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Corporate Criminal Liability and Whistleblower Protection: A Legal Appraisal of India's Regulatory Framework

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Whistleblowers have been important in white-collar crime reporting and promote transparency and accountability in the Indian governance systems. As corporate influence increases and the complexity of financial transactions grows, economic stability and trust in the system are becoming a larger and larger target of crimes like fraud, bribery, corruption, money laundering, and insider trading. Even though legislative procedures like the Companies Act, 2013, Prevention of Corruption Act, 1988, and Prevention of Money laundering Act, 2002 are established to combat these problems, their success is determined by the goodwill and safety of people to report such acts. Whistleblowing in high-profile cases, such as Satyendra Dubey or Shanmugam Manjunath, highlights the high risks exposed to whistleblowers and demonstrates the flaws in the existing law on the matter in India. This paper is a critical analysis of the Whistleblower Protection Act, 2014, its insufficient scope, the exclusion of the private sector, the ban on submitting complaints anonymously, and the lack of sufficient protection against victimisation. The analysis places longevity of the whistleblower protection in the clauses of equality and dignity in Articles 14 and 21 of the Constitution and draws the distinction between the white-collar crime in corporations and in individuals to illustrate how the two take advantage of the loopholes in laws. The article argues that whistleblowers act as the major line of defence against deep-rooted corruption. When Indian country is comparatively analysed with the United States, the United Kingdom and South Korea, it can be shown that India does not have a proper and autonomous system of whistleblower protection. The article suggests a desperate number of reforms, such as expanding safeguards to the private-sector whistleblowers, the creation of independent oversight mechanisms, guaranteeing anonymity and confidentiality, and the creation of effective anti-retaliation policies. Without these measures, combating white-collar crime in India will not be sufficient, thus compromising justice and

damaging the trust of the people. The article concludes by encouraging policymakers to embrace and implement substantive whistleblower laws in an attempt to make organisations more accountable and promote good governance.

Keywords: *whistleblower protection, white-collar crime, corporate criminal liability, vicarious liability.*

INTRODUCTION

As rightly said by Nassim Nicholas Taleb, 'If you see fraud and do not say fraud, you are a fraud.'¹ In recent decades, whistleblowers have become ever more vital in India's ongoing battle against fraud, corruption, and unethical behaviour in both the public and private sectors. Whistleblowers are individuals who expose unethical, illegal, or improper practices taking place within organisations; their courage is crucial to advancing transparency, accountability, and good governance. However, as evidenced by the tragic murders of Shanmugam Manjunath and Satyendra Dubey, whose deaths highlighted the need for stronger measures to safeguard whistleblowers in India, they often face severe retaliation, including death threats, job loss, and other threats. The government and judiciary realised the importance of protecting informants as a result of these incidents, which prompted legal reforms. Among other legislative initiatives, the Public Interest Disclosure and Protection of Informers Resolution (PIDPIR) Act, 2004,² granted the Central Vigilance Commission (CVC) the power to address whistleblower claims on a national scale. Furthermore, the Right to Information Act of 2005³ did not adequately protect RTI activists, despite the fact that it enhanced public access to information. The Lokpal and Lokayuktas Act of 2013,⁴ which established agencies to investigate corruption, did not protect whistleblowers. Despite being passed in 2014 to protect individuals who reveal corruption in public office, the Whistleblower Protection Act is essentially useless because it has not been enforced. Important limitations like the private sector's exclusion, the denial of anonymous complaints, and insufficient confidentiality protections exacerbate this. At the same time, white-collar crimes like fraud and bribery have become more prevalent in India's increasingly influential corporate sector. Without strong support from whistleblowers, three laws, the Companies

¹ Nassim Nicholas Taleb, *The Bed of Procrustes: Philosophical and Practical Aphorisms* (Penguin 2010)

² 'Public Interest Disclosure and Protection of Informers Resolution' (CCI, 21 April 20024)

<<https://www.cci.gov.in/images/publicnotices/en/pidpi-resolution-and-procedure1698727787.pdf>>
accessed 30 January 2026

³ Right to Information Act 2005

⁴ Lokpal and Lokayuktas Act 2013

Act 2013,⁵ the Prevention of Corruption Act (1988),⁶ and the Prevention of Money Laundering Act (2002)⁷ cannot effectively address these issues. In stark contrast, South Korea, the United States and the United Kingdom have more comprehensive laws protecting whistleblowers. This article examines white-collar crimes and India's current legislative framework for whistleblower protection, highlighting its shortcomings and ensuring that those who report corruption are not only heard but also shielded from retaliation.

