
m  
APPENDIX. 21 (oontd)  
  
wo @  
sino wns by lee  
SSIS er fine Pmt  
Sent ap 10g yea mpionmen.  
ike 4 <5 Ofecer gui te pnd dis  
were ica, pa nether conte  
See's tc witout ae  
Xe, ‘femihnn vp 1s Ye  
  
‘pete.  
  
Arvile 42  
  
Decree of March 4, 1953  
  
ae Pre ot Det “Se gy ot ie  
  
ln Say cea on  
lates, wee  
of selling them for profit Pies  
fe Ree  
Sete a nga  
=  
  
AS pei  
  
ction fal ae Se Fae ‘ose sped at  
‘FaonCeiag op oc bang ponte cast of i sal eds Sa us  
  
  
  
Page 180:  
mm  
APPENDIX -21 (cont)  
  
o e  
  
‘Two decrees of March 4, 1983, Under Article 1 seton 1 of the Bat  
“Concerning scenginering ofthe Decree, stealing, appropriating, b-  
frocccton’ Qf stkilist Property taming witout intent fo. pay OF  
Endconccrng te prowtion of anyway seang socialist goods is  
Snot propsey apace peay— puhable by tmprvonment op £0  
Heth bofhanesial ny the De yeas. On 8. second conection,  
(gee of December 33, 19 fraprsonment up to 10, Years can  
  
ps ema” see  
‘Sggravating circumstances, the  
SP ‘open ania  
‘mprgonmen up toto. Yeu  
hd ne less tans ears, det  
et 3 i eae tas aed  
Iaoe damage tothe ezanomsc  
{erst or the defence of the State,  
the punigiment cannot be less aa,  
SS years improoament and even im  
Sullonment for fe can be warded.  
  
Decree of March 28, 1952 Offences aginst foreign currency regu  
Iations ean be punished with pelson-  
meat up to 13 Years oF even for ife,  
find there are provatons for # mink  
‘mum sentence of 3 oF 5 year ie  
  
prisonent  
  
Arie 85, Rel Ce of Ab of pve (This hus xen now  
widely. ferpreted at covering. "DOt  
Soe of onc tas she  
negligence and  
ret)  
  
For seversi offences, including many economic erimes, “Summat  
Criminal Proceedings" are permissible under the Polish law,  
{iree offences include erimes committed to the detriment of the State,  
ue authorities" imsitutioy of & Babli Chara co-operates,  
Gnterprises owned, "or managed te oF public a  
Serre eredy Sea eine endanger the caotome intrees ok  
the People's Republic cr expoto it to considerable losses, For these  
offences, death bentence or imprisonment for life can be awarded,  
  
"respec of the punsbnent preven the state relating 1  
fe particular exkme!  
  
TeLERSGS Oomrmen Taw ee Soe a ew er Bom  
See Noenber 16 196 Gta 19g) on smamaey padi  
  
  
Page 181:  
1  
APPENDIX 21 (contd)  
Rumania  
‘Tae main articles in the Criminal Code of Rumania  
relating to economic crimes are articles 288, 242 and 305 of  
fhe Clminal Code (No. 82%). “Economic ‘crimes are re-  
  
lated under the title of “Offences ‘the Beonomie  
lated nd ieee subtiie af “ofences afectng the  
public administration”  
  
‘The main economle crimes are  
  
(@) violations of regulations regarding production  
ana Sea cae eee ane Pe  
  
() distribution of products, which do not meat  
mandatory rues of standardization  
  
(6) establishing Setltious co-operative;  
  
(4) fasta to. obverve, lege provisions with  
int (Cesta? ee without erin “ntent ot  
epigence:  
  
(©) nomabservance of legel\_provisons regarding  
state ‘manopaes of foreign commerce,  
  
() failure 10 pay tazes in time;  
  
(@) evasion of tax;  
  
() public oficer\_guity, of careless, lack or  
laxity in"the of big service, thus  
delay oF ‘nthe fulliment of the  
‘Soronle plan, disturbance (o the proper functioning  
Si olectteoeganinaton or damage "ceectie pre  
  
iy on to" the general interes hidene  
Tarte 202);  
  
(@) failure to deliver agricultural goods reserved  
tor Government stores  
  
6) hoording of goods;  
  
(8) breach of collective labour contracts;  
  
(1) infringement of regulations concerning ration  
  
sen (pcemlateting curency and bende, (ute  
‘unishment upto 29 yesrs' imprisonment can  
‘be awarded for counterfeiting; and ifthe act has caused  
tr would have caused considerable damage to the Anan-  
al “system, total confiscation of property cam be  
  
(#) Article 536, contains detailed provisions for  
‘Property  
  
  
  
Page 182:  
vs  
APPENDIX 21 (coneld.)  
  
‘Yugosavia  
  
tu Yagoslavie the Criminal Code of 851, stctons 213  
to Hs (ERoninal Oiences again the National Economy)  
Gea “with "cconomie erimes: ‘Tho ieportant. provisions  
  
~ (a) sellers giving special favours to individual  
vuyett Geen 2)"  
  
(6) barter (section 229);  
  
() allure to ful the contractual duty of delivery  
oa Seley of reduce Goverment ection  
  
Hi  
  
(2) owner of land failing to cultivate the lend ot  
redusing hs ivertoce (ccetou 238);  
  
(¢) members of agricultural cooperatives opposing  
the Ses Gement ofthe afeles ofthe cooperatives (oe  
Hon 340)  
  
() stegaty carrying on a trade aa a profesional  
acilee, or legally ‘purchasing or barter  
Bese Sadan ta ich tobllden ot  
imited oe ceping such goods or arcs for  
commefce or producing ot rods the produc:  
tion ar proceting of which i foraidden ection 220)  
  
(Confiscation of the goods cam alzo be ordored),  
  
APPERDIR  
1 Bane PE tee  
Skee  
Thee ea el po a en pion Ss  
‘201 of the internal Revenue Cove of the United States of [2s  
petal tral Soe ate Ged ge  
een eceae =  
See ee ey atengs i ty  
manner to eoadd or defeat any tae inpooed by ths Seo"  
oer ed  
Finan tn Eee ot man  
soho id on rt  
SER Sere eee  
  
  
  
Page 183:  
18  
APPENDIX 2 (contd)  
  
‘There is another section dealing with wilt fllure to  
fe rewura, but we are not concefwed. with tht section  
ere!  
  
‘This, section has replaced. section 145 (8) of the To-  
ternal Revenue Code, 100, which in iis turn had replaced  
sel fb), even, Ae. ik) "The ll section was  
Tegarded as tone of a aystor of sanctions wt  
SAL o clon wate ote aig prompt  
  
Yontright fulfiment of every duty” under the Income  
  
me law The. important words in the section are  
  
‘Sil stent ian mdr eae or deft any  
  
we consttutional valisity of the action (with refe-  
  
Fence {othe due process clause) appears to. have” been  
‘pbelt  
  
Prosecutions under the section have been instituted  
  
‘hainiy im the following situations (if the requisite  
  
Intent i proved):  
  
() substantial understatement of income;  
(®) substantial overstatement of deductions;  
  
sol terete cron of ty by « evading font  
incomestancs of spouses (where the spouse or spouses  
charged are parsyto the fd)  
rayA) VE A Acontantsparipating in tx  
(@) officials of corporations attempting evasion of  
the ‘St payable by the corporation coneerbed  
  
() fadae clans to exemption  
  
org, Wil are fl vu aly fri ofa, aA  
apposed te hie pay ayes ca, me orate  
  
‘on’s eur teguved unser setoriy of seslon Gots‘ ot saci St,  
ti The “time or'"tane negated” By fa i  
act ‘hulk addition co ike’ pesabien“prowted by  
Sirens Ss SS a a  
“with the Costs of prosecution.” inal  
  
Spin 6 Unled Ses (949, 307 U.S. 42,27  
# US. % Shibmen 139 Fad 4 or dei a9) 315 UL,  
  
HE  
  
“Attn ot a tn, Ta pe ba  
gyoahiehse: ot ala oro Bg)  
Tnterenal Revenue Cade. ad aa  
  
  
  
Page 184:  
ro  
  
APPENDIX. 22 (conta)  
  
fe may fst take up the word “wilful” io the section.  
  
malt yeinttes proot beyond reasonable doubt of & specific  
  
Bis cot to efade or defeat the” tax or its payment. A  
  
Bana Ade elit In » parscular Tegal position would take  
Seow the cae out of waful”  
  
‘The intent, must  
Intention to perform  
fori it presumed or inferred  
Incorrect cr understated tax retura. The  
maceration known 10 exist, ax dati from genuine  
snag of wh ase ec  
Tegomething more than “intentional requires an  
el mote awl want of Janet Hoe  
fake tin ith ate complete defences to  
ties eeton tr evasan, And negligence can never amount  
Bo wifulness  
But since Intention can never be gathered by direct  
‘evidence al relevant cireumstanees are taken into account,  
Sleluting the background and education of the accused, the  
ge of the sta ivoled his profemonal experince  
  
