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Corruption In India

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ABSTRACT

Corruption is very old concept in India. It is also a social evil to the current society. It destructed the working of government on high note. Different kind of evidence supports that corruption is widespread and endemic. There is no transparency in working, in any of the field, there is always a different face of an organization, institution or any other working field. In recent time people prefer “money work” rather than “hard work”. We usually find day-to-day corruption sometimes they are not larger, if larger they are preferring to most dominating word “scams”. There are policies in order to prevent corruption-Anti Bribery and Anti-corruption policies-The Preventions of Corruption Act, 1988. Basically ruins the whole government sector. If certain reforms are made, corruption is likely to be regardless problems and actions are directly aimed at curtailing it. It is a kind of curse to Whole society and also to different types of system like Educational, Governmental, medical etc. Along with policies and acts there are more governmental measures like Right to information (RTI) Act, Lokpal and Lokayuktas Act, etc. corruption remains deeply entrenched, the rise of digital governance and public awareness campaigns have contributed to greater transparency, yet systemic challenges persist. It also requires better institutional framework, grater Judicial efficiency and citizen participation in order to ensure accountability and sustainable development. The goal of this paper is to understand about corruption, some major scams of corruption in India. Its consequences, causes and Laws, India ranking in corruption.

KEYWORDS

Corruption, Scams, Laws, Consequences, Causes, Rankings.

INTRODUCTION OF UCC

Corruption is very elderly concept in India, it has mostly become a habit, it affects various aspects of the society. It manipulates the governance, economy and social justice. Corruption degrades the quality of the services and ruins the life of common man. India is one of the highly affected countries by this threat known as “corruption”. Corruption can be manifested in different forms. 1. Bribery 2. Extortion 3. Fraud 4. Nepotism and influence peddling. Political parties who have promised to take steps in order to stop corruption, now has voting power in their hands, it is mainly a problem that arises between government and market economy were government can itself be considered as endogenous. It is basically to explain what corruption exactly means, but it is not generally difficult when observed carefully. Corruption in India has been linked by administrative structures, complex bureaucratic processes, and lack of transparency in governance. The further consequences are far-reaching leading to economic inequality inefficiency in public services, and a decline in investor confidence. However, challenges remain in the form of political interference, Judicial delays and lack of string enforcement mechanism. It is also a pervasive problem that affects all levels of society and governance.

These are some definitions of corruption

According to Oxford dictionary – *“Corruption is dishonest or illegal behavior, especially by people in authority.”*

The simplest and most popular definition of World bank is ‘as the abuse of public office for private gain.’ This also includes the offering of value to influence a government officials’ actions

According to Stephen D Morris – *“Define political corruption as the illegitimate use of public power to benefit a private interest.”*

According to Sec. 7 of the Prevention of Corruption Act, 1988 defines corruption as: “Whoever being or expecting to be public servant, accepts or obtains, or agrees to accept , or attempts to obtain gratification whatever, other than legal remuneration as a motive or a reward or for bearing to do any official act or for showing or for bearing to show, in the exercise of his official functions favors or disfavor to any person with the Central or State Government or Parliament or legislature of any State or with any public servant as such.”