CONCEPT OF CORPORATE CRIMINAL LIABILITY

To begin with, it is essential to recognise that establishing criminal liability it is important to fulfil the primary elements of crime, i.e., actus reus (the guilty act) and mens rea (the guilty mind). However, the main query that arises is how a company could be accused of a crime. It cannot have the required mens rea because it is an artificial person. Moreover, economic and national development are heavily dependent on the corporate sector. Additionally, large companies have begun to dominate developing countries, and India is no exception. They face serious difficulties of corruption and bribery, especially where public officials are involved. As a consequence, corporate bodies now have the capacity to cause large-scale physical and financial harm.⁸ According to Marshall B. Clinard and Peter C. Yeager, a corporate crime is any improper behaviour committed by a corporation that carries a criminal, civil, or administrative penalty from the state. Furthermore, although it is a particular type, corporate crime is included in the category of white-collar crime.⁹ Although it is a common misconception that both are the same, the primary element that differentiates the two is the beneficiaries. In corporate criminal liability, the corporation can be held liable for acts committed by its directors, officers, employees or agents. Whereas, white-collar crime generally involves fraud, embezzlement, bribery and the individuals are prosecuted rather than the corporate entity itself. In the matter of *Iridium India Telecom Ltd. v Motorola Inc.* (2011),¹⁰ the judgment serves as a groundwork for distinguishing criminal liability from individual white-collar crime. This particular case also illustrated that if the key persons

⁵ Companies Act 2013

⁶ Prevention of Corruption Act 1988

⁷ Prevention of Money Laundering Act 2002

⁸ Arti Aneja, 'Multidimensional Aspects of Corporate Criminal Liability: An Indian Perspective' (2016) JLJ <<https://docs.manupatra.in/newslines/articles/Upload/6F57BFED-0D8F-433E-983B-F4E638B4E115.pdf>> accessed 30 January 2026

⁹ Marshall Barron Clinard and Peter C Yeager, *Corporate Crime* (1st edn, Routledge 2005)

¹⁰ *Iridium India Telecom Ltd v Motorola Inc & Ors* (2011) 1 SCC 74

leading the operations of the company are engaged in criminal acts while exercising the scope of the powers vested in them, criminal liability arises. This also holds for the doctrine of vicarious liability. Generally, it states that a person may be bound to answer for the acts done by another. Although this doctrine originally emerged from the context of tortious liability, now in the modern age, it has been imported into criminal law as well. According to this doctrine, corporations can act only through their agents. As held in the case of *State of Maharashtra v Syndicate Transport Co. (P) Ltd*,¹¹ a corporate entity like a company acts through its employees and managing directors and the criminal act or the omission of any of its agents is to be considered as the act or omission of the company.¹² Section 138 of the Companies Act, 2013¹³ describes how a company could be sued for a crime.

DOCTRINE OF CORPORATE PERSONALITY AND LIFTING THE CORPORATE VEIL

However, the primary challenge that the law still faces is on whom to impose criminal liability. Should the corporate body be prosecuted or the individuals behind the fraudulent acts? Therefore, the principle of attributing a separate legal identity to a company originated. After the *Solomon* case in England, this notion began to be acknowledged worldwide. It is considered that there is a veil that exists between the company and its members, which separates the two. This has given the employees an undue advantage to commit mischief or other fraudulent activities, to safeguard them from any kind of penalties. During such circumstances, the court is left with no other option but to lift this veil, to identify the real person behind the misdeeds. Once it is lifted, the actual perpetrator is recognised and is tried for their actions in court. This is an exception to the general corporate personality rule. In easy words, corporate personality makes a corporation a legal person in the eyes of the law. The company is legally recognised; however, the recognition can be artificial or a fictitious person. As laid down in the case of *Little Mail Order Stores Ltd v IRC*,¹⁴ a company can only be safeguarded and has the benefit of being treated as a separate legal entity, only when it is genuine and is not involved in any kind of misdeed. The court also observed that just forming a company, under the Companies Act 2013, wouldn't provide them the required protection.