§  
  
‘Mere possession of large amounts of unaccounted ees  
while I fray be some evidence, does not always establish  
The taxabliy of the amounts involved". It haa been  
by the Supreme Court thet an "afrmstive act” is req  
In proof of “wiful evasion”. This, ts stated, ts iy  
from the word “attempt”  
  
Many of the “‘affrmative” acts have been enumerated Armaire  
tye" Gated stat” Supreme Gout inthe on  
ough the Court tek cate to aber  
  
=  
4  
3  
  
7 ed Sn Se 98 al dee)  
Topas US.) US ot  
cal PRLS PBL Oat mom om  
  
  
Page 185:  
setae:  
  
118  
APPENDIX. 22 (contd)  
  
books or records concealment of stets ar covering up  
sources of income, handling of one's affalrs to av  
faking the recorcs Usual 49 transactions ef the Ind,  
nd any conduct, the likely effect of which would be  
{to mislead or conceal; Tf the tax-evasion motive plays  
‘any part ij such conduct the offence may be made  
  
Besides the enumeration given in the Siler cate, the  
fenowing have been tsed'as Evidence of wife intent to  
(a) use of large amounts of currency?  
(®) 8 much visited safety deposit box:  
(©) purchase of property in the names of others;\*  
(@) bank accounts in fictitious names;  
(©) diversion of funds from business; and  
  
) tlle to keep books and records coupled  
swith tnd setae Fee  
  
Since the lusative ist glven inthe Spies case does  
not say anything sbout fing false income-tax return, the  
‘Question has been raised whether that would amount to  
tempt to evade tax. The question. seems to have been  
rawered i the aifirmallye by Appellate Courts The  
  
re Court has also held, that the postive act of wil-  
fully filing a false claim in order to defeat the tax supports  
  
re tnder this section’. The. however,  
Sannot be regarded ns absolutely sett  
  
Mere understatement of income does not an  
Interonce of willuiness, etc, buta consistent pattern of  
lunder-reporting large amounts of income may suppert It.  
  
[As regards the expression “attempt” to evade tax, it has  
ben delded” tha the stlomge ned not consist of conduct  
ns ould nave cunt i's more serous che Mut  
for some imposibley ee. epecution ‘ca only be  
for the attempt. The aitempt soll an independent  
rime, Nothing is added to ile criminality by sneces or  
‘Sonauimation  
  
r + Uriel Sau, Coa) 94 F 3d 97; ea a  
we SSS coon  
ss  
  
std v. U.S 4938) Sb US. ta 137 & 19  
cAchit nied Sais, (93) 998 U3. 37  
Hated. US. 0950) 38 US. ra.  
  
Spr ¥ Uniad Sit ins) 317 US. 0  
  
  
  
Page 186:  
1  
  
APPENDIX. 2 (cota)  
‘Though both the words “evade” and “defeat” have beeo “E\* ce  
tesod, and they are divided by the conjunction "or" the two  
Sr‘ tsuaiy treated synonymous, and indicate Cheating  
fn sae by any devine Te mut be added thet en attempt  
{© defeat the raven of tes by gbatracting the proses  
{Se tliction ase een rosered as vaso  
  
Fllure t pay tax by itself, however, i not “evasion”  
Sinalary, mere failure fo fle return would not ord- Fate w  
naniiy amount Wo an offence: ander this Section” ip the Me  
Ipere psle Nolet oth wasn of ng seta  
oor tot fall der section 1201. Prior failure is, however,  
Sehelimel regarded os erence of an altempt to evade  
‘hou the postion on this point fe sot very clear Co  
‘unl ston 7 se intend to eee enforce  
ment of the substantive ofthe tax law, and se-  
Een ns oe ntndad rey to svt te foramen  
ot Ter administrative provisions,  
  
Provecuriens under section 7201 are mestly in reapect of Taxes  
sncome-tax. but prosecutions have been instituted {OF tle  
aitempied evasion of the following taxes, namely, excess  
profit tax, social security’ taxes, estate duller, admiasion  
Eases, ete  
  
‘The limitation period for prosecution is six years from  
the date of the wilful tempt. Ordinarily, the fling of the  
false return is the made of evasion charged, and the Ume  
therofore runs from the date of the Fetur  
  
While penallies for making false or fraudulent returns  
with intent to defeat ot evade tax” have been there In  
American law since the Sat Income-tax Law pasged on  
Sth August, 1801. the two World Wars focussed "attention  
fon the need for an efficient machinery for investigating ta  
frauds "“The Tntelligence Bureau of the Internal Revenue  
was “formed in 1918" In 1904. wilfully attempted. tax  
‘asion was changed from m mlademeanout tot felony  
‘The discovery of Fackets in’ business and operations, tn  
Dlack-market after the Second World War led to increased  
activities in prosecition of offenders for tay evasion also,  
Jn recent yes. the fvenigating afl of the Tnteroal  
Revenue Service has been strengthened  
  
[A prosecution for evasion of tax is not ordinary Inst Fescipe  
tuted, unless (i) there In proof that the taxpayer Is  
  
Und Sie © Ran, sag Fea ad 55, ets led  
990 Us. Teal a8  
ety 0 pay 28 oF He een a owe ll der se 7285,  
  
\*Shia'¥. US. G94) 387 US a  
‘Secon 691 of he Iara! Rave Ge  
  
  
  
Page 187:  
smn  
‘aoe.  
  
APPENDIX 2 (contd)  
  
uty beyond reasonable doubt, and (i) there  
Mie probability of securing a conviction. “Civil” penal  
ties charging extra fax can also be imposed, and in oak  
cases only the civil peaalty is applied. The distinction  
fetween civil and eriminal” fraud. may depend on the  
agrancy of the fence, the avellable evidence and the  
Government's burden of proot.  
Administrative Machinery  
‘The Internal Revenue Service (an Agency of the  
‘Treasury Department) collect the taxes ‘by the  
Thtcrnal Revenue Code. Is headquarters are in Washing.  
Yon and it has 9 regional offces, 64 district ofces and  
‘over 1200 subsaices  
So far as the question of investigation of frauds  
‘concerned, its hierarchy i a8 follows! —  
(4) Notional office at Washington Intelligence  
  
Division  
(@) Tax Fraud Branch;  
  
() Special Investigations Branch  
(2) Offce of the Chief Conse  
‘Assistant Chief Counsel (Baforcement.  
(©) Ofice of the Regional Commissioner  
Regional Commissioner.  
Regional Counsel.  
(Chief Counse’s Ofc).  
‘Arsiatant Regional Commissioner (atellc  
‘eenee)  
(District Directors Offce—  
(@) District Director;  
b) Assistant District Director, Tntellgence  
Divisio  
(@) Tax Praud Branch;  
{@) Special Investigation Branch  
Criminal cases relating to tax evasion are investigated  
ty the offers of he Inernal Revenue Service, satiny  
et by she Ehfercement Divito of the, Regal Counsel  
Snd peonecated by the Tax Divison of the Department ot  
‘Foslee: "That Department has a full edged Criminal Tax  
Section, having several Attorneys  
eck, Fadl Te Sam of Unie Sims Gash Pa  
\* Cro, Poel Tat Sytem 0S. (959. om 16  
+ nad einen ge in Godt Feder Ts Sen  
ashen tonne te  
  
  
  
Page 188:  
18  
  
APPENDIX 22 (contd)  
  
In each district, there isa District Director uf Internat  
Revense, controlled by the "Assistant Regionel Commi  
fone ntcligene, “Ordnaniy apeating te Di  
Director, acung through the Chie, Intelligence Divison,  
{ein chirge of investigation of criminal violations of the  
Revenue laws. Special ofiera of the. Intelligence Div  
sion (called “Special Agents") investigate cases of frauds  
ind the Distt Diteetor, with the concurrence of the  
Chief, Tnteligence Division, Tecommends prosecution and  
fends’ the recommendations ‘ty the ~Assstant Regional  
Gommissioncr {latelligence). “Te the latter’ agrees with  
the eptmenatong he caamit th pars te  
  
ional Counsel and he case ig assigned fo the latter  
‘fice to an Attemney in the Enforcement Division. who  
Sec eee the dene howe gt Byes  
feasonable doubt and a ressonable ity of eonvie:  
tien, "He ten senda the ease to the Crim'nal Tex Section  
of the Department of Justice  
  
Important cases ere scrutinised by the Chief Counsel,  
wnforcement E'vision at Washington.  
‘The Tax Dis'sion of the Department of Justice, through  
ite Criminal Tax section, is the final authority to decide  
Whether to proceed with the proseculien oF not" Its  
Stiomeys sre! higsly spacialised in tax frauds work. It's  
tuscpayer asks fer discustion al & conference, the request  
is granted” The object of this conference is not settle  
el: iuended to ave the cpa an oppertalty  
to "explain’ suspicious eicumstances. Tax-payers are  
allowed fo appear through Counsel in sch conferences,  
  