SOME MAJOR SCAMS IN INDIA

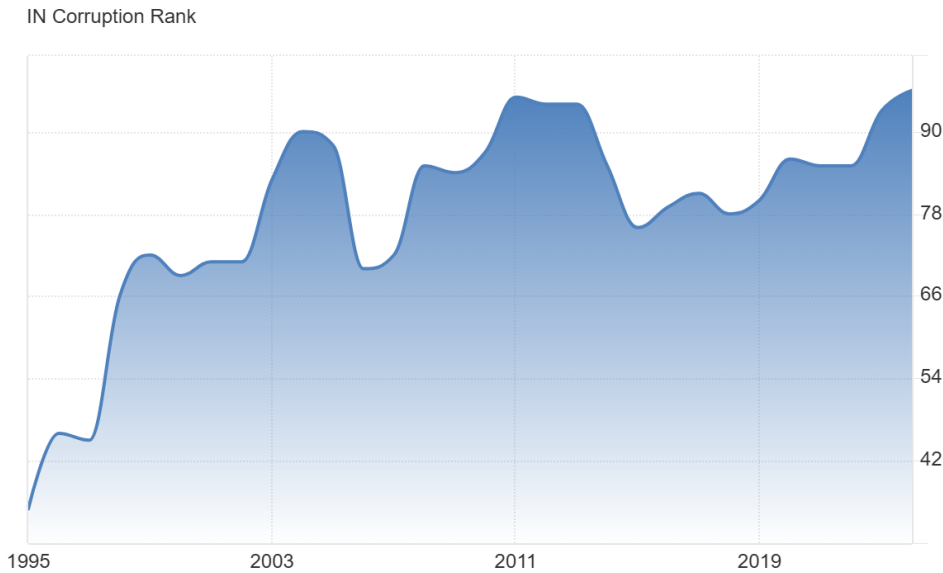
- **Coalgate Scam (2012)**- The actual name of scam was Coal Allocation scam. It was dubbed by media as “Colgate”. It was a failure to auction the coal blocks, public and private companies obtained “windfall gains” of Rs. 10.673 billion (US \$ 120 Billion) with that private companies obtaining Rs. 4795 billion (US \$ 55 Billion) i.e. 45% and government companies obtaining Rs. 5078 billion (US \$ 58 Billion) i.e. 55%. It acquitted six persons including former Coal Secretary and two public servants in Delhi Court.
- **Common Wealth Games Scam (2010)** – Sports is also untouched by this scam’s tragedy. It is witnessed as one of the major Indian Scams. The Chairman of the organizing committee of games offered a contract of Rs.141 crore to Swiss timing for its timing Equipment which was unnecessarily high by Rs. 95 crores. He was charged of criminal conspiracy cheating and forgery for purpose of cheating. The scores were of around 70000 Crores.
- **Harshad Mehta Scam (1992)**- It was once of the India’s biggest financial scams, involving stock market manipulation. Harshad Mehta Siphon around Rs. 3500 crore and artificially inflated stock prices. He was producing seamlessly original looking fake bank receipts; therefore, many banks lent him huge amount of money assuming that they were doing this in return of government.
- **2G Spectrum Scam (2008)**- In this Scams, Government were allegedly involved in selling or allotting 122 2G Spectrum Licenses. A Raja, Then Telecom minister, was accused in selling licenses at a very low cost which resulted in the loss of Rs. 1760 billion (US \$ 25 Billion) in government revenue. As a result, Supreme Court led to the Cancellation over 120 Licenses in 2012.
- **Satyam Scam 2019**- This was the one of the Biggest corporate scams in corporate world. Ramalinga Raju the founder and chairman of Satyam computer services. He admitted to exaggerating sales, earning, cash balances and personnel number in their account books of 14000 crore. The Facts were accepted between there investors, consumers, workers and Stakeholders.
- **Hawala Scandal**- This was also of the major scandal in 1990’s. The case revolved around hawala brothers also knowns as Jain brothers. It involved illegal payments of about Rs. 65 crores (US \$ 18 Billion at the time) to the politicians and bureaucrats through a network of hawala (methods of money transferring).

- **Telgi Scam-** This was also a major scam in our Indian corruption history. This scam is also known as Stamp paper was a counterfeiting operation in India that involved Abdul Karim Telgi. The estimated value of the scam was worth Rs.20000 Crore.
- **Kerala Gold Smuggling case (2020)** – This is recent scam in India which took place on 5 July 2020, 30 kilograms (66 lb.) of 24 carat gold Rs. 14.82 crores were seized by Central Board of indirect Taxes and Customs at Thiruvananthapuram Airport from a diplomatic bag that was meant to be delivered to the UAE Consulate in Thiruvananthapuram. The principal secretary to Kerala CM Pinar Ayi Vijayan, was suspended and removed from the post preliminary inquiry confirmed that he had links with Swapna Suresh, one of the accused in the National Investigation Agency (NIA) probe.
- **Adani Group Scandal (2023)**-This is a major scam of 2023. It erupted after report by Hinderberg Research accused the conglomerate of Stock manipulation, accounting fraud, and misuse of offshore tax havens. The report alleged that Adani used network of false companies in order to artificially inflate stock prices and hide debt, raising concerns about financial security and corporate governance. Adani group's Stock value plummeted by over \$ 150 Billion causing panic among investors.
- **Nirav Modi PNB Bank Fraud-** This scam was allegedly organized by Nirav Modi. This scam took place through PNB's Brady house brand. In this scams, Nirav Modi, Mehul Choksi and other two officials accused of obtaining letters of Understanding (LOU) from PNB without paying margin money against the loans. The scam was about Rs.12000 crore (US \$ 1.4 Billion).
- **Fodder Scam-** This scam is also known as "Chara Ghotala", this scam was with a whopping 900 crore and involved the infamous and forever popular Bihar politician Lalu Prasad Yadav. The scam involved fabrication of "vast herds of Fictitious livestock" for which fodder, medicine and animal husbandry equipment was supposedly procured.