¹¹ *State of Maharashtra v Syndicate Transport Co (P) Ltd* AIR 1964 Bom 195

¹² Ashwini Priya, 'Vicarious Liability Under Criminal Law in India' (2024) 3(3) *International Journal of Law and Legal Jurisprudence Studies* 213 <<https://www.scribd.com/document/360943768/Vicarious-Liability>> accessed 30 January 2026

¹³ Companies Act 2013

¹⁴ *Littlewoods Mail Order Stores Ltd v Inland Revenue Commissioners* [1969] 1 WLR 1241

The court can always pierce the veil and look beyond the company's name to search for the actual offender. In legal terms, this doctrine is termed 'lifting the corporate veil.' To regulate all such offences, India has a separate legislation, i.e., The Companies Act, 2013. Sections beginning from 447 to 452 cover various offences such as fraudulent conduct of business, providing untrue statements in a prospectus, knowingly preparing financial statements or failure to keep proper books of accounts. Additionally, sections 34 and 35 allow the courts to lift the corporate veil in case a company makes misleading statements. In such circumstances, the directors and every employee who authorised the issue will be held liable. Moreover, section 39 and section 12 sanction the court to pierce the corporate veil in situations where there is a failure to return the application money and inaccurate use of the company name, respectively and so on. Besides that, the directors or the employees might also be prosecuted under the Income-Tax Act¹⁵ and the FEMA Act.¹⁶ However, in recent times, the doctrine of the corporate veil has been expanded in the aftermath of *Delhi Airport Metro Express (P) Ltd. v DMRC Ltd*¹⁷ and *State of Rajasthan v Gotan Lime Stone Khanji Udyog (P) Ltd*,¹⁸ and many more. Even so, in the present time, where corporate crime has significantly grown, there is still a lack of strict penalties for companies. The chief punishment they face is paying fines. But fines have their own set of challenges; for example, the poor are more affected than the rich, and companies with higher revenues often pay petty fines without stopping further crimes. Hence, fines alone are not effective. To make companies more accountable, harsher penalties should be introduced, such as temporary closure of the corporation or even winding up the corporation in extreme situations. The courts can also impose social sanctions, for instance, by publicly humiliating the company's reputation, leading customers to avoid the entity and causing real damage.

UNDERSTANDING WHITE-COLLAR CRIME IN INDIA

Meaning and Evolution: As previously noted, white collar crime must be distinguished from corporate criminal liability. Having clarified this distinction, it is now imperative to examine white-collar crime in greater detail. The concept of white-collar crime was first coined by sociologist Edwin Sutherland in the 1900s. During his research, he redefined the term white

¹⁵ Income Tax Act 1961

¹⁶ Foreign Exchange Management Act 1999

¹⁷ *Delhi Airport Metro Express Pvt Ltd v Delhi Metro Rail Corporation Ltd* AIR ONLINE 2021 SC 708

¹⁸ *State of Rajasthan and Ors v Gotan Lime Stone Khanji Udyog (P) Ltd and Anr* (2016) 4 SCC 469

collar crime and explained that it is a kind of crime that is often committed by the elite who violate the criminal law while performing professional activities.¹⁹ As a developing nation, white-collar crime in India has become concerning. In an effort to understand how white-collar crime started to dominate India, we need to look back at the history; the first ever white crime dates back to the 15th century in England. The rapid development took place because of numerous reasons, including advancement in technology and industrial growth. According to the records maintained by the Central Bureau of Investigation (CBI), there have been a total of 6,533 cases of white-collar crimes in India over the last ten years. Such crimes have a significant impact on the nation in modern days, where globalisation has shifted all the power dynamics in the economic game.

TYPES OF WHITE-COLLAR CRIMES

There are many different types of white-collar crimes. Some of the common types that have emerged are:

Bank Fraud: This refers to financial scams involving deception, where people misuse the banking instrument or technology to gain an unlawful advantage, weakening trust in financial institutions.

Bribery: This is the most common type of white-collar crime, where we unlawfully pay or provide services/goods to another individual in exchange for a favour.