Actus] prosceution is conducted by a United States  
Attorney’  
  
‘Where there is no intent to defeat a tax, a compromise  
right be entered into; otherwise ir hat entered into. The  
Givil liabilty tg discusted only after the criminal case 1s  
Sispoge of, unless the court directs otherwise,” The judi  
laf determination of the amount of the proposed cv  
Tiability is supptied to the tax payer, but seltiement of  
the civil liability is not discussed until the penal case 1s  
decided”. “This course is adopted in order to render fate  
“any altempt to offer to pay the civil tax Hablity and get  
  
i erimina? cove dropped. Mls also believed, that since  
  
pecatag ae po a dep  
Rpt ob tal ar  
  
ime slose to the date of the  
  
Tax Fact (igh VOL & Porwaph a5)  
  
Chae, Resa Tex Price, (959) VAL 4 ara 155  
Caney, Hee Ta Poi (158, Vo. Ban 15  
  
  
  
Page 189:  
ie  
  
APPENDIX 21. (coneld)  
oer ‘Apt from section 7201 of the Internal Revenue Code,  
ot. then are certain other ageing in the Internal Reven  
  
GSE thick deal wt wilful failure to collect ee, tax oF  
foe a return or to pay tax or te keep records ete  
Further, section 28? (false claims for refund), section  
ani (conspiracy to dettaud), section 101 (false statement)  
ana Sto lt” (gerurg) a the Gmina! Cade,  
ig) can also be tused for punishing various types of  
Giescee reting to tae Tes Bot, however, necessary 10  
  
‘quote them here  
  
APPENDIX 23  
se Pay Cine san ee Prevention OF Connor,  
eae  
  
‘he Prevention of Coupon At, 197 crests only  
ort ey mln sacs  
SNES neste St he nin copes of he  
seen cena metey 2) i mtaet chies  
Fee el publ ooo with ao esenale  
eee etre ane ise  
ea oh Pt acted ae potion 10 ve  
HDR a toalD ve bad ine money to acaure  
see ete Sat they suid hee got thee resources  
Senha me at hho te us le dow,  
See eet Wat the Goverment ore pecs  
Sas ace ett avert sean old bere  
so tems tal oat be acrunte far as te  
Bae eT rere t pentane ‘Ro pike scot  
see met Tiere woreda ihe, way ot  
See ee nee ter Duinte he money by Sropt  
Widclect ‘and pissn thers wo od “ananaged & evade  
  
ieee at Sanaged  
  
detection in that way" ved  
  
"The propa for enacting the Act\_arote out of the  
rect tndat ‘andes "Commit ‘  
BSE", hy ate telat  
real tniten ch dette vetting ibrbesy ted  
casa rhe Brgveih Cavemen at Bergh ered  
Serle «ste Comet Goverment Sid  
ila  
  
"The recommendation was, that new offence shout  
ve aS oe” dat alee”  
teat! <P ct Peat be shoal be Seed  
Binigy'a wt cae ae‘nfeal misconse ee leat  
  
ord oi, vg, Fins Sear, Come :  
  
nt ER RES SS wha  
  
one  
of Me, Pores, Comal of Same Debs, agh Febru  
ser WET Ne pt oe al  
  
  
Page 190:  
13  
APPENDIX 23 (contd)  
  
pe td rove a he tn wi nly a  
Reg SPR ad's a  
int ait ete a eee  
  
i ince an  
Shs Sen mena ieee Sam  
SUP ch Liat ae tui ee pela  
Beetles cane Oh serpy ae Coa  
Sen ie Che pale Se at  
shay tue Maul, wale ha Sy  
PSE SS GP hl Se bls ed  
SST REL “Ghat  
:  
  
2 socally  
‘Schl’ measure conceived inthe public interest it 29 By  
a prevetingcorupin smng pc sean “and  
‘heFéame time, harassment of the honest aivong them  
  
‘Though four classes of misconduct are mentioned im  
section 8(B Co) (2), apparently a chasge merely under  
section 5(2) Would Sufi  
  
‘The Ingredients of the offence are described in section  
‘9(D, and the penal provision le in section 5(2  
  
It would be useful to note the points of dliference  
between ‘the Indian Penal ‘Code and The Prevention ete,  
‘Act, The laiter Act contains various special rules of  
‘illence, investization nd procedure’ which show " how  
the provisions of the Act differ from the Indian Penal  
ode." The mos: important provision of tho Act te section,  
5G), under which possession of pecuniary resources OF  
broperty disproportionate to the known aources of Ineome  
falses a rebuttable presumption that the accused pulley  
of “criminal misconduct™. Another presumption it that  
fnacted In section 4 about motive, ete.  
  
Thea  
  
+ Me Nonsaman vy, Sic of Kea (1969 2 Cem, LJ. 186,  
Compaen Sagh ¥. Se of Pid, ALR. tas SC a  
(Se. a of Bik, ht) 2 Cine Le Fura) 65,  
  
Scie Siac v. Sie of Peay ALR 3964 S.C 44  
  
1 See Site of Maher. Vaomatin, ALR. 1998 SC 6  
  
"tate PS, Aromat, ALR. 190 Mad. 37 Racers Dy  
8 Laws,  
  
  
  
Page 191:  
ry  
APPENDIX 23 (contd)  
  
[As to section 411) of the Prevention ete, Act, it may:  
be pointed out that the presumption Under that is" oblit  
  
meget  
‘The points of difference at to substantive provisions  
are analjeed below.  
  
Crane No. 1  
(Odiaining gratifcation)  
  
Sestn Gy dian Penal Secon 5 ()@), Preven  
  
Offence can be commined by Offence can be commited only  
‘person whois or expects fo BY publi servant.  
be public servant.  
‘An isolated sct is enough. . There anust be habitual accepe=  
sce, ee, of grtiction  
“The punishment is imprison- The punishment ie impeisoament  
Rep yD 3 yes or fine upto 7 Years, and a Rae  
shall “not be less than “one  
ear in the absence of special  
Feasons to the contrary.  
Seaton 5 (2). AS. regards fine,  
he court must ake fs  
fonsideration the" various  
factors mentioned in Section:  
sted),  
Crane No. 2  
(Obtaining eatuable thing without consideration)  
  
Section 165, Tadian Peasl Section 5 (XB), Prevention,  
‘Code 1 Act.  
  
‘mote ac is enough There fst be ail  
‘ice ety of any sal  
thing Stout comsidration,  
  
Punuhment ie imptonment Phiment\_ ie impritcament  
See ven genes Mame leprin  
ae Hpac alee  
en aie at  
Sot plat eaiet  
Regnrdng fos, ded  
na  
  
Diamar Dai v. Sate of Makeshrs ALR. 9 SE 78  
4 Sic of rar v. Mabon Bal, ALR. 1964 Gua 36.  
20S HOO ene See Ram Krtne Sale ALR 1946  
  
  
  
Page 192:  
1s  
APPENDIX 23 (contd)  
  
Sexton go, Hin Penal Seoton (1X) Prevention,  
‘take aoe.  
  
“There mura be dshonae ise Te is enoueh if there i  
“peeprition o cameron hose" of fraudulent  
Pen ae ot use or die" minoppropition! cr oeetie  
oti voli of let, Convent for OW Wet  
Ender secson 223-  
  
ding use oF spol, “Tis bs not neces  
  
Refit bein la, of 9 °  
  
‘Deco of wo egal soa"  
  
seapacrme teat, Sacto, 1  
seek poeta  
EReamees  
  
SASS Seren bee ern  
~ — sien $0)  
oon oes me ee  
eat me oe  
mm 208  
  
TG. Om Proish y Saw y ORAL wa SC. age  
+ Lead one ees abe Cover, Ama La  
  
  
Page 193:  
188  
APPENDIX 28 (contd.)  
  
No provision ig Indian Sexton (1X6) Prevention,  
ema Cae eR  
  
Paes ce,  
=,  
5 gene  
Saaeite a rct  
Soar om  
= eae me  
ack  
‘@ third party\*.  
voy fe a ein  
‘Cog St eee  
Oe Eat  
  
“Te clawe hasbeen Interpreted inthe under-mentioned  
top " ingredients, fst,  
ron gop, Son the aunt he Sed aioe” TRE  
  
Reams doped afe described fo  
(0 carrupt or  
{4 ‘lega means, ot  
(Gi) ctherwive abusing hit posilon as puble  
  
‘he expression abuse of postion is not defined, but  
“etshonesy" it te Been Hela? simpli in “the word  
[As regarsthe end tobe obtained, itis provided that  
‘the publle servant iiust have obtained .  
(e) for himset, oF  
(b) for any other person, a valusble thing oF  
pecuniary advantage  
tle not necessary that the public servant must do  
something’ connect with his Baty  
\* Mele Al. Te San ATR 95 Ao GH Maal  
380 Newame” Noni Star of Ks) 3 Ge ie  
  
+ Bhagwan Soba. Sat of Pa ALR. 1960. SOW.  
IM. Noayono Se of Kral (63) 3 Gr LS. 86 (8)  
\* Dhancior ©. Dall Admini ALI. 1968 8.0.9  
Tete KV. doamny, ALR. 1 AP. 25  
  
  
  
Page 194:  
wr  
  
APPENDIX 28 (concld)  
Section 30) (0 i he wide antag to come  
(a) almost all acta which would be offences under  
section 5(1) (a). to. (e), or the relevant Section of  
the Indian Penal Code, and  
(6) many acts which would not be offences under  
section 3 (a) 10 (e)  
  
APPENDIX 26  
SorranoAs@ coons 4x cuEATNS  
  
‘The point for coosideration is whether, where 9 perso  
has supped goods of inferior quality, or goods which are  
not ‘orpecication, or of hese quantity Uae  
Bipulsted his set comes within ‘tbe ssope of accion 450,  
indian Penal Code.  
  
