

Research Article**Corporate Criminal Liability in India: Doctrinal Foundations,
Statutory Framework and Emerging Challenges****Dr. Jetling Yelloso¹, Nakka Pramod Kumar²**¹Associate Professor, Telangana University of Law, Dichpally, Nizamabad.²LL.M., Telangana University. Dichpally, Nizamabad**Corresponding Author: Dr. Jetling Yelloso.****Abstract**

*Corporate criminal liability — the principle that a company, though an artificial person incapable of intention in any literal sense, can nonetheless be held criminally responsible for offences committed in the course of its business — has moved from the periphery to the centre of Indian criminal jurisprudence over the past two decades. This article traces that journey: from the early common law resistance to prosecuting a "person" without a body to punish or a mind to convict, through the doctrines Indian courts have borrowed and adapted — identification, attribution, and statutory vicarious liability — to the current statutory landscape spanning company law, securities regulation, anti-corruption law, anti-money-laundering law, environmental law and taxation. It examines the Supreme Court's decisive intervention in *Standard Chartered Bank v. Directorate of Enforcement*, which removed the last formal barrier to prosecuting companies for offences carrying mandatory imprisonment, and later decisions such as *Iridium India Telecom Ltd. v. Motorola Inc.* and *Sunil Bharti Mittal v. CBI*, which refined how corporate intent and individual liability interact. The article closes by examining the practical difficulties — attributional uncertainty, regulatory overlap, cross-border evidence, and digital-era crime — that continue to limit the doctrine's effectiveness in practice, and argues for a more codified and better-coordinated approach to enforcement.*

Keywords: Corporate Criminal Liability; Corporate Mens Rea; Identification Doctrine; Attribution Theory; Vicarious Liability; Directors' Liability; Corporate Governance; Statutory Liability; Regulatory Enforcement; Corporate Accountability

I. Introduction

Corporations occupy a curious position in criminal law. For most legal purposes they are treated exactly as natural persons are: they can own property, sue and be sued, enter into contracts, and hold rights under the Constitution. Yet criminal law was built around a very different kind of subject — one with a body that can be imprisoned and a mind that can form intent. A company has neither. It cannot be marched to a cell, and it possesses no consciousness in which a "guilty mind" might reside. For much of legal history this mismatch was resolved simply by excluding corporations from criminal liability altogether, and confining the criminal law's reach to the individuals who acted on a company's behalf, leaving the corporation itself to face, at most, civil consequences.

That position has not survived contact with the modern economy. As business enterprises grew from small partnerships into vast, multi-layered organisations capable of moving markets, polluting rivers, defrauding thousands of investors in a single transaction, and bribing public officials on an industrial scale, the fiction that only individuals could be blamed for what was, in substance, organisational conduct became increasingly untenable. A single rogue employee rarely explains a systemic accounting fraud or a decade of unlawful effluent discharge; more often such conduct is the product of policy, incentive structures and managerial tolerance that no individual prosecution can

adequately capture. Legislatures and courts across common law jurisdictions responded by developing doctrines that could translate the acts and intentions of a company's directing officers into the acts and intentions of the company itself, so that the entity that profited from the wrongdoing could also be made to answer for it.

India's experience mirrors this broader trajectory, but with its own statutory and judicial texture. Indian criminal law began from the same premise as its English counterpart — that criminal responsibility presupposes a mind capable of intending wrong — and only gradually, through a series of statutory interventions and Supreme Court decisions culminating in the 2005 ruling that a company cannot escape prosecution merely because the applicable penal provision prescribes mandatory imprisonment alongside a fine, arrived at a settled position that corporate criminal liability is a genuine and enforceable feature of Indian law rather than a theoretical possibility undercut by procedural technicality.

This article examines corporate criminal liability in India along four axes: its conceptual and historical foundations; the doctrines Indian courts use to attribute criminal responsibility to a corporate entity; the statutory architecture through which that liability actually operates across different fields of regulation; and the practical difficulties that continue to complicate enforcement in an economy that is increasingly digital, cross-border and organisationally complex. It closes with a brief comparative look at how England and the United States have approached the same problem, and with some suggestions for reform.

