



## **Corporate Frauds, Money Laundering and Benami Properties in India**

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## **Corporate Frauds, Money Laundering and Benami Properties in India**

### **(A) Corporate Frauds- Section 447 of Companies Act, 2013**

#### **1. Introduction on the Imprisonment + Fine (both) for Corporate Fraud under Section 447 of the Companies Act, 2013 (Act).**

- (a) Corporate frauds are increasing in India by the person(s) those are **directly or indirectly connected or even not-connected** to the corporate.
- (b) It's required that high standards for **corporate governance and strong legal provisions** should be introduced to stop and tackle the corporate fraud to be committed by the **Indian corporate**.
- (c) Now day's a growing tendency in corporate to **manipulate the financial statements** (Balance Sheet and Profit & Loss Account) commonly known as window dressing to **demonstrate as healthy and wealthy** financial statements in front of the Stakeholders, Public, Investors, Creditors and Employee along with the **Govt., banks, financial institution, Foreign Investors** and any other person. This tendency is also included under the head corporate fraud and liable for imprisonment + fine (both)
  - (i) In 2013 strong provisions are **introduced** under section 447 of the Act by way of increasing the **roles and duties** of independent directors and **statutory auditors** (both)
  - (ii) The act is more focusing on stopping and tackling of the corporate fraud as to be committed by the Indian corporate.
  - (iii) Corporate fraud is including the **financial and non-financial gain or loss** to a corporate and correspondingly financially and non-financially **loss or gain** respectively to the victim of corporate fraud



(iv) Corporate fraud is treated a **criminal liability**. Hence person committing Corporate fraud is liable for imprisonment + fine (both)

(v) **Robbery Vs Fraud**

- There are 2 ways to get something from someone **illegally** like robbery and fraud

(a) Robbery includes:

(aa) Robbery is an act where an officer(s) or any other person or group of the persons are **physically forcing someone** by using a gun or any other weapon or a brute force and also to trick someone out of his belongings is called a **robbery**.

(ab) Robbery is often **more violent and traumatic** than a fraud and it's attracts more **public** attention. However the **total loss** from a fraud is much exceeding than a **loss from a robbery**

(b) Fraud includes:

(ba) Fraud is an intentional with a deception or a **willful misrepresentation** of the material facts and is to be described by way of cheating and stealing.

(bb) Fraud is **consisting of coercing** the other person to act against his **own best interest** / wish.

(bc) Fraud is an **intentional act to induce** another person to part with something of valuable or to surrender his legal right.

(bd) Fraud is a **deliberate misrepresentation** or concealment of the information's in order to deceive or mislead someone.

(be) Fraud can be within a range from **minor employee theft to large scale misappropriation** of assets and manipulation of financial statements etc.

(vi) **Main reasons for committing a corporate fraud**

(a) Corporate fraud is generally being committed due to an **external factor** like economic, competitive, social, political and **poor control mechanism**.

- (b) Some persons are **more prone to commit fraud** rather than others.
- (c) Besides the external and internal environmental factors the **nature of people** is also more important for committing the corporate fraud.
- (d) Fraud is being committed by the **white-collar criminals**.
- (e) Corporate is an **artificial juridical person, invisible and intangible as created by law** with a discrete legal entity, perpetual succession and being operated with the common seal. Hence corporate is **more fraud prone entity**.
- (f) Corporate is an **association of various stakeholders** which are commonly known as shareholders, **public**, investors, customers, and employees (SPICE) vendors, **Govt.** and any other person.
- (g) **Major stakeholders** can be expressed in one word like is **SPICE** where :-  
**S** for shareholders  
**P** for **public**  
**I** for investors  
**C** for customers  
**E** for employees
- And along with **Govt.** and any other person. Hence a company must be **fair and transparent** with the stakeholders.
- (h) Corporate fraud is a **globalized scenario** due to the followings reasons:
- (ha) For economical accessing the **global resources**
- (hb) For attracting and retaining the **best human capital** globally
- (hc) For having **partnership with the vendors** for collaborations and also need to live in harmony with the society.
- (hd) For having embraces and demonstrates the ethical conduct by the corporate.