Cyber-Crime: This primarily involves offences that are carried out through the internet to harm individuals financially, mentally or reputationally. In India, such crimes are generally governed under the Information Technology Act, 2000 and the DPDP Act, 2023.

Money Laundering: This is the process of disguising illegally obtained money as legitimate wealth by concealing its true source and ownership. In India, this act is criminalised under Section 3 of the Prevention of Money Laundering Act, 2002.

¹⁹ Moin Aftab and Irshad Ali, 'Understanding The Underbelly: The Evolution And Impact Of White Collar Crime In India' (2024) 29(3) IOSR Journal of Humanities and Social Science
<<https://www.iosrjournals.org/iosr-jhss/papers/Vol.29-Issue3/Ser-5/A2903050127.pdf>> accessed 30 January 2026

Insider-Trading: Refers to the misuse of confidential, non-public company information by insiders for personal financial gain.

LEGAL FRAMEWORK GOVERNING WHITE-COLLAR CRIMES

These are the few types; however, there are more, like forgery, tax evasion and extortion. These have a massive effect on the company as well as the national economy. They incur huge losses and also hold the potential to tarnish the reputation of the company. Although India still lacks a single comprehensive legislation dedicated exclusively to white-collar crime in India, its regulation is objectively carried out under three major statutes, namely, the Prevention of Money Laundering Act 2002 (PMLA), the Companies Act 2013 and the Prevention of Corruption Act 1988 (POCA).²⁰ POCA, 1988, which was later amended in 2018, mainly covers public servants, i.e. anyone who works under the government. The 2018 amendments also brought in corporate organisation, which means that if a company gives bribes through agents, it will be considered a crime. But as time went on, the Supreme Court expanded the meaning of ‘public servant’ to include employees of private banks and deemed colleges. On the other hand, PMLA, 2002, deals with money laundering and focuses on turning black money into white money. It permits the government to seize or confiscate money or property earned through illegal means. However, the Companies Act 2013 is the main law that governs company formation in India. It defines corporate fraud as any action where someone gains an unfair advantage while harming the interests of the company. Under this act, the Serious Fraud Investigation Office (SFIO) is additionally given the power to investigate fraud cases in companies. Besides these, several other acts, such as the Foreign Contribution (Regulation) Act, 2010, the Lokpal and Lokayuktas Act, 2013, and the Benami Property Act, 1988, among others, also govern white-collar crime in India.

CASE STUDY: SATYAM SCAM

In recent years, the penalties for white-collar crimes in India have become more rigid. Offenders now face hefty fines, sometimes even up to Rs 2,500 crore, under the Digital Personal Data Protection Act and other various legislations. Jail terms have also increased, with imprisonment of up to 10 years under the PMLA and the Companies Act. Additionally,

²⁰ Rupinder Malik, ‘The Asia-Pacific Investigations Review 2024’ (*Global Investigations Review*) <<https://globalinvestigationsreview.com/review/the-asia-pacific-investigations-review-archived/2024>> accessed 30 January 2026

the government has the authority to confiscate any property acquired through illegal means. While the general public often associates white-collar crime with corruption and bribery, the term actually covers a much wider range of offences, such as black market, match-fixing and many more. Likewise, India has witnessed several high-profile cases in this regard, with the Satyam Case being the first and one of the largest corporate frauds in the country. The Satyam Computer Services scandal of 2009 remains one of the landmark corporate frauds in India, marking a turning point in India's corporate history. Its founder, B. Ramalinga Raju, admitted to being involved in manipulating accounts since 2002 by inflating revenues and profits to create fake cash balances and even using ghost employees to divert funds. The scam gained national attention on January 7, 2009, when the founder confessed to his actions and resigned, triggering a stir nationwide. This led to the arrest of senior officials and auditors, as well as the government's intervention to replace the company's board. The manipulation of revenues eventually amounted to nearly Rs. 7,000 crores, and as a result, the investors collectively lost around Rs. 14,000 crores. Despite the scale of the fraud, the company's systems were unsuccessful in detecting these manipulations until the founder himself confessed in a letter. The aftermath saw Tech Mahindra acquiring the company and renaming it Mahinda Satyam. The scandal had a profound impact on the Indian economy and also created a climate of distrust among domestic as well as foreign investors, who began to view Indian companies with suspicion, fearing that similar frauds could surface at any time.²¹