II. The Conceptual Premise: A Person Without a Body or a Mind

Every account of corporate criminal liability begins with the doctrine of separate legal personality. Once incorporated, a company acquires a legal identity distinct from that of its shareholders, directors and employees: it can hold property, enter contracts, and sue or be sued in its own name, and that identity survives changes in ownership or management.¹ This separateness is what makes a company, rather than merely its human constituents, a proper subject of criminal proceedings in its own right — it is the company, not its shareholders individually, that is said to have committed the offence and that bears the resulting fine or sanction. But separateness also creates the analytical problem that has occupied courts for over a century: a company can only ever act, decide, or intend anything through the human beings who manage it. The law therefore had to develop a mechanism for treating the acts of certain individuals as the acts of the company itself, without simply collapsing the two into one another or, at the other extreme, making the company answerable for the acts of literally anyone who happens to work for it.

Two consequences follow from this. First, criminal liability for a company is never really about the corporation having done something "on its own" in any literal sense — it is always a question of whose conduct, and whose state of mind, the law is willing to attribute to the corporate entity, and on what basis. Second, holding a company liable does not, by itself, extinguish the liability of the individuals who acted for it. Indian statutes generally proceed on the footing that corporate and individual liability run in parallel rather than as substitutes for one another: a company can be prosecuted and convicted at the same time as the directors or officers whose acts are treated as its own, and the conviction of one does not depend on, or preclude, the conviction of the other.

The distinction between corporate criminal liability and the civil or regulatory liability a company might otherwise bear is also worth drawing out. Civil liability compensates a private party for loss and is established on a balance of probabilities; regulatory action by bodies such as SEBI or the Competition Commission of India is typically administrative, aimed at correcting market conduct through penalties, disgorgement or behavioural orders. Criminal liability, by contrast, requires proof beyond reasonable doubt, is brought in the name of the State rather than a private complainant, and carries the social and reputational weight of a conviction in addition to whatever fine is imposed. The three tracks frequently run alongside each other on the same facts — a securities fraud, for instance,

¹Salomon v. Salomon & Co. Ltd., [1897] AC 22.

may attract a SEBI penalty, a civil claim from defrauded investors, and a criminal prosecution, each governed by its own standard of proof and its own procedure.

III. Historical Trajectory

A. English Origins

The reluctance to prosecute corporations has old roots. Early common law took the view, largely unquestioned until the nineteenth century, that a corporation — being incapable of possessing a mens rea — could not be guilty of any offence requiring criminal intent, and could at most face civil consequences for breach of contract or duty. This position was tenable while corporations were few, small, and largely confined to local trade. Industrialisation changed the calculus: railway companies, mills, and later multinational trading houses began to cause harm — through unsafe working conditions, adulterated goods, market manipulation, and industrial pollution — on a scale that the criminal law could no longer plausibly ignore. Courts began to search for a principled way of holding these new economic actors to account without abandoning the basic requirement that criminal liability rest on a guilty mind.

The turning point came with the identification doctrine, most famously articulated by the House of Lords in *Lennard's Carrying Co. Ltd. v. Asiatic Petroleum Co. Ltd.*, where Viscount Haldane observed that a corporation has no mind of its own, but acts through certain individuals who represent "the directing mind and will" of the company — persons whose fault, in that capacity, is treated in law as the fault of the company itself, and not merely as something for which the company is made vicariously answerable.² This distinguished identification from ordinary vicarious liability: rather than the company being made to answer for someone else's wrong in the way an employer answers for an employee's tort, the wrong of a sufficiently senior individual was treated, in law, as the company's own wrong, done through its own directing intelligence.

B. Development in India

Indian criminal law inherited this common law hesitancy. Early Indian jurisprudence, following the English position, generally treated corporations as incapable of the mens rea that many offences under the Indian Penal Code required, leaving criminal responsibility to fall on individual officers while companies faced, at most, regulatory or civil consequences for the same conduct. This began to shift as India's post-Independence economy expanded, industrial output grew, and the number of statutes touching corporate conduct — company law, taxation, industrial regulation, and later securities and environmental law — multiplied rapidly from the 1970s onward. Each new statute typically carried its own penal provisions, and courts were repeatedly confronted with the question of whether, and on what basis, a company could be prosecuted under them.

