
EVALUATING AML REGULATIONS AGAINST NEW FRONTIERS OF MONEY LAUNDERING IN INDIA

BY LAVVANYA MITTAL¹

ABSTARCT

When words like crime, police, and victims flash, the first thing that comes to the mind of a lot of people would be bloodshed, an unshaven man, a knife, and a dead body. Not many wondered and investigated about crimes that include none of this but still prove to be more dangerous altogether. White collar crime is no less than a silent epidemic that bleeds the country to the core, victimizing not a few but the entire nation. In this article, I have critically analysed various reports and research pieces so understand the functioning of white-collar crimes from its inception to its current form. I have begun by explaining the technical aspects of white-collar crime and how it is often underestimated in comparison to traditional crimes. Later, this piece delves into the historical grounds formulated by great thinkers and religious texts that show early reference to the prevalence of these economic crimes. On a similar undertaking Santhanam committee formulated the Indian framework and strategy against money laundering. The second half discusses on the mechanics involved in performing the laundering, with a special focus on the banking industry and the growing online gaming industry in India. By dissecting present-day legislations and identifying existing gaps, this study has proposed recommendations that aim to address the challenge of borderless digital economic crimes. It concludes with the understanding that incomplete legislations contribute to the infringement of law.

¹ The author is a law student at O. P. Jindal Global University, Sonipat, Haryana.

INTRODUCTION

1. IS WHITE COLLAR CRIME THAT GREAT OF A PROBLEM?

When words like crime, police, and victims flash, the first thing that comes to the mind of a lot of people would be bloodshed, an unshaven man, a knife, and a dead body. Not many wondered and investigated about crimes that include none of this but still prove to be more dangerous altogether. Money laundering has soaked attention from worldwide as ever rapidly growing global challenge, which is faced by both rich and developing countries alike.

White collar crime, in layman's language, can also be explained as turning "dirty money" into money that seems "clean" and genuine. Such fraudulent activities assume the role of a potential threat to the integrity of financial institutions, harm the economic planning and decision-making of the country, and aggravate social issues. The International Monetary Fund (IMF) and the World Bank estimate that approximately 2-4% of the world's Gross Domestic Product (GDP) is derived from illicit sources, underscoring the magnitude of this problem.²

People's lust, greed for more money or wealth, power, and influence in society are the primary reasons that lead to tax evasion, violations of laws and regulations, and when read with the existing societal flaws like corrupt bureaucratic practices, political activities, growth in government spending, decline in the social and moral fabric of society, it produces circumstances where there exists no or very low risk of being caught, found guilty, and punished. These have turned out to be among the main causes of illicit economic benefits and the emergence of black money.³ The main causes mentioned above have caused distortions in macroeconomic growth components like output, employment, investment, consumption, saving, spending, and others, as well as disruptions in the structural balance of economic frameworks and poor planning procedures.

2. WHY WHITE-COLLAR CRIMES ARE MORE DANGEROUS THAN YOU THINK?

The expanding horizon of money laundering in the global arena is indicated by estimates that put its annual cost at above \$1 trillion. A thorough analysis of money laundering and its effects on real estates was also provided by JD Agarwal and A Agarwal, who predicted that global money laundering could reach up to \$2.0 to \$2.5 trillion annually in 2006, or around 5-6% of

²Friedrich Schneider, *Money Laundering and Financial Means of Organized Crime: Some Preliminary Empirical Findings* (CESifo Working Paper, revised July 2008)

³J.D. Agarwal & Aman Agarwal, *Money Laundering: The Real Estate Bubble*, ResearchGate, June 15, 2007, https://www.researchgate.net/publication/242483477_Money_Laundering_The_Real_Estate_Bubble.

the global GDP.⁴ These reports highlight the extent of illicit activities and the need for the implementation of urgent methods to combat money laundering, as it not only undermines the growth and stability of respective states, especially developing nations, but also has a domino effect on the global front.

Countries all over the globe have put in place stringent regulatory frameworks and anti-money laundering (AML) measures in response to the growing threat and increasing prevalence of money laundering. Financial institutions require the corporations of their respective countries to follow and comply with these guidelines. However, since money laundering is an international crime that crosses national boundaries, the effectiveness of these efforts frequently depends on the extent of international cooperation on these matters. The global economy's interconnection with financial and technological improvements has provided criminals with opportunities to develop new ways to take advantage of regulatory system flaws.

With the rise in emergence of digital currencies and online banking systems, there is a rise in complexities that might arise in the fight against money laundering. The ease with which criminals can now transfer money across borders makes it harder for authorities to navigate the source and bring these illegal activities to an end. In addition to already existing difficulties, there are also new markets for money laundering, such as cybercrime, drug smuggling, and human trafficking. Proactive Anti Money Laundering strategies are required in light of these evolving trends, as more sophisticated money laundering scenarios may need the use of more sophisticated techniques than those still in use.