IMPACT OF WHITE-COLLAR CRIME

The significant impact of white-collar crime in India has been far-reaching and deeply damaging. Every year, scams, frauds and embezzlement drain massive sums of money, leaving banks unstable. These crimes also push away foreign investors, and they lose their confidence in Indian markets, curtailing economic progress. For companies, they bring pecuniary and reputational harm, leading to unemployment, salary reductions and inflation for customers. On the social level, it also weakens ethical standards. In the end, white-collar crime is more than just financial and mental wrongdoing; it sabotages trust, growth and

²¹ Ahmar Afaq and Rupal Chhaya, 'Analyzing White Collar Crimes and its impact on Society' (2020) 47 Indian Bar Review <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3990855> accessed 30 January 2026

stability in the nation.²² The growing patterns of financial scams and corporate fraud in India show how vital it is to uncover wrongdoing at its roots. This is where whistleblowers play a decisive role. By disclosing hidden corruption and malpractice, they act as the initial shield against misconduct, ensuring accountability, restoring trust and preserving the integrity of both the economy and society.

ROLE AND CONCEPT OF WHISTLEBLOWERS

It is rightly said that 'courage is what it takes to stand up and speak; courage is also what it takes to sit down and listen.'²³ Similarly, whistleblowing is not about disloyalty to an organisation; it is about loyalty to justice and ethics.²⁴ A whistleblower can change the course of the entire investigation, as evident in the very recent case of the Dharma Thala temple killing and the rape of girls. The emergence of the whistleblower has brought the case of these hundred girls that were buried somewhere deep in history to light. Even though there is no specific definition of the term 'whistleblower,' in a general notion, a whistleblower is a person who unveils the veil of information from any sort of fraud, misbehaviour, or unethical activity in a particular organisation for the larger benefit of the organisation and the stakeholders involved. So, in layman's language, he is the firsthand informer of the wrongdoings in the company. A whistleblower, also known as a 'complainant,' is defined by the Whistleblower Protection Act of 2014²⁵ as anyone who divulges information regarding any of the following: a public servant's violation of the Prevention of Corruption Act of 1988;²⁶ a wilful abuse of power or discretion that causes the government to suffer a measurable loss or an unfair gain for the public servant or another party; or a public servant's commission or attempted commission of a criminal offense. According to the applicable laws, a whistleblower does not have to have been present when the violation they are reporting took place. Whistleblowers can still report information even if they were not there when the alleged incident happened. Authorities can independently assess and take action on the information provided by whistleblowers, regardless of whether they were present when the

²² Debleena Chakraborty, 'The Limited Efficacy of the Whistle-Blower Protection & Analysis of Whistleblower Legislation in India' (2025) 7(2) International Journal for Multidisciplinary Research <<https://www.ijfmr.com/papers/2025/2/38383.pdf>> accessed 30 January 2026

²³ Richard Langworth, *Churchill by Himself: The Definitive Collection of Quotations* (PublicAffairs 2011)

²⁴ Stephen Martin Kohn, *The Whistleblower's Handbook: A Step-by-Step Guide to Doing What's Right and Protecting Yourself* (Globe Pequot Press 2011)

²⁵ Whistle Blowers Protection Act 2014

²⁶ Prevention of Corruption Act 1988

alleged misconduct occurred. Anyone can be a whistleblower because there are no limitations or requirements. While the Whistleblower Protection Act, which requires complainants to disclose their identities, frequently does not accept anonymous alerts, the Companies Act allows anonymous reporting of firm activity. The Board of Directors or Audit Committee may examine the information provided in these circumstances and ask for additional information. Numerous leading Indian companies allow anonymous complaints and have put in place safeguards to protect the identity of the whistleblower and maintain confidentiality throughout investigations.