(), There is only one reported Indian cate so which  
the ner seems Save Seon rasly ea wit he  
fc were these, ‘The accused, contracted to "Seliver to  
‘au’ Brothers 280 “dokras" of fully good, machioegoned  
Fag Inmet it otra te end ere  
a3 “Sabres”  
  
a “runbih, “ato the middle’ of the  
Seal bl i rd hed wi faced god Ganed  
fotion) “The admisture of inferior stad wes  
  
ie ioe Pee ig om ces gent  
{0 found in dokrae Tt war Hel, that the seseeg ay  
ally (othe etlence ot cheating under section 10 ot the  
Benal Code, t  
  
{@ Of course, the general rule i that » mere breach  
of Sontvact "cant give Tie to'9 “criminal  
‘The dntncion between ase of mere breachaf Sone  
and one of cheating depends uper the intention ‘of the  
tay be judged Systane 2 at i eet  
maybe Subecquent sts, but the el  
fect not the sole criterion of thi intention” Where  
there iso clear and onclusts evidence af the creed  
intention ot the accused atthe time the offence is aid 00  
aver been commited and where the parr matt a 3  
semedy im @ ceil court. the  
tnatier should ot te allowed to be fought fe the ermal  
(@) As has been hela,  
feof cate  
  
‘Rha Aen See), he LR nw Tala wm  
  
Sis, SRL, ia  
  
\* Sosa mp (36) 39 Ge LJ. ora  
nu SRE a OE LL, 9 uae Hah Cor  
  
‘See AER 1999 Teper  
  
BEE PME ow met  
  
“Ba a MA. eat». Ep, ALR. 1907 Mad 44  
  
the representation can be implied  
  
  
  
Page 195:  
18  
APPENDIX 25  
  
Sone Provisions oF Heo Law REGARDING WON PRICES  
"utp ADULTERATION  
  
Provisions penalising adulteration and high prices  
  
were Fnovn to ancient Hindu law-givers, By ws  
Eine She may refer to certain texts of “Yajnavalley  
  
ate wiht  
  
Te tec ont hrf a ale)  
veri i ee, oe ‘hae  
Si ntl he woe te  
Sh  
  
‘Aéaiteration  
  
He who adulterates with interior (article) vendihle  
ones ail Sait perfumes; sor, course sagar and. the  
TiS hal bo aad fo pay sbcten’ pana.  
  
When (oy some operation) inferior earth, hide, gem,  
yan oad asks or cloth te made. (co appeat to be  
2AM eperoe Hing the Ane i eght-told of the (comme  
Ry) fo be wed  
  
Poiming of  
  
Hl who pledges or sells a seated casket (fraudulent)  
ubttiited "fot superior casket shewn) of the, cgunter-  
subeate’ (C25 “yee shall be ned (in the following  
  
“«cwen the value of the thing plied on the buyer, oF  
a pidge’) Teas than a pana, the fine ie Atty" (ownas)  
Gea s ane one hundred (pana), (when) to, panos  
{oe SRdnteed tpamss) when the valve is higher, (he fine  
45)" hisher  
  
Prices  
  
For those knowing whether (the price set by, tem)  
fs higher or lower Gham the maxiouin rates fied by the  
Himifnite in, fing a. price 90 heavy for, Karus  
eeSPemen) aed Siplits (artisans) the fine ls the highest.  
  
For those traders who conspire to obstruct (the sale  
of & commodity by demanding it), or selling t at an im  
Sroper price the highest fine is laid down,  
  
‘The sale or purchase (of articles) should every day Be  
sade te rales xed by the King, the profit derived tn  
  
tobe) propitious for traders  
Taian Law (953 PE 3S  
  
  
  
Page 196:  
we  
APPENDIX 25 (coneld)  
  
‘A trader shall make Ave per cent ax profit on common  
say SS Re ue den, ge he  
  
eign, lt the purchase and se take place immediately,  
{Ge'eR te anne day a that of the purchase).  
  
‘The rates should be 20 fixed (by the king) as to\_ be  
ssavantageous both 0 the buyer sad the Sellar after ade  
ig ine Con) value of he comenody, he exper  
  
APPENDIX 28  
Foos ApciteeTi08 Lawaor sow COUNTRIES  
‘A list of the laws relating to adulteration of food (ood  
  
lalstion) in some of the countties of the world is given  
dow  
Australia  
Tn Australis each State has its own Pure Food Act.  
‘But dniformity is sacred after the creation of the Na  
‘ional “Health end "Medical Research Council “which  
‘males recommendations fow uniformity in  
  
‘Burma  
Food and Drugs Act, 1928 is the main law.  
  
Canada  
‘The present law ia Canada regarding pure food is con  
taineal th the Food and Drugs Act, 1983, which is a federal  
  
ats!" Depattnent of Maal wee  
‘Bre is reonatle for the administration of the act  
titoush” "the Food and Drags ‘Diretorate. The Directo:  
‘ied is hears ease alae  
tie “an regio ‘ tren  
ies Mavoltng a eaar brain cond priiy Ie  
fiona 10 ete\_and rd plo to mere trade and  
other economie violations ¥ “  
  
‘Th validly of the Act  
  
ah eon aphelt  
  
od Pa Eas (anh hoe ie 3 Sap,  
: gh Mog el See 9)  
"Sep "Pure Fond an Pare Food — .  
. Legon—edint by Aon (Ba  
rigniad Sing Co ¥. Las (580 1 DLR. 7  
  
"Ror Ni  
  
  
Page 197:  
0  
APPENDIX 26 (contd)  
Denmark  
  
As far back as 22nd October, 1781, an Order concerning  
tn Admiiazaton othe Pie rected “hat the Come  
Imssoner of Police should not permit the offering for sal  
UT Sood or beverages that "were tainted or unwhotesome  
‘of might. cmase sickness Later Ordinances and Reguls  
tions “covered certain aspects of purity of food. On Ist  
May, 1860,'2 Milk Control Order was issued. Fit law  
tn the examination of food was passed on th April, 891  
fp 1910" an Act for the examination of Tood was  
  
ie a aes ae a  
are. ay  
Enforcement of fobd Taws is by the local heslth autho-  
  
sie the Toeal Buble Beaty medil offer, he pale,  
the customs, the National Veterinary Service etc, and the  
National, Control, Board for Dairy Products The National  
Health Service deals with the subject. A. National Food  
Institute woe established under an Aci of Sth June, 1980,  
‘The institute “sto look after the work of We Vanious  
Inborstories snd also have 'a Central Laboratory for food  
fontral and\_an independent labouratory for food toxico  
logical research  
Bngland  
  
aha,  
Het Ae ea iad i  
acct  
  
by the  
panies of London who: te  
Roms’ or legalation to check nuts  
  
1 Bangland, the Food and Drugs Act, 1985 (4 Elis 26  
16) ts the mala Act dealing with edulteration of food and  
  
  
  
Page 198:  
1  
APPENDIX 26 (conte)  
  
drug. ‘The general penal sections are sections 106 and 10?  
ne thes ‘Ket Mrore are cena epslal punishments  
rovided for in secions 303, 18).SU), 230). Oy  
  
‘G), 8200), BG), STD. Wh, 88, 66, 2), 10008) and  
YO4Us 8)” Gettin ana pani are provided  
for in ‘sections 8(3). 122), 68(9), and Schedule fl parse  
raph 8  
  
(There are separate Acts for Scotland ete)  
  
Duties of admiring an efi the Act ae  
trun She oat oof and Brae bata te he  
Eintion Cale tne city of bee ie Coulis st  
trans rer forpogh in uban dae! an She eouney  
eumtle Eek Toe andaree ther ae to point 2  
SRY Suter snipe the ep 2 e  
Rie sah of pe  
‘Satie ie” Anite Sf Agreate na Pe ey  
Re ee one ai ed  
Bestar didelte tret as, ne ra  
  
resin ie ait per ing‘ ceer te ene  
Roatan Sin Pat ae tated eae  
fest, “Phe Bue” Ansa sae ett al ace Some  
Bhs Hones aad gees et eta Saas  
evs “Shving the St of te ena Se  
feenhcs aeas hy Helis aa he, eee  
Cortese showing that Se Stop doc? nor sa seh  
Pubic” heatn "amelie (unde Sues tS hs  
Etmoling‘ofer Wy acl) tay he ai nae  
caplanauon coral may be couidered blere'e Pinar  
Seer terete Tees att  
et are  
  
“The decision to take proosedings usually ies with the  
public health commitice or the Medical Sacer of health  
Et the local" authorty On the reqUest\_ of = party, the  
Sour may cate the Fetatad par of the sinc p be  
Sent 10 the. Government Chemist Yor soalyals and his  
ertieate ean be used In evidence.  
Besides the Act of 1966, the Therapeutic Substances  
  
‘Act 1855 iselso ‘Interest.  
  