The success or failure of initiatives to prevent money laundering is largely contingent on the human element. To prevent the commission of any sort of crime, the foremost thing is to identify the motives of those committing it, and for this purpose understanding of the behaviours and motivations of those engaged in these illicit financial frauds are important. With less attention being paid to White collar crimes in comparison to traditional offenses, it is crucial to educate society about the dangers of money laundering, which can greatly improve the efficacy of Anti-money laundering procedures.

India too has joined the battle against White collar crime via the formulation of the Prevention of Money Laundering Act [PMLA], which was put into effect in 2002, providing the Law

⁴Id

enforcement authorities with the tools they need to investigate and prosecute offenders behind money laundering operations.

THE EVOLUTION OF WHITE COLLAR CRIMES

The concept of "white collar crime," or WCC as usually called for convenience, which is often described as nonviolent crimes carried out for financial gain by people, companies, and public authorities in positions of power has become popular in the fields of research and debate in criminology and sociology. To dive deep into the irregularities faced today in terms of challenges in addressing White collar crime, an awareness of its historical explanations provided by different scholars is necessary.

1. EARLY PHILOSOPHERS AND THE MORAL ECONOMY

The idea of white-collar crime is not so new; it has existed since time immemorial however it has not received the required attention which makes it seem like a relatively new concept. The Bible and the writings of ancient thinkers such as Aristotle have offered their views and early examples of what we would today know as white-collar crimes. Back in the fourth century BC, Aristotle pointed out the moral ramifications of public officials and expressed white-collar crime as embezzlement of funds by these officials. He discussed how Athens's constitution classifies stealing public funds as a serious offense that calls for harsh punishments.

Similarly, religious texts like The Bible and other ancient religious texts condemn several exploitative business activities as harmful and counter to the common good. They may not have been legally defined as crimes, but they were certainly regarded as morally wrong. For example, admonitions about the immorality of cheating in the marketplace can be found in Proverbs (11:26): "He that holdeth corn, the people will curse him: But blessing shall be upon the head of him that selleth it." Similarly, Deuteronomy (25:13) declares: "For every one practicing unfairness is abominable to the Lord your God."⁵ According to Talmudic scholars, "The Talmud excoriated those who hoarded food in order to resell it at a high price, tampered with weights, measures and raised prices unjustly.

American sociologist Edward Alsworth Ross railed against "the criminaloid," that is, powerful business owners and executives who exploit people and manipulate the marketplace out of an

⁵Neal Shover & Andy Hochstetler, *White-Collar Crime: An Opportunity Perspective* (Routledge 2005); Bible Study Tools, <https://www.biblestudytools.com/proverbs/11-26.html> (last visited Aug 2025).

uninhibited desire to maximize their profits, all the while pretending to be pious and respectable.⁶ There are certain notable people and historical texts that talked about white collar crime long before Sutherland did. Though the form of these crimes has evolved from mischievous activities of floating in false prices of commodities in the market to hawala or shell companies, the very elements of such offences, i.e., status of the offender and the financial nature of the crime, remain the same even today.

2. CRIMINAL IN A SUIT?

Sociologist Edwin Sutherland was the first one to use the phrase "white collar crime" in his speech of 1939, which he delivered while addressing the gathering of the American Sociological Association. Sutherland was driven mad by the myth that crime was mostly related to lower socioeconomic groups. He focused on the criminality of the cream layer of society, which is the business leaders, on one hand, and denouncing the criminal justice system which is found to be unfair to the poor and frequently disregards the illicit actions of powerful people, on the other.

In his most famous book, *White-Collar Crime*, he defined it "as a crime committed by a person of respectability and high social status in the course of his occupation".⁷ This was groundbreaking research conducted by Sutherland as his definition moved the emphasis from traditional to crimes committed by people who are considered to be the cornerstones of society. Economic and corporate transgressions are often ignored; Sutherland's research drew attention to the need for a more class-inclusive study of crime.

Sutherland's definition sparked a deal of discussion and controversy. Critics contended that his emphasis on social status overrides the conventional crimes like murder and narcotics etc committed by the upper class. However, Sutherland's work paved the way for other investigations into white collar crime and encouraged researchers to look into the causes, means, and effects of these crimes.

THE SANTHANAM COMMITTEE: WHEN HIDDEN CRIMES MADE IT TO THE NATIONAL HEADLINES OF INDIA

The formation of the Santhanam Committee in India was in response to need for investigation into the increasing cases of corruption and bribery in the early 1960s, which eventually brought

⁶Id

⁷Id

attention to the issue of white-collar crime as well. The report acknowledged the rise of white-collar crime as a serious problem and promoted legal changes to guarantee quick trials and criminal punishment.

The Santhanam Committee report emphasized on the necessity of comprehending the socioeconomic setting in which white collar crimes are perpetrated. It stressed on the instances of the inter-connectivity between privilege, power, and criminality and accentuated that those in positions of authority frequently make use of their privilege to act unethically. This point of view paved the way for establishment of regulatory frameworks in order to successfully address white collar crime.