LEGAL RECOGNITION UNDER INDIAN LAW

In today's corporate arena, honesty, transparency, and integrity are essential. Indian Engineering Service officer Satyendra Dubey,²⁷ being the pioneer, became a pivotal figure in the fight against corruption in 2002 after he exposed misconduct in the Golden Quadrilateral highway construction project. In his letters to the Prime Minister's Office, he detailed instances of corruption and quality compromise; however, despite his entreaty for confidentiality, his identity was made public, ultimately leading to his tragic demise in 2003. Because of Dubey's sacrifice, which sparked public outrage and brought attention to the perilous circumstances faced by whistleblowers, the Whistleblower Protection Act was passed in 2014. This law highlights the need for a society that places a high value on accountability, justice, and transparency by protecting those who reveal wrongdoing. Activism against corruption is still inspired by Dubey's legacy. To commemorate the same, we celebrate World Whistleblower Day on 23 June each year to honour the courage of those who reveal unethical behaviour, frequently at considerable personal risk. These are crucial to upholding accountability and ethics in a wide range of industries. But they frequently run serious risks, like the potential for retaliation from big, influential names involved. Whistleblowing is the act of an employee or other concerned stakeholder disclosing illegal or immoral activity within an organisation, along with important details about such activities.

²⁷ Alpalka Bareja and Aishwarya Rajput, 'The Silent Heroes: Understanding Whistleblowers in India' (S S Rana & Co, 23 June 2025) <https://ssrana.in/articles/the-silent-heroes-understanding-whistleblowers-in-india/?utm_source=chatgpt.com%27> accessed 30 January 2026

EVOLUTION OF WHISTLEBLOWER PROTECTION LAWS IN INDIA

The Supreme Court advocated that the Central government establish procedures for handling whistleblower accusations in 2004 after the Law Commission of India recommended in 2001 that laws protecting whistleblowers be created in order to combat corruption. This directive resulted in the Public Interest Disclosure and Protection of Informers Resolution (PIDPIR) 2004, which empowered the Central Vigilance Commission (CVC) to deal with these types of complaints. In 2007, further recommendations for a specific protective statute were made by the Second Administrative Reforms Commission. Despite the fact that the Right to Information (RTI) Act 2005 allowed citizens to request information from public officials, many RTI activists have been threatened and attacked due to a lack of protection. The Lokpal and Lokayuktas Act 2013, which was designed to investigate misconduct among public officials, does not protect whistleblowers. In August 2010, the Union Government introduced a legislative bill to the Lok Sabha to protect those who reveal misconduct in government agencies. This was done by the Parliamentary Standing Committee on Personnel, Law and Justice in September 2010. by carefully reviewing and studying the Bill. The Committee was aggressive in its solicitation of public input. The input demonstrates the wish of the Committee to engage the population in the process of legislation. It is interesting to note that the general population had several Suggestions that were contained in the Bill. The Lok Sabha. The Act was finally passed on 27 December 2011, and in 2012, the Bill was presented to the Rajya Sabha. The Act was passed, with several amendments, on 21 February 2014, and later on 9 May 2014, the bill was passed into law, resulting in the Whistleblower. The Companies Act of 2013³⁴ and SEBI regulations on the necessity of corporations to recognise the books of accounts: Act 2014. The charges of the whistleblowers and guarantee their safety. The Whistleblower Protection is still going on. The (Amendment) Bill of 2015, as the current form of the Bill of 2015, is meant to tighten the disclosures even more, as it does not feature the information that is considered relevant to the national interest. This is meant to curb the scope of exposures that are under protection, which can interfere with the. The efficiency of laws that protect whistleblowers in averting the occurrence of corruption and ensuring accountability.

COMPARATIVE ANALYSIS WITH OTHER COUNTRIES

Both India and Japan are two of the nations with the most domestically listed companies,²⁸ and have yet to establish robust systems to safeguard whistleblowers. In contrast, the United States, South Korea, the United Kingdom, South Africa, and Canada have established more comprehensive systems to safeguard whistleblowers. This disparity demonstrates the loopholes in the legal system of both nations, India and Japan, which have failed to fulfil the essence for which the legal framework regarding the same was established, which may make it more difficult for those organisations to be accountable and transparent in their financial and corporate governance procedures.

LOOPHOLES IN THE WHISTLEBLOWER PROTECTION ACT, 2014

Despite having a full-fledged, dedicated legislation for whistleblowers, various gaps need to be bridged in order to ensure that it fulfils the aim for which it was drafted in the first place.