The sharpest version of this question arose where a statute prescribed a composite sentence of "imprisonment and fine" for an offence, since imprisonment is, obviously, impossible to impose on a company. In *Assistant Commissioner, Assessment-II, Bangalore v. Velliappa Textiles Ltd.*, a three-judge Bench of the Supreme Court held, by majority, that where a statute mandates imprisonment as part of the sentence, a court has no power to modify that sentence for a corporate accused, and a company could therefore not be prosecuted for such an offence at all, since courts cannot rewrite a legislature's chosen punishment.³ The practical effect was that companies enjoyed something close to blanket immunity for the more serious offences under fiscal and regulatory statutes — precisely the offences for which corporate accountability mattered most, since lesser offences carrying only a fine remained fully prosecutable while graver ones, oddly, did not.

That position lasted barely two years. In *Standard Chartered Bank v. Directorate of Enforcement*, a Constitution Bench was called upon to decide whether a bank could be prosecuted under Section 56 of the Foreign Exchange Regulation Act, 1973, which prescribed a minimum of six months' imprisonment together with a fine.⁴ The majority overruled *Velliappa Textiles*, holding that the

²*Lennard's Carrying Co. Ltd. v. Asiatic Petroleum Co. Ltd.*, [1915] AC 705.

³*Assistant Commissioner, Assessment-II, Bangalore v. Velliappa Textiles Ltd.*, (2003) 11 SCC 405.

⁴*Standard Chartered Bank v. Directorate of Enforcement*, (2005) 4 SCC 530.

impossibility of imprisoning a company cannot be read as an implied exemption from prosecution. Applying the maxim *lex non cogit ad impossibilia* — the law does not compel the impossible — the Court held that where a statute prescribes imprisonment and fine, a court sentencing a company may impose the fine alone, treating the imprisonment limb as simply inapplicable to a corporate offender rather than as a bar to conviction altogether. Justice Srikrishna dissented, taking the view that reading "imprisonment and fine" as though it meant "imprisonment or fine" for corporate defendants amounted to a rewriting of the statute that only Parliament, not the courts, could properly undertake. The majority view has held the field since and is now treated as settled law: a company enjoys no blanket immunity from prosecution merely because a penal provision happens to prescribe mandatory imprisonment.⁵

IV. Doctrines of Attribution

Having settled that companies can be prosecuted, Indian courts still needed a workable method for deciding when a particular individual's conduct or state of mind should count as the company's own. Three related but distinct doctrines do this work, each suited to a slightly different situation.

A. The Identification Doctrine

The identification doctrine treats the acts and state of mind of a company's "directing mind and will" — typically its board, managing director, or other officers who set policy rather than merely implement it — as the acts and state of mind of the company itself. The Supreme Court applied this reasoning in *Iridium India Telecom Ltd. v. Motorola Inc.*, holding that a corporation can possess the requisite criminal intent where the individuals who directed its affairs possessed that intent while acting within the scope of their authority, and that the necessary *mens rea* for offences such as cheating and criminal conspiracy could accordingly be attributed to a company through what the Court described as its "alter ego."⁶ The doctrine is deliberately narrow in scope: it applies only to persons senior enough to be genuinely identified with the company's decision-making, not to every employee acting merely in the course of employment. Where that person's conduct is unauthorised, or motivated purely by private gain unconnected to the company's business, identification does not hold, and the company is not implicated by that individual's wrongdoing.

B. Statutory Vicarious Liability and Deeming Provisions

A second, and statistically more common, route to corporate liability in India is not judge-made at all, but created directly by statute. A large number of regulatory enactments — the Negotiable Instruments Act, 1881, the Prevention of Money Laundering Act, 2002, environmental statutes, and company law itself — contain "deeming" provisions under which every person who, at the time the offence was committed, was in charge of and responsible to the company for the conduct of its business is deemed guilty of the offence along with the company, subject to a defence that the offence was committed without their knowledge or that they exercised all due diligence to prevent it.