France  
tos Ti Sn rane he laf st Auge, 108  
for the prevention of fraudslent pra pose  
‘af ahis lbw is 40 check frauds. perpetrated im connect  
  
li deception or” attempt a  
‘eceotion intended to mislead the Enger ag to essentials.  
{tiny provides for checkin adlieraton of fonds drinks  
tnd “Gly te As car ak the yar iy Ge eat  
rawn up bythe ea ‘ot Pars containing ree  
{ions apelieable xo producers and desiere of fosde “The  
  
  
  
Page 199:  
APPENDIX 26 (contd)  
  
Code was approved by Provost Etienne Boileau, Addi-  
‘Gon of unauthoried seeds injurious to tye hunun body 10  
Spices ftom the East was also prohibited. Fines,  
  
a, whipping, pillorying of a vendor of rotten mgs and  
oF the seller of Sdulterated butter was ordered.” A  
  
‘no sold watered mill was to have @ funnel placed tn is  
theoot and the watered mle was to be poured down unl  
2 doctor or a barber declared’ that the man coUld not  
Eualiow any more without danger,  
  
Articles 428, 318 and 478 of the French Penal Code of  
100" contein somewhat seanty provisions regarding adulr  
{cation But, towards the middle of 19th Century, adul  
iat and flleation of. ood becene teredaingty  
Ireguem, a5 fraudulent operators learnt 10 exploit  
{oily the progress made by chemist” to cover their Une  
Iswiul Meliniies Numerous International congresses on  
public tealth, medicine ete discussed the question of  
  
‘lteration. of fopastae. Ultimately ta 105 fe was  
Geedes to intensity and centralise the controls of foods,  
‘whieh had been lft for long to the mercies of snaiictent  
V\*skiled municipal fe  
  
Enlogcrment of the la ig ail under the charg of  
th ech Aciies Bron ot uy of Sane  
Cultuse hose Inspectors carry out inpection re  
Specited” contingents whose juriedietion.Is‘nation-wide.  
‘They exercise special and very strict control over certain  
  
oducts such ay fruits and vegetables for export, wines  
Four textiles etc. Laboratory service is exteneive. com  
Sting of three Government Taboratories and. about 100  
Giher approved ‘sboratories, the latter” doing par-time  
‘work for prevention of fraud. "There are cpecialived labo.  
  
ities for daity prosilts, wines, fertilizers, seeds, ee  
‘The Inspection branch has 270 effcials and 110 agents, snd  
aout 260 scentibe personnel. in addition, tn Pare, the  
Botice Department fas the Inspection Corps (10 persons)  
3 theres the Paris Municipal Laboratory (3 persona)  
Errol oy pedicng and dre i exceed by the phar  
racy inspectors, military supplies are checked by special  
aff, wholesomenees of water l checked by departmental  
Inspectors of public health and 30 on.  
  
“the perfects are sesponsible for transmitting to the  
able Bocecatr es ctning reports of ol ohs and  
‘ical laboratory resus indicating frauds, adulteration, OF  
S'biech of regulation. ‘The Publie Prosecutor may—  
  
(0 Be the matter, i thore ts no offence; oF  
ii) place it before the court, if the evidence is  
(Gi) send it t0 the Examining Magistrate if further  
  
Information Is necessary or it the party concerned  
  
claims the right to submit expert counterevidens,  
  
  
  
Page 200:  
198  
  
APPENDIX 26 (contd)  
Fraud and adulteration sre punishable.with imprison.  
ment (three months, to 2 years)” or by fines. Where  
‘hulteration ig injurious go healt, imprisonment is  
mendstory  
  
Germany  
  
1m the Fedral Republic of Germany, the Food Act of  
927" and the Colour "Act of 1887 are the two main laws;  
the former has been, extensively amended by the Food Act  
‘Gf 2lst December, 1958. Various cules (called Ordinances)  
tise the two Acts deol with mattors of detall.Apart from  
tite Federal Health Department, the Gorman Research  
‘ASecaton (rough a Food AdatWe Commissions) “and  
the Federation of Food Yaw and Food Science do, useful  
Work in preparation of relevant legislation. "The German  
Research Association has done considerable work on Food  
Culouring and food preservatives, The Federation for Food  
Eaw and Pood Science consists of members of major, food  
producing and food trading ‘corporations, “and ‘holds a  
"redialary"” position between the “stringent demands” of  
the Government and the Interests of the food Industry.  
  
‘Amn 8, mn 4 gen ¢  
oa aase Seat  
‘maximum permissible amount, \*  
  
Der tenet yh Ft  
Doha nae meer aie  
Saran ne amaranth Mate  
  
In addition to the Prevention of Food Adulteration Act,  
1054" ceference may be made to the Agricultural Products  
(Grading and Marketing) Act, 1697. The Fruit, Products  
der of 1965 and Vegetable Gil Products Control “Onder  
‘leo regulate the concerned products,  
  
Jepon  
Main ase Farm, Products Inspection Law, Agile  
  
wrt lant Ene ad Expat tanec Ln ae or  
  
IGEN FOS ARE SRS a Sk  
  
site tt Peed ion ssn  
  
Site il Ss Weta igSatene ae BY she  
  
  
  
Page 201:  
10%  
APPENDIX 28 (coneld)  
  
Korea  
Food Sanitation Law (20th January, 1962), is the main  
sw. woe  
  
Sale of Food and Drugs Ordinance, 1982 is the main  
law,  
‘APPENDIX 27  
[Basie PRINCIFLES FOR PURE FOOD LAWS.  
‘The two main objectives of food legislation are—  
(0) to check adulteration; and.  
(i) to prevent frauds.  
tn the minds of the public, “pure food” means food that  
fs wholesome sod free from aaythiog that is in any way  
hrf fo eat and fe rom tbe agin or uaa  
{Hon of anything which might impair "wholesomeness, and  
Frsen fie poli a org and foal makes  
‘conauimer hee to be safeguarded against dangers to his  
Tesh ac well ae agua commercial Pads  
Foods are by tele very nature products of many differ~  
cairarede companion ata ges of uty end ar  
et, with respect 1 Gansportation  
aieihiion, "to many dierent nateonal, Tygenie and  
  
otpreguets  
In modem times, the minimum standards below which  
  
grade standards are important in festuring the produce of  
  
‘Fennary and thon gaining a Teputeton for i  
  
acTMIRU fom lawn deat with (Death feeds  
‘At the Regical Seminar on Food Lagilatin® the  
  
mportint requirements for facitating enforcement "were  
  
this decertbed—  
  
(a) definitions of such Key words as food, label,  
advectizement, adulteration, sale, package, misoranding,  
Worvanty and uneanitary eSoditions, ety’ rather that  
feizgh the eommon or dictonary edning of Fuca  
  
\_\_\_\_@) procedures for sampling and analyses  
EA, Revol Smit ox ona et Reper  
i. page 7  
"PAL, Regn Semiarca Fos we, Repo, 963) ef  
  
  
  
Page 202:  
APPENDIX 27 (conta)  
(© powers of inspection and the procedures to be  
(2) penalties;  
{e) warranties and guarantees;  
() prohibition of the importation of articles not  
complyig with the fa  
  
‘The Seminar recommended \* that each country should  
have sate "lew on the ‘basis of base principles  
Civen ‘in “its ‘Report, ‘that, maxionm "and. tinimum  
Einalues be prtscribed’ depending oh the” nature  
Eng gravity’ of the offence that detailed "standards  
Boe ew eaditional “snd processed foods ‘ay "be  
prescited, and that each Goverument should set up  
E"Gatulory Co-ordinating Committee on Food Control  
onsisting of representatives of "the various Government  
epartmentsreaponse for the many azpees of food lez  
Tavlos Caprcultare, Industry, ‘Trade, Heath ete) and. of  
‘fade and’ manufacturing iniereds” ‘The Seminar abo  
$Hresed the need for immediate steps establishing appro.  
rine teating programmes for the Held sta, Incoratry  
‘ehniians and other personnel  
  
‘As regards enforcement, Its recommendations may be  
quoted in deta  
  
“G Governments should pay attention to, the enforce:  
soent of food legiaation im Places wheze fod ls produssd  
‘Gr manufactured inorder to ensure at the source that food  
{Sot exposed to health bazards or subjected To adulterse  
tion’ ae fraud  
  
"2 Governments should take steps at an early date to set  
vp scout hie marten ogee, ag  
necessary we action so ato be able to progressively  
frase and quality-mare according to well-defined standards  
‘HlSmpottant food articles produced or manufactured in the  
Sountey for sale or distabution, and thus facie the  
Shorserent of food laws and make them effective  
  
{In view of the important ole ofthe consumers. and  
‘ontumery” association fy the enforcement of {00d egisa  
Son: Goveraments provide for the education of consumers  
{int 'of these involved in the hang of food, nd assist  
Consumers” sasociatons ia becoming squainte] with the  
{od legislation snd contol meastes.  
  
