

Eco Crimes High in States with Low Per Capita Income

Rajasthan, UP, Bihar, WB accounted for 40% of economic crimes in 2016, although complaints across country fell 4.4%: NCRB

Ashutosh R Shyam

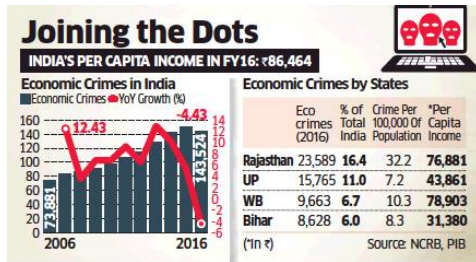
ET Intelligence Group: States with lower per capita income such as Rajasthan, Uttar Pradesh, Bihar and West Bengal seem to have scored high in one area of dubious merit. These states together accounted for nearly 40% of the total economic crimes in the country, according to National Crime Research Bureau (NCRB) data for 2016 that was made public recently. Among India's biggest states, they contributed about a fifth to the nation's gross domestic product (GDP) in FY15. GDP data from Rajasthan and West Bengal are not available for later years. To be sure, complaints of economic crimes in India dropped 4.4% in 2016, the first time it's declined in a decade. In the preceding 10 years, economic crimes grew at an annual rate of 6.8%.

Pravin Dixit, former Maharashtra

director general of police, said, "Due to various programmes initiated by several state governments such as Police Mitra in Maharashtra to increase awareness about financial fraud and measures taken by Tamil Nadu and Odisha to attach property of fraudsters, economic crimes have reduced."

NCRB defines such wrongdoing as criminal breach of trust (under Sections 406-409 of the Indian Penal Code or IPC), cheating (Section 420), counterfeiting (Sections 231-243, 255 and 489A-489E) and forgery (Sections 465, 468 and 471). Cheating cases accounted for more than two-thirds of economic cases registered in the country in 2016.

At 16%, Rajasthan accounted for the highest proportion of economic complaints. The economic crime rate in Rajasthan is 32 per 100,000 people in comparison with India's average of 11.3. Pankaj Kumar Choudhary, superintendent of



police, Rajasthan State Crime Record Bureau, said this was on account of lack of financial knowledge, particularly in the western part of the state, balanced with the swift reporting of such crimes due to efficient systems. A pickup in multi-level marketing schemes and the rising trend of lodging first

information reports (FIRs) directly through the courts have also improved crime reporting, he added.

Complaints of cybercrimes, or computer-related wrongdoing, grew 6.5% in 2016 to a rate of one for every 100,000 people, among the lowest for crime categories. Nearly 70% of cybercrimes were registered



under Section 66 of the IT Act. The motive in half of these was illegal gain followed by revenge at 10%. At 21.4%, Uttar Pradesh was the biggest contributor to cybercrimes registered under various provisions. Maharashtra registered the highest number of complaints under IPC, where investigations are typically more rigorous. Cyber-crime expert Ritesh Bhatia said the Maharashtra police has been proactive in setting up infrastructure to deal with cybercrime, which has resulted in a higher number of FIRs compared with other states where most cybercrimes are registered as formal complaints with, for instance, banks or other service providers.

With 26 reported incidents in India in 2016, credit and debit card frauds formed a small proportion of cybercrimes, due to few FIRs being filed and higher reliance on registering formal complaints.