The Supreme Court has been careful to prevent this mechanism from being used to sweep up directors indiscriminately merely on account of their title. In *S.M.S. Pharmaceuticals Ltd. v. Neeta Bhalla*, a three-judge Bench held that mere designation as a director is not sufficient to found liability under such a provision; the complaint must contain specific averments that the person was, in fact, in charge of and responsible for the conduct of the company's business at the relevant time, and general or bald allegations to that effect will not suffice.⁷ And in *Aneeta Hada v. Godfather Travels & Tours (P) Ltd.*, a three-judge Bench held that because such deeming provisions operate as a legal fiction premised on a finding that the company itself has committed the offence, the company must be arraigned as an accused before a director can be prosecuted vicariously under the same provision —

⁵See generally *Iridium India Telecom Ltd. v. Motorola Inc.*, (2011) 1 SCC 74, affirming and applying the reasoning in *Standard Chartered Bank*.

⁶*Iridium India Telecom Ltd. v. Motorola Inc.*, (2011) 1 SCC 74.

⁷*S.M.S. Pharmaceuticals Ltd. v. Neeta Bhalla*, (2005) 8 SCC 89.

vicarious liability of an officer, in other words, cannot exist independently of the company's own liability, since the fiction has nothing to attach to if the principal offender is not before the court.⁸

C. The Attribution Theory and Corporate Mens Rea

The broader "attribution" framework that has since emerged in Indian jurisprudence draws on both of the doctrines above. Courts ask whether the decision-maker whose act or omission is in question held a position of real authority over the corporate function in issue, whether the act was done within the scope of that authority, and whether there is a sufficient nexus between the act and the business of the company. Where these conditions are satisfied, the individual's knowledge, intention or negligence is treated as the company's own — not merely as something loosely connected to it, but as constituting the company's mens rea for the purposes of the offence charged. Where a statute imposes strict liability, requiring proof only that a legal duty was breached and dispensing with any mental element, this inquiry becomes correspondingly simpler, since the question of attribution of intent does not arise at all — the company's liability follows directly from the breach.

The outer limits of the doctrine were tested in *Sunil Bharti Mittal v. Central Bureau of Investigation*, arising out of the 2G spectrum allocation case. There, a Special Court had summoned senior executives of telecom companies as accused persons by reasoning, in effect, that because they were the "alter ego" of their companies, the companies' alleged criminal conduct could be imputed back to them personally. The Supreme Court set the summons aside, holding that the identification principle runs in one direction only — from the individual to the company, not from the company back to the individual — and that a person can be made an accused alongside a company only where there is independent, specific evidence of that individual's own active role and criminal intent, or where a statute itself creates a vicarious liability regime that has been properly invoked against them.⁹ The decision is now the leading authority against what commentators have termed "reverse alter ego" reasoning, and it operates as an important safeguard against using corporate doctrine to bypass the ordinary requirement that criminal liability rest on the accused's own culpable conduct.

V. The Statutory Framework in India

Unlike some jurisdictions, India has no single, consolidated corporate crimes code. Corporate criminal liability instead arises from a patchwork of general criminal law and sector-specific statutes, each carrying its own penal provisions and its own formula for attributing liability to a company.

General criminal law. The *Bharatiya Nyaya Sanhita*, 2023, which replaced the Indian Penal Code, 1860, continues to apply to companies for offences such as cheating, criminal breach of trust, forgery, and criminal conspiracy where these are committed through a company's business and can be attributed to it under the doctrines discussed above. Its provisions operate alongside, rather than in place of, the more specific offences created by regulatory legislation, and prosecutors will often proceed under both the general criminal law and a relevant special statute where the facts support it.

Company law. The *Companies Act*, 2013 is the single most important statute governing corporate conduct, and it embeds criminal liability throughout its scheme: for falsification of accounts and financial statements, for fraudulent conduct of business under Section 447, for failure to maintain statutory registers, and for various disclosure defaults connected with the issue of securities. It also imposes fiduciary duties of care, skill and diligence on directors and key managerial personnel under Section 166, breach of which can expose both the company and its officers to prosecution where the statute so provides, and it grants the Serious Fraud Investigation Office a specific statutory mandate to investigate corporate fraud on a scale ordinary police machinery is not equipped to handle.

Anti-corruption and money-laundering law. The *Prevention of Corruption Act*, 1988 criminalises bribery and abuse of official position, and after its 2018 amendment expressly extends liability to commercial organisations where a person associated with them gives an undue advantage to a public

⁸*Aneeta Hada v. Godfather Travels & Tours (P) Ltd.*, (2012) 5 SCC 661.