(vii) **Concept of Corporate Fraud under the Act**

- (a) Corporate sector is mainly regulated by the Act **through different provisions** in Act and correspondingly in rules for regulating the affairs of corporate.
- (b) The Act is **first time** properly defining about the corporate fraud.
- (c) **The definition of fraud is generally represent the following acts:**
  - (ca) **Misrepresentation** of the material facts
  - (cb) Misrepresentation must be made by a person(s) **knowingly and deliberately** with intent to deceive another person.
  - (cc) **Victim** of fraud must have **relied** on the misrepresentation
  - (cd) **Injury or damage** must be a result due to reliance by the victim on the misrepresentation

2. **Imprisonment + Fine (both) for Corporate Fraud**

(i) **Definition of the Corporate fraud**

- Now **detailed definition** of the corporate fraud and punishments for committing the corporate fraud are **properly incorporated** under section **447** of the Act.

(ii) **Imprisonment + fine (both) for committing corporate fraud**

- Now an officer(s) or any other person as guilty for committing corporate fraud is liable for an imprisonment + fine (both) under section **447**

(iii) **Quantification for Imprisonment + fine (both) for corporate fraud**

- (a) Act is providing an **imprisonment** for a **minimum** period of **6** months and **maximum** period of **10** years where corporate fraud is **minimum** for Rs. **10** lac or **1%** of the turnover whichever is lower
  - **And also** a fine **minimum @100%** and **maximum @300%** of the amount of corporate fraud where fraud is **not involving public**

- (b) Act is providing an imprisonment for a **minimum** period of **3** years and **maximum** period of **10** years where corporate fraud is **minimum** for Rs. **10** lac or **1%** of the turnover whichever is lower
- **And also** a fine **minimum @100%** and **maximum @300%** of the amount of corporate fraud where fraud is **involving public**.
- (c) Act is providing an imprisonment for a **maximum** period of **5** years where corporate fraud is **less than** for Rs. **10** lac or **1%** of the turnover whichever is lower **or** a fine for **maximum** of Rs. **20** Lac **or both** where fraud is **not involving public**.
- (iv) **Non-compoundable offence for committing the corporate fraud**
- The punishment for the corporate fraud likes imprisonment + fine (both) are **non-compoundable offences**. Hence non compoundable of offences are a serious consequence for a person(s) committing corporate fraud.

### 3. **Special Features of the Corporate Frauds**

- (i) (a) Now the corporate frauds are **treated as criminal liability** under the Section **447** of the Companies Act, **2013**.
- (b) Hence any person(s) as **involved in corporate frauds are liable for imprisonment + fine** (both) under the Section **447** of the Companies Act, **2013**.
- (ii) (a) Now the corporate frauds **are also included in the list of 29 schedule offences** under Prevention of Money Laundering Act (PMLA), **2002**.
- (b) Hence any person(s) **as involved in corporate frauds are liable for imprisonment + fine (both)** under the PMLA, **2002**
- (iii) **Inflating or deflating** of purchases, expenses **and also** incomes along with **diversion of funds** to the related parties **directly or indirectly** and misappropriation of funds through any **other mode** are also known as corporate fraud. Hence liable for imprisonment + fine (both)
- (iv) **Debiting any personal expense** of the director(s) and promoter(s) in company's books of accounts are also known as corporate fraud. Hence liable for imprisonment + fine (both)



- (v) **Reducing the tax liability** under the head direct tax and indirect tax are also known as corporate fraud through **inflating purchases and direct or indirect expenses and misappropriation of funds**. Hence liable for imprisonment + fine (both)
- (vi) **Claiming of non-allowable allowances and exemptions** under direct tax and indirect tax **with intention to reduce the tax liability** is also known as a corporate fraud as **directly or indirectly** affecting the welfare of the **public**. Hence liable for imprisonment + fine (both)
- (vii) **Manipulation through related party transactions** without matching with Arm Length Price (ALP) and taking personal benefit of the company's income and assets are known as corporate fraud. Hence liable for imprisonment + fine (both)
- (viii) **Directly and indirectly involvement** of the promoter(s), director(s), CEO, CFO and Company Secretary, independent director(s) for any **personal benefits** are known as corporate fraud. Hence liable for imprisonment + fine (both)
- **Detailed article on corporate frauds can be view at**  
<http://femainindia.com/Image/Imprisonment.pdf>



## **(B) Prevention of Money Laundering Act (PMLA), 2002**

### **1. Introduction on the PMLA**

(i) **Definition of the PMLA** is given under section 3 of the PMLA, 2002 where any **alleged activity** of Money Laundering for the purpose of converting **Non legitimize** money into **legitimize money** which was earned through **schedule offence** by a person.