5. Governments Koop the Le Research Branch,  
raloCBlenigutors Hones fale rulriy informed. of  
ny new fo08 loghlation enacted or roles framed there:  
Snde‘or any amendments to eristing igws or repslations  
{ind supply, when possible, English oe, French eanslations  
‘ofthe text. “This would enable the FA. to act a8 the  
  
"FAO. Raginal Sonar ow Font, oe Repars (iy Pa  
  
sul OR Seu os Rk, Rep, pT,  
  
  
  
Page 203:  
a8  
  
APPENDIX 27 (coneld)  
Centra! body forthe exchange of information on fod leg  
{ieion between the countries inthe Region with the ald  
Gi promoting ferther improvement and harmonisation “of  
hele food lesltion”  
  
‘The variety and complexity of food Tegislation jusity  
nese obvervatons’—  
  
‘Sound fond legislation must depend upon know-  
ledge in several diferent elds"  
  
OF these fields, three are of outstanding importance—  
the agricultural and veterinary sciences concerned with  
‘Sw material, she chemical aclonces concerned with  
Fancy measures. and the Bologeal sciences concerDed ith  
the eects of food  
  
Tt should be realised, that “the price of pure food  
‘tera vigilante onthe part ofthe Food Chemist in Indust  
fy and the Pube Anaigat™  
  
"APPENDIX 2  
Provisions mm TAswasta (AUSERALIA) REGARDING sre  
Socials RTC, OFFENCES  
  
aon and, woidance of (Samp Duin Ae 199  
ie ty Ey Sede 3 econ  
= FG, S and Gh  
  
(2) Deceased Persons’. Estates  
Darien Act, 1931"  
Section 38.  
and snd Tacome Textion  
1910.  
Sections 195, 197 and 198  
(Beracts attached).  
‘Adukeration of foodsttls Public. Health Act, 1962.  
  
‘and drugs ‘Secsions 96,19 98, and. 100  
(oe copied)  
  
‘Theft, ex Sections 226 to 234 Criminal  
“Code Act 1924  
  
Misuse of thele postion by Criminal Code Act, 1924  
(Public servants sh making of Sections 83 87, 100" 205,  
Somracts and disposal af 365.266 and 297  
  
Bamis, rogers we of (Esa auch,  
licences and. permits end  
  
mila other matter.  
  
YA. Fraver in Pure Pood aod Pore Pood Laws” (Edited by Amo®)  
[Bene 9 “Pate Fed apt Pore Food Lam. (ied by  
Aosh 5,8 2 ss  
  
  
  
Page 204:  
wt  
APPENDIX 2 (contd)  
  
(Copy of sections 195,197 and 188 from the Lanct and Tucome  
On tio et Ta  
  
"185, (2) Any person who eee  
  
a) fais or negleets to duly furnish any return ot  
  
teuotmation, orto eomply with any requirement Of Ihe  
Commissioner as and when tequited by this Act, or BY  
the Comminiones  
  
(@) without just cause shown Be im, refuses ot  
neglects to duly attend and give evidence when requ.  
€2 by the Commissioner or any office duly authorised  
no a uly na iy apewer any gue put  
{) him or to produce any Book or papers requit  
thm by the Contmissioner or any sueh offcer,  
  
(onthe or degra seta, which i fle in  
any Datieular, oe. maker any false answer, whet  
‘erbAly or in walang: or  
  
(4) ds 0° assists any other person in any manner  
whatsoever to commit an offence agenat paragraph (@)  
of this subsection, eee  
  
shall be guilty of an offence  
  
Penalty. —Not less than two pounds nor more than one  
Ihundred pounds.  
  
(2 & prosecution in respect of am offence against para  
aphe (ah, (oF (a) of subsection (I) of thls setion may  
‘fommenced at any time.  
  
(2) Any person who, after conviction for an offence  
against this section, continues #0 fall to comply with the  
requirements of this Act, oF of the Commissioner, in respect  
‘of which te was convicted, shal be guiley of an fence and  
Putishable os provided In section oe hundred and ninety  
  
(4) shall be defence to 2 prosecution for an offence  
against paragraph (©) of subvsecion (i) of this seston i  
fhe deteaant proves thatthe. tlve particlars were hoes  
grrthe fale thtement wes made, through "moron ot  
  
ita esr cae aet ae tne  
Sad ie erty om, ee  
  
TER heen ree a eed  
Saree AML APE eka are  
Soa realy  
  
  
  
Page 205:  
rotting  
  
Exzaion by  
Paste  
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98  
  
APPENDIX 28 (contd)  
  
198. Any person who, by any wilful act detault, o  
negiest, or Uy any “fraud. art, or contrivance whatever,  
ltovda or qltempes to avoid, assesament or taxation, shall  
‘be guilty of an offence  
  
Penalty.—Not less than fifty pounds nor more than five  
hundveg pounds, and in addition an amount not exceeding  
double the amount of tax payment whereot he has avoided  
or attempted to avoid”  
  
Copy of sections 83 t0 87, 10, 115, 258, 265 and 287 of the  
Griminal Code Act, 1924  
“3, Any person who—  
  
() being a public officer, corruptly splicit, re  
ceives, of obtaine, of agrees to feusive or obtain, any  
property of benef of any ind for himself or any other  
Berton bn account of anything done or omitted, o¢ to  
be done or emitted: by him in or about the discharge  
0f thr ates of is offs; or  
  
(8) corruptly gives. confers, or procures, oF  
rag oo fg, anf Ge pare of tet  
to procire, to, upon, or for any’ public offcer, or any  
‘tter person, any property or bemelit of any ind “om  
‘fecount of anything done or omitted, or to be done oF  
‘mitted. by such oficer in or about the discharge of  
the duties of his fie,  
  
fs guilty of a crime  
Charge:—  
  
Under (2): Offciat corruption.  
  
Under (b) Bribery of a public offees  
  
‘Tasmania  
  
24, (2) Any public officer who, under colour of office and  
ctheriese than in good faith, demands, takes, or accepts  
from any person tor the performance of his duty’ as such  
cimce any reward bevond na proper PAY and emoluments,  
iuilty of serie  
  
Chorge:—Extortion as a public oficer  
  
(2) Any public officer who, in the exercise or under  
colour of exercising his office. wilfully and unlawfully ine  
fics 'upon any person any Bodily harm, imprisonment, or  
  
‘ther injury ts fully of a edene  
  
‘Charge:—Oporession  
85. (1) Any public officer who Knowingly holds,  
diet indirectly, any personal foterest in any cate  
  
{tact made ‘by or on behalf of the Government of this  
  
‘Suate"cocerting’ any public matter s guilty of « eras  
  
  
  
Page 206:  
ve  
APPENDIX 28 (contd)  
CCherge™ Being Interested in a contract as a public  
oficee \*  
  
(2)\_A person i¢ vot deemed to be interested in. any  
such contract ae aforesaid because he is a shareholder In  
company of more. than twenty” members Which is 2  
party thereto, antes he is a vector of euch company.  
8h Any person appointed (0 act ag 2 valsator or afb  
ator to determine the valve of aay land, oF af any im  
ay done to any property who=  
(c) having to his knowledge any substantial in-  
teret'in uch property acts 30 such valuator or able  
{ator "elt diaeosing the fact tat he holds” such  
Interest to the person appointing hin of  
(9) nets corruptly oF dishonesty as such valuator  
or arbitrator,  
41 guilty of a crime  
Charge:—Dishonest dealing as 2 valuator of ae an arble  
  
inand  
  
ater  
  
87 Where by any statute any person is authorised or Fie  
required to certify to any fact, an¥ such person who gives  
  
a ceriifeate “which to” his’ Knowledge is false in’ any Sis.  
‘material particular fe guilty of a crime.  
  
Charge:—Giving a false certificate,  
  
110. Any public oficer who discloses (except to some Dick  
person to whom he i authorised to publish or communi: 2°.,  
fate. the dame). any fact whieh comes to his possesion,  
bbe virtue of his office and which i le his duty” to. Keep  
  
i guilty ofa erie  
  
Charge: —Disslosing oficial secrets,  
  
aril Sena $85 he uy a sits ont  
  
(2) No person shall be proseuted under this section °\*  
‘without the consent im weithg of the Attorney-General,  
  
Charge:—Omitting to perform duty as a public officer  
  
Poa Any public offcer charged ih the AiR, CO Tate  
  
oat anager fay fart of the pun oy  
"EEC retum of any obey or fropty Sea bis  
Cote to ha" of of Shae af tty  
Vowean rider hi conto ly 9 ne,  
  
Jharge:—Falsely accounting as a public offcer.  
  