⁹*Sunil Bharti Mittal v. Central Bureau of Investigation*, (2015) 4 SCC 609.

servant in order to obtain or retain business, subject to a defence that the organisation had adequate procedures in place to prevent such conduct. The Prevention of Money Laundering Act, 2002 similarly targets the concealment, acquisition, possession or use of proceeds of crime, empowering the Enforcement Directorate to attach and confiscate tainted property in addition to prosecuting the underlying offence, and its own deeming provision extends liability to persons in charge of a company's affairs at the relevant time, on lines similar to the Negotiable Instruments Act provision considered in Aneeta Hada.

Securities and competition law. The Securities and Exchange Board of India Act, 1992 empowers SEBI to penalise listed companies and market intermediaries for insider trading, market manipulation and fraudulent disclosures, with criminal prosecution available under Section 24 of the Act in addition to SEBI's own civil and administrative powers of disgorgement and market debarment. The Competition Act, 2002 addresses anti-competitive agreements, abuse of dominant position and unlawful combinations, though its enforcement mechanism is predominantly administrative and civil, operating through penalties imposed by the Competition Commission of India rather than criminal prosecution in the ordinary sense — a point of contrast with most of the other statutes discussed here.

Environmental legislation. The Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, and the Air (Prevention and Control of Pollution) Act, 1981 each criminalise industrial pollution beyond prescribed limits and the operation of polluting activity without statutory consent, with Section 16 of the Environment Protection Act and analogous provisions in the other two Acts extending liability to persons in charge of a company's affairs in language closely tracking the deeming provisions found elsewhere in the statute book. Courts have repeatedly treated environmental compliance as inseparable from the constitutional right to life under Article 21, giving these provisions an interpretive weight beyond their ordinary regulatory function.

Tax, consumer and information technology law. The Income Tax Act, 1961 and the Central Goods and Services Tax Act, 2017 criminalise wilful tax evasion, false invoicing and fraudulent input tax credit claims, with the latter having generated a substantial volume of corporate prosecutions since the GST regime's introduction in 2017. The Consumer Protection Act, 2019 addresses unfair trade practices and the sale of unsafe or defective goods, with criminal liability reserved for the more serious categories of misconduct, such as the sale of adulterated or spurious goods causing death or grievous injury. The Information Technology Act, 2000 addresses data breaches, unauthorised access and other computer-related offences, and imposes obligations on "body corporates" handling sensitive personal data under Section 43A, reflecting the growing overlap between corporate criminal liability and cybersecurity regulation.

What unites this otherwise disparate body of law is a recurring statutory technique: rather than leaving courts to work out corporate liability from first principles in every case, Parliament has repeatedly written deeming provisions into sector-specific statutes, each extending liability from the company to those "in charge of and responsible for" its business, subject to a due-diligence defence. This has produced a system that is broad in coverage but inconsistent in structure — the precise wording, defences and evidentiary thresholds differ from one statute to the next, and a practitioner working across sectors must treat each provision on its own terms rather than assume that a single, uniform doctrine of corporate liability governs all of them.

VI. Punishment of Corporations and the Position of Directors and Officers

Because a company cannot be imprisoned, the criminal law has had to develop a distinct sentencing vocabulary for corporate offenders. Fines remain the principal sanction, calibrated in the more modern statutes to the scale of the offence or the illegal gain rather than fixed at a nominal sum, precisely so that the penalty cannot simply be absorbed as an ordinary cost of doing business. Beyond fines, Indian statutes provide for confiscation of property and proceeds of crime, cancellation or suspension of licences and permits, debarment from government contracts and public tenders, and orders of compensation payable to victims. Following Standard Chartered Bank, courts sentencing a company for an offence that prescribes both imprisonment and fine simply impose the

fine, without this being treated as a departure from the statutory scheme or requiring any special justification.

The liability of directors and officers runs alongside, and not instead of, the company's own liability. Indian courts have consistently held that occupying a senior position is not, by itself, sufficient to found criminal liability; the prosecution must show that the individual was, at the relevant time, actually in charge of and responsible for the conduct of the business connected with the offence, or that they consented to, connived in, or were negligent in allowing the offence to occur. Directors who can show they had no knowledge of the offending conduct and exercised reasonable diligence to prevent it are generally protected by the due-diligence defences built into the relevant statutes, and courts have increasingly looked to the quality of a company's internal controls and audit trail as evidence going to precisely this question. This structure is meant to strike a balance: it prevents the corporate form from being used as a shield to protect the individuals who actually authorised or connived in wrongdoing, while avoiding the opposite injustice of exposing every senior officer to prosecution merely by virtue of their designation.