(ii) **3 mandatory conditions for application of the PMLA.**

(a) **Schedule offence** should have already been committed

+

(b) **Non legitimize money** should have already been earned through alleged schedule offence

+

(c) **Non legitimize money** as earned through alleged schedule offence should have already been **converted into legitimize money** through Money laundering.

- **Hence these 3 mandatory conditions should be satisfied for application of the PMLA.**

(iii) **Burden of proof for application of the PMLA**

- **Burden of proof** that a money laundering activity has already committed is **on the Directorate of Enforcement (ED)** who is investigating the case under the PMLA. Hence burden of proof is on ED **under the head natural justice**

(iv) **History of the PMLA**

(a) PMLA was **originally passed** in year **2002**

(b) PMLA is **first time applicable** on whole of India **including Jammu and Kashmir** from **01<sup>st</sup> July, 2005**

(c) PMLA was **first amended** from **01<sup>st</sup> June, 2009**

(d) PMLA was **second amended** from **15<sup>th</sup> Feb, 2013.**



- (e) PMLA was **third amended** through Finance Act, 2015 from 14<sup>th</sup> May, 2015.
- (f) PMLA was **forth amended** through Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 from 01<sup>st</sup> July, 2015.
- (g) PMLA was **fifth amended** through Finance Act, 2016 from 01<sup>st</sup> June, 2016.
- (h) PMLA was **sixth amended** through Finance Act, 2018 from 19<sup>th</sup> April, 2018.
- (i) PMLA was **seventh amended** through The Prevention of Corruption (Amendment) Act, 2018 from 26<sup>th</sup> July, 2018.
- (j) PMLA was **eighth amended** through Finance Act (No. 1), 2019 from 20<sup>th</sup> March, 2019
- (k) PMLA was **ninth amended** through The Aadhar and other laws (Amendment) Act, 2019 from 25<sup>th</sup> July, 2019
- (l) PMLA was **tenth amended** through Finance Act (No.2), 2019 from 01<sup>st</sup> August, 2019
- (v) **Indian Corporate Frauds- Section 447 of the Companies Act, 2013**
- Now names of **29 schedule offences** under the PMLA, 2002 are also to include the **Indian Corporate Frauds** as defined under section 447 of the Companies Act, 2013.
- (vi) **Arrest under PMLA without issue of warrant and filling of FIR**
- Now all PMLA offences are to be treated as **cognizable and non-bailable**. Hence authorized officer of ED office is **permitted to arrest any person without issue of warrant and filling of FIR**.
- (vii) **Time limit for the retention of records and properties as seized during search and seizure- Section 20 and 21**
- The **properties and records** can be retained for a period **not exceeding 180 days**.



*(viii) Power of the Central Govt.*

- Now Central Govt. is **permitted to set up an Inter-Ministerial Coordination Committee** for inter-departmental and inter-agency coordination against operational and policy level cooperation **for consultation on anti-money laundering and the terror funding activities**

**2. Names of the activities under Money Laundering:-**

- (i) **Concealment**
- (ii) **Possession**
- (iii) **Acquisition**
- (iv) **Use**
- (v) **Projecting as untainted property**
- (vi) **Claiming as untainted in any other manner**

**3. Role of the ED and Financial Intelligence Unit - India (FIU-IND)**

*(i) Role of the ED*

The ED in the Department of Revenue, Ministry of Finance is **authorized for investigation** the cases against **already committed alleged money laundering** through schedule offence.

*(ii) Role of the FIU-IND*

FIU-IND under the Department of Revenue, Ministry of Finance is a central nodal agency and **authorized for receiving, processing, analyzing** and disseminating the **information's relating to alleged money laundering** and to inform the ED.

**4. PMLA outside India**

- (i) The Financial Action Task Force (FATF) on Money Laundering was **first time established through the G-7 Summit** as held at Paris in **1989** for developing a coordinating an international agency.

- (ii) First tasks of the **FATF was to develop the recommendations for setting out the measures** for the government of country's or territory's for effective anti-money laundering measures. **India is an active member of the FATF.**
- (iii) Every member of FATF is **required to have a separate PMLA** similar to the PMLA in India.