CORRUPTION RANKING OF INDIA IN THE WORD

Transparency International publishes its annual report every year. There is not a good new for India as corruption ranking is 96 in 2024. The lowest corruption rate was 35 in 1995 and highest is 96 in 2024. We can also have a look that corruption was very high in the year 2011, 2012 and 2013 when other governments

were in power. After the arrival of Modi’s government there was a decline in corruption rate, but now Modi’s government has also jumped into corruption well. In 2024 the ranking reached 96 corruption rate is climbing once again. This is statistical data given by International Transparency.



Source: tradingeconomics.com | Transparency International

CORRUPTION INDEX OF INDIA IN THE WORLD

According to Corruption Perception Index (CPI) 2024, released by Transparency International, India position has declined to 96th out of 180 countries with a score of 38 out of 100, the scale where ‘0’ indicates “highly corrupt” and ‘100’ indicates “very clean”. The lowest CPI in India was 36 in 2012 and highest CPI in India was in 2018 and 2019 respectively. From 2014 continuously CPI has risen till 2019. There was improvement after the arrival of Modi government, but now the improvement is converted into deterioration.

ASIA PACIFIC

INDIA

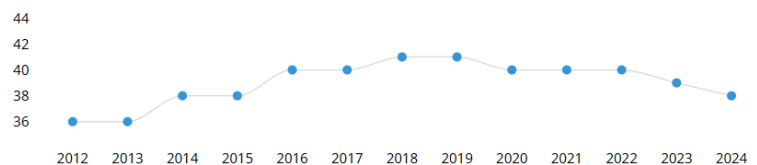
Share how your country is doing

Score
38/100 [What does the CPI score mean?](#)

Rank
96/180

Score change
-1 since 2023

Score changes 2012 - 2024



CAUSES OF CORRUPTION

- Lack of Transparency
- Lack of Whistleblower Protection
- Lack of Free Media
- Lack of Democracy
- Lack of Social Equality.
- Lack of Employment
- Lack of Loyalty to Government Officials
- Lack of Ethics
- Low Salaries and Incentives
- Too Much of Political Interference
- Bad Economic policies
- Wish To Make “Speed Money”.

CONSEQUENCES OF CORRUPTION

- Lack of Financial Stability
- Lack of Economic Growth
- Lack of Public Services
- Lack of Institutional Efficiency
- Erosion of Public Trust
- Humans Rights Violation
- Encourages Conflict and Instability
- Bureaucratic Red Tape
- Rise in Poverty

ANTI-CORRUPTION LAWS IN INDIA

- Indian Penal Code, 1980
- The Prevention of Corruption Act,1988
- The Benami Transaction (Prohibition) Act,1988
- The Prevention of Money Laundering Act, 2002
- Lokpal and Lokayakta Act,2013
- Prevention Of Corruption (Amendment),2018.

CONCLUSION

From above discussion, the researcher views that corruption remains an unsolved problem in India. It is settled in India by its roots. We know that there is not a permanent solution for corruption, but Indian Government is trying their level best to slow down the corruption. Now Corruption has become a custom in India. All government officials in every sector, make their practice that they will be not able to do work without bride, gift or some other kind.

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