VII. Contemporary Challenges

The doctrinal architecture described above is reasonably settled; its practical operation is not. Several difficulties continue to limit how effectively corporate criminal liability functions in India.

Attribution in complex organisations. The identification and attribution doctrines were developed with a fairly simple organisational picture in mind — a company with a small, identifiable board that makes decisions collectively. Modern corporations, particularly large or multinational ones, diffuse decision-making across committees, subsidiaries, joint ventures and delegated authorities, so that a specific wrongful decision may be the product of no single "directing mind" at all, but of an aggregate of smaller decisions taken at different levels of an organisation none of which, viewed in isolation, would satisfy the identification threshold. Investigators and courts are frequently left to reconstruct, from board minutes, internal communications and delegation-of-authority documents, who within a diffuse structure actually held the relevant decision-making power — an exercise that is often more art than science, and one where poor corporate record-keeping can make the task close to impossible, sometimes to the benefit of the very company whose internal disorganisation is under scrutiny.

Investigating economic and digital crime. Corporate offences today are typically proved through documentary and electronic evidence rather than direct testimony — financial statements, emails, server logs, and transaction records spread across multiple systems and, increasingly, multiple jurisdictions. Investigating agencies require forensic accounting and digital forensics capacity that is not uniformly available across the country, and the sheer volume of material generated even by a mid-sized corporate entity can overwhelm conventional investigative timelines, contributing to the long delays that are a recurring criticism of Indian corporate criminal trials. The growth of cloud storage, encrypted communication and offshore data hosting has added a further layer of difficulty, since evidence that would once have been found in a company's own filing cabinets may now sit with a third-party service provider located outside India altogether.

Regulatory overlap and jurisdictional friction. Because corporate conduct is regulated concurrently by multiple agencies — the Serious Fraud Investigation Office, the Enforcement Directorate, SEBI, the Income Tax Department, and various sector regulators, among others — the same set of facts can trigger parallel investigations under different statutes, each with its own evidentiary standard, procedural timeline and enforcement priority. This can produce duplicated investigative effort, inconsistent factual findings across agencies, and a considerable compliance burden on companies responding simultaneously to multiple inquiries into essentially the same conduct, without any single coordinating mechanism to rationalise the overall process or share evidence efficiently between agencies.

Cross-border enforcement. Indian companies increasingly operate through foreign subsidiaries, offshore structures and cross-border transactions, so that evidence, witnesses and even assets relevant to a domestic prosecution may sit outside Indian jurisdiction entirely. Mutual legal assistance treaties and extradition mechanisms exist but are often slow to operate in practice, and differences in evidentiary standards between jurisdictions can complicate the transfer of usable evidence into an Indian criminal trial, particularly where the requested jurisdiction applies stricter privacy or banking-secrecy protections than Indian law does.

Weak internal governance and compliance. Many of the difficulties described above are aggravated, rather than caused, by weak corporate governance. Where internal controls, audit functions and reporting lines are themselves opaque, the same opacity that permits wrongdoing to occur also frustrates its later investigation. Conversely, companies with well-documented internal decision-making are usually easier — for better or worse — to hold to account, since the paper trail that enables good governance is largely the same paper trail that makes attribution of criminal responsibility possible in the first place. This gives well-governed companies an incentive structure that cuts in two directions: robust documentation reduces the likelihood of wrongdoing occurring at all, but also makes wrongdoing that does occur considerably easier to trace back to a responsible individual.

VIII. A Comparative Glance

England, the source of the identification doctrine, has itself moved away from relying on it exclusively. Recognising that the doctrine made it disproportionately difficult to prosecute large, diffuse organisations — since no single individual could easily be shown to be the company's "directing mind" — Parliament has since supplemented it with offence-specific liability regimes, including "failure to prevent" offences that hold a company liable unless it can show it had reasonable procedures in place to prevent the underlying wrongdoing. This approach was first used for bribery, and has since been extended to the facilitation of tax evasion and, more recently, to fraud committed by an associated person for the organisation's benefit.¹⁰ The effect of this shift is to move the practical burden onto the company to demonstrate adequate procedures, rather than requiring the prosecution to first identify a sufficiently senior individual whose mind can be equated with the company's own — a response directly aimed at the diffusion-of-decision-making problem discussed above.