Lack of Implementation: Firstly, no matter how utopian a piece of legislation sounds on paper, its real test comes with its execution on the ground; however, the Whistleblower Protection Act 2014²⁹ has not been implemented by the government as of yet.

Absence of Anonymous Reporting: Secondly, there is no provision for accepting anonymous complaints, which not only serves as a major loophole to the law but also contravenes the fundamental rights of citizens as provided in articles 14³⁰ and 21.³¹ We have seen in the precedents set by the apex court in the past, in the monumental judgement of *K. S. Puttaswamy v Union of India*,³² that 'Right to Privacy' is included in 'Right to personal life and liberty' under Article 21. Privacy is the condition in which an individual's decisions or actions are shielded from any sort of external influence and public scrutiny. The right to privacy, which includes the ability to protect oneself from various forms of interference, whether direct (such as technical surveillance) or indirect (such as eavesdropping), is a fundamental part of this concept. According to the Ratio Decidendi in the present case, the

²⁸ Raj Krishna and Alok Kumar, 'The Whistle Blowers Protection Act and the Idea of Transparency' (SCC Online, 25 April 2025) <<https://www.sconline.com/blog/post/2025/04/25/the-whistle-blowers-protection-act-and-the-idea-of-transparency-2>> accessed 30 January 2026

²⁹ Whistle Blowers Protection Act 2014

³⁰ Constitution of India 1950, art 14

³¹ Constitution of India 1950, art 21

³² *Justice K S Puttaswamy (Retd) and Anr v Union of India and Ors* (2017) 10 SCC 1

Hon'ble Supreme Court highlighted that the right to privacy may be infringed upon in specific situations, provided that the infringement is proportionate to the intended outcome. It is important to remember that the relationship between the person who is the subject of the complaint and the complainant is not fair in these situations. In the *Prem Chand Somchand Shah v Union of India*³³ ruling, the Supreme Court emphasised that Article 14 of the Constitution protects individuals from discrimination and ensures equality among those in similar circumstances. While requiring that people in similar circumstances have the same rights and responsibilities, this clause highlights that treating diverse people equally could lead to unfairness. Any discrimination must also be appropriate and relevant to the legislative objective. Numerous whistleblowers who opposed the corrupt system have died in the past. The confidentiality of the whistleblowers' identities is therefore essential.

Issues of Confidentiality: Thirdly, concerns are raised by Section 13³⁴ because it grants authorities discretion over the identity confidentiality of complainants, opening the door for misuse. Therefore, rather than relying on the same organisational authority involved in the issues, an impartial committee must conduct the investigation.

LIMITED SCOPE (PUBLIC SECTOR ONLY)

Further, it solely touches upon the Indian public sector; the jurisdiction of the private sector is unaffected by this act. The Act only applies to government employees. Ministers of the country, members of the Union's armed forces, and Supreme Court and High Court judges are not covered because they are members of special protection groups. Government servants are perhaps not given this special immunity; hence, they are governed by this act of 2014. Moreover, the disclosures that are taken into consideration are the offences as mentioned in the Prevention of Corruption Act, 1988.³⁵ These disclosures are to be made to a 'competent authority' by the whistleblower, which is not a fixed figure or board or position, but perhaps keeps changing. For example, for disclosures with respect to the Council of Ministers of State, the competent authority is the Chief Minister of that particular state or union territory, but in the case of disclosures concerning judges (barring judges of the high court and the apex court), the competent authority becomes the High Court of the state. So, there is no one

³³ *Prem Chand Somchand Shah and Anr v Union of India and Anr* (1991) 2 SCC 48

³⁴ Whistle Blowers Protection Act 2014

³⁵ Prevention of Corruption Act 1988

fixated agency that has been bestowed with the powers of the same but varies in lieu of the nature of the case.

AMBIGUITY IN THE CONCEPTS OF VICTIMISATION AND PROTECTION

Lastly, but most importantly, the concept of 'victimisation' is established in the statute without a careful examination of its broader implications. Only by understanding the specifics of the abuse that whistleblowers have experienced can one properly assess the protections offered to them. Furthermore, the definition of 'protection' in the statute is inadequate; it only specifies that the Competent Authority must order the relevant public authority to defend the complainant. Because of the ambiguity surrounding these important terms, the statute lacks objectivity and accuracy.