  
Page 207:  
sere,  
SS.  
  
avg  
  
. mm  
APPENDIX 28 (contd)  
286, (2) Any person who  
  
9) ooerpty aves on azees to ge, or oert to  
sas agent" 10 ang her pera on his baka ae  
  
@) boing an agent corruptly sollte, receives,  
obtains, or aevees (0 for Bimbelf or any persen  
‘other than his principal,  
  
ny gift or considerstion as an inducement or reward for  
doing e= forbearing to do, or for having done or Torborne  
to do, any act in releion to the principals affiss or bust  
hess, o\* fon shoving or forbenting to show favour or dix  
{rec eny pero in eison So Oe same, 8 gy  
  
Charge: —Corruption tn relation to business,  
  
(2) Any person who knowingly gives to an  
‘any agent who keowingly "secelves fe uses with Intent 80  
ecelve his Deinerpal, any zecelpt, account, or other do-  
‘ciment in rcapeet of which hls principal Is invested “or  
Which relates to any dasling, transaction, or matter in  
‘hich is peizelpal i interested, and which contains any  
Statemert” Which is false or erroneous, or defective in any  
material particular, is guilty of «erie,  
  
Charge:—Corruptly using a falee document,  
(@) For the purposes of this seetion—  
  
eg for anor, set ‘iy Seton ang” nde  
the" Grota or unde® any eorpocston ot publ: bal  
() “consideration” reeans any kind of valuable  
  
consideration  
(©) “principal” includes any employer  
  
(@) Im any proceedings under this accion, where itis  
  
eed, at ay tion has been solicited or re  
  
crt having Basse elstona’ uk ty iat  
ny pero singe relations  
  
Pay bares of roving tha guch consideration Was  
‘rece piven, or offered ia contravention  
Sf the provisos af is Sectin shall "be on he Sec  
Jn tay’ uch proceedinge av aforesaid st shall be n ceteuce  
  
{0 prove athe quidetion Was lit ‘ee  
0, of ofered with the principals Rnowlodge, cod Gist \_f  
  
ware ofall ate talento the traction.  
207. (1) Any parson who conwpires with another!  
  
{ol ay pean, whther 2 bee fH  
sy Sev aia he Stor  
  
soar union icuteces cd  
{ated te this Siete, would constitute suirder;  
  
  
Page 208:  
om  
  
APPENDIX 2! (concld)  
  
(6) obetruet, prevent pervert, or defeat the  
ge gotete of atc, ke ainon sft ate  
Sthedier "such tose te foe efocce es his state  
  
orale  
(@) to commit any exime;  
(@) 0 chest or defraud the public, or any parti  
‘ular pervon or elas of persons,  
(© to extort, by any mears, eny propecty what  
ever from say petsoa;  
to inlet by any vnlawhw means any Injury  
og tata agen thn plea tny parce arte  
Shee of persons;  
4) to facilitate te seduetion of a woman;  
(1) t0 do any act snwolving, nd’ known, tobe  
kayo invlve, publie michel or  
© to so ny act without lavfat festieation ot  
cexcube wl intext thetehy to injure ay perm  
18 gusty of w ere  
Cherge:—Conspiracy,  
(2) A husband and wife are not criminally responsible  
for any conspiracy betwee themaeivey only.  
(2) Noting in this section shall affect the provisions  
pf the Trades Uniots Act. 1809, or of the Cosapracy’ cod  
Preicetin of Property Ack 16682  
  
APPENDIX 29  
CCavamny Laws a8 0 a0eiAL AS. oprences  
(1) Beonomie Crimes  
{2 Reine Statutes of Canada, 852, Ch. 514, Tae  
‘Combines Investigation Act. a  
(2) Bvasion of Pesen  
{® Reviend Statutes of Cana 1852, Ch. $5, ‘Tho  
Customs Act. Canady 1852, Ch. 28  
(i) Beviaed Statutes of Canada, 182, Ch,  
cust Til 4A OF Ct 12, 8 the  
(i) Revised Stat 9,  
alt tes of Canste, 1969, Ch, $9, The  
(0) Revised Statutes of Canada, 1958, Ch.  
‘Tneome-tax Act. 1085 “  
©) Misuse of potion by public servonte  
© Cansdisn Criminal Code—Sections °~ 0%  
(esizatsstached)  
  
  
  
Page 209:  
a  
APPENDIX 29 (contd)  
  
() Delivery of sebsstendard goods  
(® Cauadlan Crimiral Code—seciton 25. ube  
section (36), sections 360.363, (exact attaches)  
©) Profiteering ete.  
[Not cognizable as offences in Canada  
(6) Adutteration of food ere.  
(@) Revisod Statutes of Canada 1982, Ch. 128, Food  
Drugs Act.  
(i) Revisod Statutes of Canada, 1982, Ch. 126,  
ralt, Vegelables and Honey Act  
(iu) Mevined Statutes of Czada, 1952, Ch, 17%,  
‘The Meat and Canned Goods Aet.  
  
(taese Statutes deal with the prowsasing. pacha  
fosjecion snd contol of sanitary "concitogs ar well 36  
Dulity of the products concemes).  
  
Theft,  
  
Canadian Criminel Codeeection 269,280, 28,  
(6) Trogteking in teences, ete  
  
No specifc provision exits except general \_provi-  
sions tao misuse of potion by publi servent  
  
Bxrmacrs row Caton Craiat Cove, 1985  
Sections 93-108  
  
fm Pe,  
“eee men atin ha  
oxide ise aR anal ay  
its ke  
) coorenmen mane  
6) he Govern tC,  
ty the Goreme Paso  
iy Meche a Cand  
ci a peor,” OE Conse  
(© “Jct poeting” men 4 posing  
sees etry Sen a ot  
sol i ee  
(i ets he Sen Bes of Conpone  
or clans Sass @ Breas, Sees  
9f Seed oe hi pte en a  
So Sas a Se  
= or  
ed  
‘or (tii) before o court, judge, justice, magistrate  
et  
  
  
  
Page 210:  
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AerEND 29 (cont  
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i te PN AT ao  
  
va a cee eet  
  
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ore Re Tee  
SS poke  
  
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(©) “OM!” means a penn who  
(0 holds an offer, or  
sng) © appointed wo dacherge x ple ay:  
“rieness” meane 2. perton who ves evidence  
coral ae sath or by aS hw uc proccss  
ig, whether oF ot he lserapetet fo be « ‘witness,  
Sind ulelods chil of tender gees who in evidence  
dies not pve under ony became fn the" opinion  
tie perm prending the shi docs onde  
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ia WPS tn Seed we  
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aplcme i sealer 2 eames  
‘Sderton, ‘tice. phe oe enplayment Ye erect et  
Seatac AEST Eas ota  
iit Sa cect tenis” Sect  
  
penen  
  
4s guilty of an indictable offence and is Kable to imprisce  
  
tit ie Sotieen yas "  
(@) Consent of Attorney Gener No procapQt?  
ou a ern rhe lacs jl ace,  
  
‘ied al this meen what the consent ==  
  
the alitmey Gencnt ot Coimde :  
  
  
  
Page 211:  
208  
APPENDIX 29 (contd)  
  
1M, Every one who  
(a) Bribery of Officereteing a) justice, police  
com@usoner,” poles dicer, pute er, tier  
era juvenile court, or being cmplosed im the adzninise  
{hatidn of criminal law, corruptly  
(accepts or obteins,  
(id) agreea to accept, oF  
(Gi) attempts to obteia, for himself or any  
‘other parton any money, valuable” consideration,  
fice, pace or employment with sntent  
{) to nartee with the admininteton of  
HG) to proce or fit the exmiaion of  
(eto protect from detection or punishment  
a petson Who has committed or whe Nnvende t0  
fommit an offence: oF  
amen idee of er, eomruty, 2  
ined in “@) any mosey, valuable con  
aration, cs So emplrinest i ent Sat  
"on ‘anythian mentioned in sub-par  
raph i), (0) or Ca) of paragraph (a)  
4s gully of an indictable ofence and 1s Lable to imprismos  
BR te Toarlecn genre  
102. (1) Frauds upon the Government Every one com  
smite an offence who  
(@) Offer or gift to fence oficial—directly oF  
naively  
  
() ives, offers, or agrees tp give or offer to  
‘an official or 30 any’ member of ‘his family, or 10  
‘ny one for the benefit of an oftcial, cr  
  
6) being an official, demands, accepts or  
offers ox meres amp tom ny pera for hie  
elf or another perso ‘reward, udvantage  
fr benefit of shy kind ‘ap consideration for oo  
  