## **5. Names of 29 schedule offence under the PMLA:-**

- (i) **Companies Act, 2013 for Indian corporate frauds- Section 447**
- (ii) **Suppression of Unlawful Acts against Safety of Maritime Navigation and Fixed Platforms on Continental Shelf Act, 2002**
- (iii) **Biological Diversity Act, 2002**
- (iv) **Protection of Plant Varieties and Farmers' Rights Act, 2001**
- (v) **Information Technology Act, 2000**
- (vi) **Juvenile Justice (Care and Protection of Children) Act, 2000**
- (vii) **Trade Marks Act, 1999**
- (viii) **Transplantation of Human Organs Act, 1994**
- (ix) **SEBI Act, 1992**
- (x) **Prevention of Corruption Act, 1988**
- (xi) **Child Labor (Prohibition and Regulation) Act, 1986**
- (xii) **Environment Protection Act, 1986**
- (xiii) **NDPS Act, 1985**
- (xiv) **Emigration Act, 1983**
- (xv) **Air (Prevention and Control of Pollution) Act, 1981**
- (xvi) **Bonded Labor System (Abolition) Act, 1976**
- (xvii) **Water (Prevention and Control of Pollution) Act, 1974**
- (xviii) **Wildlife (Protection) Act, 1972**
- (xix) **Antiquities and Arts Treasures Act, 1972**



- (xx) *Passports Act, 1967*
- (xxi) *Unlawful Activities (Prevention) Act, 1967*
- (xxii) *Custom Act, 1962*
- (xxiii) *Arms Act, 1959*
- (xxiv) *Copyright Act, 1957*
- (xxv) *Immoral Traffic (Prevention) Act, 1956*
- (xxvi) *Foreigners Act, 1946*
- (xxvii) *Explosive Substance Act, 1908*
- (xxviii) *Explosive Act, 1884*
- (xxix) ***Indian Penal Code (IPC) 1860***

**6. Names of the Investigation agencies for schedule offence:-**

- (i) *ED*
- (ii) *Police*
- (iii) *Customs*
- (iv) *SEBI*
- (v) *NCB*
- (vi) *CBI*
- (vii) ***Etc***

**7. Powers of the officers of ED for investigation:-**

- (i) ***Provisionally attach the properties*** as derived or obtained directly or indirectly by a person ***through alleged money laundering*** - section **5**
- (ii) ***Conduct a survey of the place*** - section **16**
- (iii) ***Conduct a search*** of the buildings, places, vessels, vehicles or aircrafts and seize the records and properties - section **17**
- (iv) ***Conduct the personal search*** - section **18**
- (v) ***Arrest the person*** as accused for alleged money laundering - section **19**
- (vi) ***Issue a summon*** and to record the statements of the person - section **50**



## 8. Definition of the Properties to include - Section 2(1)(v)

- (i) **Corporeal** or incorporeal
- (ii) **Movable** or immovable
- (iii) **Tangible** or intangible
- (iv) **Deeds and instruments** as documentary proof for the titles
- (v) **Interest in any property** or asset as located in India and also **Outside** India

## 9. Definition of the Person to include - Section 2(1)(s)

- (i) **Individual**
- (ii) **Hindu undivided family (HUF)**
- (iii) **Domestic (Indian) Company**
- (iv) **Domestic (Indian) Partnership Firm and LLP**
- (v) **Association of persons (AOP) or body of individuals (BOI)** as incorporated or non-incorporated (both).
- (vi) **Any other artificial juridical person** “not” already covered under Para i to v as above
- (vii) **Any agency office or branch office** as owned or controlled by any of the above mentioned persons under Para i to vi as above
- (viii) **Any other legal entity**

## 10. Duties of the Authorized officers of ED office to arrest the person - Section 19

- (i) Authorized officers should have **in possession a specific material** for alleged already committed the money laundering
- (ii) Authorized officers should have **reason to believe**
- (iii) Authorized officers should have **communicated to the person** as to be arrested about the **grounds for arrest**



- (iv) Authorized officers should have **intimated to the adjudicating authority** under the PMLA.

## **11. Imprisonment + Fine (both)**

### **(i) Role of the Income Tax (IT) Department under the Income Tax Act, 1961**

- (a) Now the IT Department is **forwarding the thousands cases to the ED for investigation** against the alleged money laundering where the **incomes have been evaded** by the taxpayers.
- (b) **Imprisonment + fine (both)** are to be levied by the Income tax department for the evasion of incomes by the tax payers **over and above imprisonment + fine (both)** for money laundering **separately** on the same financial transactions.
- (c) Now the IT department is **forwarding the thousands cases to the ED for investigation** against the alleged money laundering where the **Income tax cases are time barred for issuing of notice under section 148A** of the Income Tax Act **after expiry of 10 Assessment years** against likely escaped incomes exceeding **50 lacs** per assessment year.
- (d) (da) Now the **IT department along with various offices of the revenue department, Ministry of Finance** are **forwarding the thousands cases to the ED for investigation** against the alleged money laundering **through using the latest digital techniques** like Artificial Intelligence (AI) data mining and data analyzing etc for finding the cases of Money Laundering.
- (db) Hence IT department along with others revenue departments of Ministry of Finance are **extra vigilant for finding Money Laundering cases and forwarding to the ED** for investigation under the PMLA.