RECOMMENDATIONS AND REFORMS

It is rightly stated by the apex court in the landmark judgement of *Bachan Singh v Union of India*, 'Government should be of laws, not of men.' So, walking on the same path, the way out, according to the author, for the protection of whistleblowers in white-collar crimes in India is a versatile approach to make the law governing the same truer to reality, as the same approach is true for men in the judiciary or the administration of a company. Organisations must create extensive internal policies that include non-retaliation provisions and transparent reporting procedures. Additionally, encouraging a culture of awareness and providing management and staff with methodical training boosts trust in the reporting system and creates a safe space for raising issues. Protection for private sector employees is extremely limited, especially for unorganised, unlisted companies. Therefore, a few provisions should be added via an amendment to the act in order to provide enough safeguards to the people of the private sector as well. The 'competent authority' that looks into the matter of the disclosure or complaint made by the complainant is often from the same organisation concerned with the subject matter of the complaint, which often results in allegations of corruption or bribery by the big influential names involved in the present matter. This hampers the just, fair, and impartial justice to prevail and often compromises the well-being of the whistleblower. Thus, a separate board or competent authority should be established with an independent charge so as to ensure fair and impartial justice prevails. Companies should draft clear and transparent policies for whistle-blowers and should train

their employees accordingly. As being a whistleblower often comes with personal safety at stake, many people become demotivated in the first place. Therefore, providing financial incentives wherever needed will make people zealous and motivated to report and unveil the veil for the monetary gain.

While white-collar crimes like fraud, corruption, bribery and money laundering weaken the economy and trust, whistleblowers are the first ones to disclose these crimes, but India still lacks strict protection against them. Cases like Satyendra Dubey and Shanmugam Manjunath show how unsafe for them to expose the truth without strong laws. Although the Whistleblowers Protection Act, 2014, exists, it is still very weak and not fully enforced. The legislation's scope is very narrow; it largely excludes private sector employees, and provisions for protecting whistleblowers from harassment and ensuring they remain anonymous are still ineffective, increasing violence against the informants. Public awareness of the law and its processes is very low, deterring whistleblowers from coming forward. Unlike the US or the UK, there is no legal obligation for private companies to set up independent whistleblowing boards or protections under this Act. The lack of awareness and robust regulation adds to the problem of white-collar crimes, where even after knowing, people choose to stay silent rather than risking their lives and jobs. This gives power to the powerhouse companies or government offices to harass the informants and restrict others from speaking out.

Such shortcomings can be resolved by extending the Act to include private sector disclosures, providing safeguards to prevent retaliation, and appointing independent supervisory authorities. It should be necessary for all large private and public companies to implement internal whistleblower policies and establish a national authority for investigating private sector disclosures and granting protection. The identities of the whistleblowers can also be protected to prevent backlash, but it is also imperative to balance this. Whistleblowers with mechanisms that make it necessary for whistleblowers to submit a basic amount of trustworthy information or evidence to justify an inquiry. Systems that control information flows may effectively assist in differentiating fake reports and legitimate ones through the utilisation of a set of transparent requirements. To aid in determining the credibility, whistleblowers are supposed to explain whether their evidence is founded on direct knowledge, observations or reasonable belief. Good faith reporting is highlighted with the

help of clear codes of conduct, which also discuss the consequences of abuses, and create a culture of ethical whistleblowing. Maintaining contact with the whistleblowers throughout the process and the results is much better than the dissatisfaction levels, and informs them on how to make legitimate reports. Clear and transparent management builds trust and prevents this abuse of the reporting line by raising petty issues or addressing personal scores with the company being blamed.

CONCLUSION

In conclusion, white-collar crimes are a critical menace to the Indian economy and government, and whistleblowers need to blow the whistle. Nevertheless, there are weak laws and a lack of protection that compel a lot of people to stay silent. It is necessary to reinforce the legislation, increase its scale, protect the identity, and create transparent procedures. By protecting the whistleblowers, India will be able to regain the lost trust and create an atmosphere where the truth and ethical behaviour prevail over corruption.