{Gi the tranactor of bunoess\_with oF  
  
sate nies ring fhe governs at  
  
"er Majesty or ony bene  
  
dt se es rapture ot aed fs  
  
‘hither er ot fact, the ota able  
  
fS couernt vender eile” erences  
  
oF Sor omit Coda what fe propese’, as the ease  
tay be;  
  
a8 Gising racerd or comin 10 oil with  
  
ving dealings of any pet with the:  
  
  
  
Page 212:  
5  
APPENDIX 29 (contd)  
  
avernment, pays 2 commision or feward ta or cox  
ran aovanfage os beset ot at Kn upon at) em.  
ployer, orocal ofthe government with which ie  
ofan umber oye ay ot  
for the benelt of the employes or oii, wi 4  
to thove dealings, unfeus ho bas the consent fn walng  
i the head ofthe braneh of government with whic be  
Aoalt the proot of which Hex upon hus)  
  
©) Acceptance of Commision oF Gift without  
conatat “being an cell eetyee of the overt  
ent. demands, accepts or offers of agrees. to “accept  
From’ a ‘person who has dealings with the govern:  
‘ent a commission, reward, advanage "or beneé! af  
{ny kind divectiy or indirectly, by himself or thecugh  
ienber ot his Fatty or trcugh any one (la bene  
AL 'les he hs the coment nwsng cf tee head of  
the braneh of government Gat employs ‘Kim or of  
  
ich he is on oficial the proct af Which es "upon  
(@), Compensation for prucuring settlement of  
lain etechawing oF tengo Tesendh  
‘with te government. of with a Sainister "Of he gow  
  
(G4) or (iw) of paragraph (a),  
sd SURES tH om na  
toffee se  
nah F  
‘ment oF an offici ha  
ota Ries  
1) mig nett po  
sin 5 gant Pees, kang  
OR theo, sng  
val Sc a, grrr  
crm ae ae Saar  
that perso 2,centtd Svaiage obese 4  
tender of that perton, or -"  
  
  
  
Page 213:  
x  
ARPENDDE a (xt)  
  
(09 demands, soopt or ages te sc 0  
nal Somer es ee  
set, eet ag, aa ceed  
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(o,Conrastor tering te macion\_und—Brery  
coe Somer magi ie, een, I Ba  
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ety ese SL ate  
  
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Gs fucument very ope whe, exuats wn fence  
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a ton a  
  
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sina, econ vi be aie phe gi ome  
fey ee or Ga eae  
Fe ssa rete al eld tas ote  
Pecans east Sa roa  
  
term rut Cana Grn one  
  
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2.99 create euar" cafes tag ene promaty  
snk ce NS ee ate, Sabie  
Oa et ee ae  
SAGs ae  
  
360\_ (2) Applying ar removing marks without autho  
neater,  
  
(c) witout tal oui, tae pro of which  
tn tt ra pee, he ett ce  
{by wih tte wo gna the property eft  
aunty aie teeta te Mate ie  
terates, in whole oF im part, a distinguishing mark,  
ta palgad ts ndcaa nda sad ln babe apa  
‘stl, shana  
wi ec eum le reer one  
irene ics i  
Saran eel eth, he ooo eh Det apn  
sr Rea tae hada ele a  
  
  
  
Page 214:  
m  
APPENDIX 29 (contd)  
  
(2) an indictable otfence and is lable to imprisom  
mest for two Years, oF  
  
(@) en offence punishable on summary conviction  
  
(3) “Distingsishing mark"—For the pusposes of this  
section, “distinguishing mark” means a distinguishing ari  
that fe appropriates (or uae cx public stores pursuant to  
soetien S38,  
  
361, (1) Seliing defective stores to Her Majerty—very  
ne who Knowingly’ ells or delivers defective stores to Her  
Majesey o¢ cominite fraud ia connection with the sale, ia  
for delivery of stares to Her Majesty or the manufacture of  
Stores for Her Majex is guilty of sm indictable oflenes snd  
IiSbie w imprisonment for fourteen "years.  
  
(2) Ofences by oficers end employees of corporations —  
‘Byezy one who being director offcer, agent or employee  
of a corporation that commits, bY fang, an offence ‘under  
Subrectlon (1,  
(a) knowingly takes part in the fraud, or  
(8) lows cr has reason to suspect that the fraud  
‘being committed or has heen oF is about to be com  
‘mitted and does not infotm the teupansibie government  
cra epartenr thereof, cf Her Majesty,  
  
Js guilty of an indictable offence and is able to imprison.  
‘ment for fourteen eats  
  
362. Unlatcful vse of mllitary uniforms or certigeates—  
Every one who withott lawésl’ mothoriy, the proot of  
hich Hes pea faim,  
  
(@) wears a uniform of the Cansdian Forces of sny  
other naval army or ale forge or a uniform at fs =  
Sila to tho sniform of any ef those forces teat it Ie  
Iikely to be mistaken therefor.  
  
Siken Lac Gtr fn ococon a ek  
eee del tale eer age  
‘Sie ay toh kp ithe, chee  
decoration or order, ==  
  
hs ui putin a great of crt,  
consialtg toma, crite ot ergs,  
Be ct ie ney ee  
Sar tee a a a ea dae  
Sat hime “2  
  
(hs a ta a sino nl  
ox «Sata : mnie oe  
Sent eine a tee ot  
  
" y  
  
Sts  
  
  
  
Page 215:  
8  
  
APPENDIX 29 (coneld)  
fren a othe boa the Canaan Foe or  
Eny ether naval, aray or as fore, that coQiaine any  
Sterstion taf aot verted by the nia of the otcet  
Tawny cutbovise,  
ts gully ofan eflenee punisable on raxmaryexevcton  
38. (2) Miltary stores —Bvery ope who buys, receives  
7 detains stom a member of the Canadimn Feroes ot a  
Ear op ebence bt eae sg tone es oy  
‘iltary Sores tnat are owes by Her Majerty or for whic  
ihe meters deaties or abseice without Teave ig aoa:  
able to Her Majeny Is gully of  
(2) an indictable ofence and is lable to imprison  
ment for five years, ce  
() en oitence punishable oa rummary conviction.  
  
(2) Brception—No person shall be convicted of an  
cflence wader this section where he erable that he dd  
fot knew and kad ao reawon to suspect tha: the military  
Stores im “vespect ‘of sthich the offence seas commited  
‘were owned by Her Majesty or were, melitsry ‘stores for  
which the member, deserier cr ebsentee without leave was  
secountable to Her Majesty.  
  
APPENDIX 30  
Constimicy 20 comnts Pomc sascnr—IxcLiss ta,  
1. A brief discussion of the offence of conspiracy ae  
mown to Engith law appeats to be useful, first, because  
{hasbeen used often te leh = ongpracy fo deta, ond  
secondly, because Its wide scove fr illuastated ‘by certain  
recen: decisions  
2. The following statersen: In ong text-book’ seems to  
sm up the law acatly =  
“Am sgreoment by two or more pettone;—  
(2) Yo cocamit a exis; oF  
(2) Subject to possible qualifications mentioned  
4n the explanation! fo commit any other unlawful  
(9) To do ary ect which ts (a) Immoral or  
(@) tends to the BUBIS miei  
‘5.9 common law misdemeanour punisheble with  
and Seuprleonment™  
Se Shaw DAF (60S AER 4 Goin a WOR by OL)  
eneerices cies  
  
Segue ene te,  
eet ee  
  
  
  
Page 216:  
APPENDIX 30 (contd)  
  
2. The cffnce covers not only a consplracy to commit &  
breachs ef statute, bit sho an agteement to contravene  
Taw, whether staat iso,  
  
4. That the offence has not become obsolete, willbe  
hewn by the charges of conspiracy framed in connection  
‘SiGs Uae recent Great sais Hobbery!, and the charges of  
“onspiracy to pervert ike cogtee of justlce” fran agolnst  
Devective Sergeant Chalisnst (inorfoand ta be insane end  
{SAGE Jp oleae), andthe cyselow relating to conspiracy 19  
commnit summary ofence.  
  
4, Certain speces of the offence of consptacy in erimi-  
nal as, have become" coniroversiats Of these, the cone  
egies te sable corl and oct a pub  
  
ie mischief ie on.  
‘The recep! decision of the House of Lords leaves no  
doubt tbat the law recognises sch a conspiracy!"  
@ Scme important nstatce, ef conspizacy to defraud?  
ay be noted Agreements to do the following: things  
fie, Bren Tarde ae puknatie e9 conspiracy to Or  
  
arr nye eh Kat Pa  
sper ES ERs a AE  
  
“See se Ry Siry (Apu) 44a (COA) ant Kale  
uy eES Taps pam eta 2? CY  
  
‘See Rv id (4960, 8 WLR 6 oy ak AY.  
  
Sey Far Seneioe, 980 7 Cane La, 8, Noe  
noensiaen! ion  
  
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APPENDIX 3} (concld)  
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(This be a tentative dealt only)  
Inthe Second Schedule to the Code of Criminal Pro- $C,  
(ater the releting to section 379, the  
foliowing entry shall be inverted, namely: —  
  
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