The United States, by contrast, has long applied a broader respondeat superior standard, under which a corporation can be held criminally liable for the acts of any employee or agent acting within the scope of employment and, at least in part, for the corporation's benefit — a considerably lower threshold than the Indian identification doctrine, which restricts attribution to genuinely senior decision-makers. In practice, this broader liability standard is tempered by prosecutorial discretion: the U.S. Department of Justice's charging guidelines give significant weight to the adequacy of a company's compliance programme and its cooperation with an investigation, frequently resulting in deferred prosecution agreements rather than full criminal trials for companies that self-report and remediate. India's continuing reliance on a mix of judge-made identification doctrine and statute-specific deeming provisions sits between these two models — narrower than the American standard, but without the English innovation of shifting the evidentiary burden onto the company through a dedicated failure-to-prevent offence. The English reform in particular offers a template India's legislature could examine as it considers how to address the attributional difficulties that large, diffuse corporate structures continue to pose.

IX. The Case for Reform

The cumulative effect of India's approach — a general doctrine of attribution developed by the courts, overlaid with dozens of differently worded deeming provisions scattered across unrelated statutes — is a body of law that is broad in reach but difficult to navigate, even for specialists working within a single regulatory field, let alone across several. Three reforms would meaningfully improve its practical operation.

First, greater consistency in how deeming provisions are drafted across statutes would reduce the interpretive burden currently placed on courts each time a new provision comes up for construction, and would give companies a clearer and more uniform standard against which to build their compliance programmes, rather than requiring a separate legal analysis for each regulatory field in which they operate.

Second, statutory recognition of compliance as a defence — along the lines of the "adequate procedures" defence already available under the Prevention of Corruption Act's commercial-organisation provision — would give companies a genuine incentive to invest in internal controls, rather than treating compliance spending purely as a sunk cost with no bearing on legal exposure. Extending this defence more consistently across statutes, on the English "failure to prevent" model, would also help address the attribution difficulties that arise in large, diffuse organisations, by shifting some of the evidentiary burden

¹⁰See the Bribery Act 2010, s. 7; Criminal Finances Act 2017, ss. 45–46; Economic Crime and Corporate Transparency Act 2023, s. 199.

onto the company to demonstrate the adequacy of its own governance rather than requiring the prosecution to first locate a sufficiently senior directing mind.

Third, better coordination among the various investigating and regulatory agencies — whether through a formal information-sharing protocol, a joint investigation mechanism for cases of overlapping jurisdiction, or a single lead-agency principle for multi-statute corporate investigations — would reduce both the duplication of effort on the State's side and the compliance burden imposed on companies responding to parallel inquiries into the same underlying facts.

None of this amounts to a case for diluting corporate accountability. It is, rather, a case for making the existing accountability regime more predictable and more genuinely enforceable — for a company deciding how much to invest in compliance, and for a court or investigating agency deciding whether a prosecution is well-founded, in roughly equal measure.

X. Conclusion

Corporate criminal liability in India has travelled a considerable distance in two decades — from a doctrine so constrained by the "no imprisonment, no prosecution" logic of *Velliappa Textiles* that companies enjoyed something close to functional immunity for the most serious offences, to a settled position, confirmed in *Standard Chartered Bank* and refined in *Iridium* and *Sunil Bharti Mittal*, under which a company's separate legal personality is no longer treated as a shield against criminal responsibility for conduct carried out in its name. What remains unresolved is less a matter of doctrine than of institutional capacity: the same organisational complexity that makes modern corporations economically powerful also makes them difficult to investigate, and the same statutory patchwork that extends criminal liability across dozens of regulatory fields makes that liability harder to apply consistently from one to the next. Closing that gap will depend less on further doctrinal innovation by the courts, who have arguably taken the identification and attribution principles about as far as they can sensibly go, than on legislative consolidation and stronger institutional coordination — the unglamorous, administrative work of making an already broad principle actually function as intended in practice.

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