### **(ii) Imprisonment + Fine (both) for Money laundering by the alleged persons**

- Imprisonment + Fine (both) by the special courts as specifically constituted for the money laundering cases is permitted for a **minimum** period **3 years** and **maximum** period **7 years** along with a fine of Rs. **5 Lac**.



(iii) **Imprisonment + Fine (both) for vexatious (illegal) search to the authorized officers of ED office- Section 62**

(a) The authorized officers of the ED office are **liable for punishment + fine (both)** for exercising the powers as available under the PMLA **without recording the reasons for search**. Hence the authorized officers are liable for imprisonment + fine (both) **for exercising the powers** without recording the reasons:-

(aa) **Search and seizure** of any building or place

(ab) **Detain, search or arrest** any person

(b) The authorized officers are liable for **imprisonment** for a **maximum** period **2 years** or a **maximum** fine of **Rs. 50 thousand** or both.

(iv) **Imprisonment for the false information's or failure to give information etc by alleged person to the ED office -Section 63**

- **Imprisonment** is permitted for a **maximum** period **2 years** and also **maximum fine Rs. 50 thousand** or both for willfully and maliciously giving false information's.

(v) **Designated Special Courts for punishment under the PMLA-Section 43**

- The Central Government **in consultation with the Chief Justice of the High Court's** is permitted to **designate one or more Courts as special court(s)** for such area(s) for such case or class or group of cases as may be **specified in the notification** by the central govt.



## **(C) Benami Transactions (Prohibition) Amendment Act, 2016**

### **1. Introduction on the Benami Transactions (Prohibition) Amendment Act**

(i) (a) This Act is empowering to the authorized authorities for the **provisional attachment** (Confiscation) **of the Benami properties**.

(b) Confiscation of the Benami properties is to **prohibit any transfer, conversion or disposition** of the Benami properties.

### **2. Definition of the Benami Transactions to include:-**

(i) Any transaction or arrangement as made by the **real beneficiary** (actual owner) **through using the name of another person** instead of using his own name.

(ii) Any transaction or arrangement as made by the **actual owner through using name of a fictitious person** instead of using his own name.

(iii) Any transaction or arrangement as made by the **actual owner through using name of another person** where another person is **not aware about knowledge of his ownership**.

(iv) Any transaction or arrangement as made by the **actual owner through using name of another person** where the **actual owner is not traceable**.

(v) Any transaction or arrangement as made by the **actual owner through using any right**, interest, legal document or instrument as evidencing an interest in a properties where the **title is in the name of another person** instead of using his own name.

(vi) (a) However **Benamidar is not permitted to re-transfer** the benami properties to the actual owner.

(b) Hence any such **transaction if undertaking shall be treated as invalid** under the Benami Act.



### 3. **History of the Benami Act, 2016**

- (i) *Benami Transactions (Prohibition) Act, 1988 (Old Act) was first introduced to **prohibit benami transactions and to recover the benami properties.***
- (ii) *Old Act was containing **8 sections only.** Moreover the rules, regulations and **procedures for the implementation of the old Act were not framed.** Hence old Act became ineffective.*
- (iii) *Benami Transactions (Prohibition) Amendment Act, 2016 (**the Act**) is enacted in July 2016 with **72** sections along with the rules, regulations and **procedures for the implementation of the Act.** This Act is applicable from November **01, 2016.***

### 4. **Exempted properties under the Benami Act**

- (i) *Any **property as held by the Karta** or by a member of Hindu Undivided Family (HUF) on behalf of the HUF*
- (ii) *Any **property as held by a person as trustee, partner, director or depository** in a fiduciary capacity on behalf of the trust, partnership firm/ LLP, company or depository.*
- (iii) *Any property **as held by a person in the name of his spouse or children** including step children*
- (iv) *Any property **as jointly held by a person with his lineal ascendant, lineal descendant, brother or sister** where his **share of total consideration** is also paid by his lineal ascendant, descendant, brother, sister from his **own sources.***

### 5. **Power of the Govt. Authorities**

- (i) ***Discovery and inspection** of the benami properties*
- (ii) *Instruction to **produce the books of accounts***
- (iii) *Receiving any **evidence on the affidavit***
- (iv) ***Confiscation** of the benami properties*



## 6. Definition of the Benami Properties to include:-

- (i) Any **movable or immovable** property
- (ii) Any **tangible or intangible** property
- (iii) Any **corporeal or incorporeal** property
- (iv) Any **right, interest, legal document** or instrument for the evidence an interest in a property.

## 7. Punishment + Fine (both) under the Benami Act

- (i) **100% confiscation** of the properties as involved under the Benami Act
- +
- (ii) **Imprisonment** for a **minimum** period of **1 year** and **maximum 7 years** under the Benami Act
- +
- (iii) **Additional fine maximum 25%** of the **fair market value** of the properties under the Benami Act
- (iv) Hence total **maximum fine** is **125% as 100%** confiscation of Benami properties + **additional fine a maximum 25%** of the **fair market value** of the properties under the Benami Act
- +
- (v) (a) **Additional Imprisonment** a **minimum** period **6 months** and **maximum 5 years** for **not providing** or providing the false information(s) under the Benami Act
- +
- (b) **Additional fine a maximum 10%** of the **fair market value** of the properties for **not providing** or providing the false information(s) under the Benami Act
- (vi) **Imprisonment + fine (both) are applicable on the actual owner + Benamidar (both).**



## **8. Role of the Income Tax (IT) Department under the Income Tax Act, 1961**

- (i) **Now the IT Department is forwarding the thousands cases to the authorized officer under the Benami Act for investigation against the alleged benami properties where the incomes have been evaded by the taxpayers.**
- (ii) **Imprisonment + fine (both) are to be levied by the Income tax department for the evasion of incomes by the tax payers over and above imprisonment + fine (both) for benami properties separately on the same financial transactions.**
- (iii) **Now the IT department is forwarding the thousands cases to the authorized officer under the Benami Act for investigation against the alleged benami properties where the Income tax cases are time barred for issuing of notice under section 148A of the Income Tax Act after expiry of 10 Assessment years against likely escaped incomes exceeding 50 lacs per assessment year.**
- (iv)
  - (a) **Now the IT department along with various offices of the revenue department, Ministry of Finance are forwarding the thousands cases to the authorized officers under the Benami Act for investigation against the alleged benami properties through using the latest digital techniques like Artificial Intelligence (AI) data mining and data analyzing etc. for finding the cases of benami properties.**
  - (b) **Hence IT department along with others revenue departments of Ministry of Finance are extra vigilant for finding benami properties cases and forwarding to the authorized officer for investigation under the Benami Act.**
- (v) **Now Revenue department is motivating to the general public to provide information's regarding benami properties based on the award money as to be given a certain percentage of the benami properties.**



## **(D) Nexus between Corporate Frauds, Money Laundering and Benami Properties**

### **1. Introduction on the Nexus**

- (i) The **Corporate frauds are the beginning point** where corporate are **non-legitimately taking money from the business and converting the non-legitimate money into legitimate money through money laundering** with the help of benamidar and thereafter **investing in the benami properties**.
- (ii) Now the corporate frauds as **defined under section 447** of the Companies Act, **2013** are **included in the list of 29 schedule offences** where PMLA, **2002** is applicable.

### **2. Statement of Imprisonment + Fee for Corporate Frauds, Money Laundering and Benami Properties**

<b>S. No</b>	<b>Minimum or Maximum</b>	<b>Under Corporate Frauds</b>	<b>Under PMLA</b>	<b>Under Benami Properties</b>	<b>Total</b>
<b>1</b>	Minimum Imprisonment	<b>6 Months or 3 years</b> (as case may be)	<b>3 Years</b>	<b>1 Year</b>	<b>4 and half years or 7 years</b>
<b>2</b>	Maximum Imprisonment	<b>10 years</b>	<b>7 Years</b>	<b>7 Years</b>	<b>24 years</b>
<b>3</b>	Minimum Fine	<b>100% of amount of corporate fraud</b>	<b>5 Lac</b>	<b>125% of amount of benami properties</b>	<b>225% of amount involved + 5 Lac</b>
<b>4</b>	Maximum Fine	<b>300% of amount of corporate fraud</b>	<b>5 Lac</b>	<b>125% of amount of benami properties</b>	<b>425% of amount involved + 5 Lac</b>



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