1. THE BIRTH OF NEW REGULATIONS

The Central Vigilance Commission and the Prevention of Corruption Act are two of the anti-corruption laws and institutions were inceptioned in India as a result of the committee's recommendations.⁸ These programs sought to improve accountability and transparency in public administration, thus rising understanding to deal with white collar crime in the larger framework of public trust and governance.

The committee's framework is significant even today but with the advent of modern technology, navigating white collar crime has become even more complex. There are now higher chances for fraud and wrongdoing, with less risk of being prosecuted, because firms are depending more on digital platforms and complex financial systems for their daily functioning. Therefore, inclusion of tech-savvy investigation procedures has become inevitable. A few instances of prone-stricken technologies are cybercrime, identity theft, and online fraud.

The Public's trust in institutions, national security, and individual lives is shaken due to the existence of such offenses. Researchers and legislators must keep up with new developments in white collar crime, which has far-reaching and long-term effects on society as a whole, and devise potent countermeasures as the field of technology advances.

To manage the crisis of business malfeasance and corruption in India, the Companies Act, and the Prevention of Corruption Act have been put into action by the government of India. These legal frameworks reflect the need to regulate moral understanding and course of action opted

⁸Cyril Amarchand Mangaldas, *Investigations and White-Collar Crimes: Enforcement Trends 2025(2025)*, <https://www.cyrilshroff.com/wp-content/uploads/2025/05/Investigations-and-White-Collar-Crimes-Enforcement-Trends-2025.pdf>.

by big corporate houses and to hold people and organizations accountable for their deeds. Over and above this there exists a series of international conventions that have come into force since 1980s to strengthen the efforts for combating money laundering and its ill effects namely⁹ –

- A. The 1988 Convention (against illicit Traffic in Narcotic Drugs and Psychotropic substances).
- B. The 1989 G-7 Summit FATF 40 Recommendations.
- C. The 1990 Strasbourg Convention (towards the Council of Europe's Convention on Laundering).
- D. The 1991 and 2001 European Directives by the EC and EP.
- E. The Naples Action Plan (based on the World Ministerial Conference on Organized Transnational Crime).
- F. The 1997 OECD Convention on Corruption
- G. The 1998 New York Action Plan (based on UN General Assembly session on Narcotic Drugs and Psychotropic substances)
- H. The 1999 French Convention for Suppression of the Financing of Terrorism
- I. The 1999 Money Laundering Bill in India (followed by FERA 1973 and then FEMA 2001) as a result of IIF-FIU study
- J. The 1999 G-7 Financial Stability Forum (to promote international financial stability through exchange of information and international cooperation's)
- K. The 2001 USA Patriot Act (to counter money laundering and terrorist movements)
- L. The 2004 IMF-World Bank decision to combat Money Laundering (this was greatly influenced by the keynote address on 26th March 2004 delivered by Prof. J. D. Agarwal in Manila to Banker's, which was covered internationally via news agencies and papers. The IMF-World Bank took decision on 3rd April 2004, ADB on 6th June 2004 and RBI on 12th November 2004.

Nonetheless, there has been a series of debates and controversies over the efficiency of these regulatory systems. When we look at the functioning of regulatory bodies today, we realise that there is a lack of the tools and power necessary to properly prosecute or even investigate white collar crimes. Additionally, the intricacy of financial systems

⁹Dr. U. Amaleswari, A Review on Current Trends and Prediction of Indian Financial Services, 6 J. Emerging Techs. & Innovative Res. 486 (2019).

and globalization it has become difficult for the agencies to remain updated with new trends of technology used by offenders.

INSIDE THE SHADOWS: THE MECHANICS OF MONEY LAUNDERING

Money laundering is a critical issue that poses a potential challenge to both financial institutions and law enforcement organizations, in today's global financial arena. Money laundering is often associated with crimes like drug trafficking, human trafficking, terrorism, fraud, and corruption, to name a few. Hiding the source of money gained unlawfully, makes it harder for law enforcement to link the funds to their original illegal source. Placing, stacking, and integration are the three primary steps that are involved in the process of tracing these funds. These are-

1. PLACEMENT STAGE

Investing the "dirty money" into the financial system and the economic cycle is the first step in money laundering. The launderers introduce these illegal funds in form of smaller, less noticeable amounts into the market. This is done to avoid being discovered. These smaller sums could be deposited by perpetrators into bank accounts, by disguising in the shape of high-value things like luxury goods, real estate, or artwork, or purchased as monetary instruments like money orders or traveller's checks.

Placement is the most delicate stage as it marks the beginning of this malicious cycle, where illegal funds are placed in the market. To make this procedure easier, criminals frequently take advantage of a variety of financial organizations, such as credit unions, banks, and non-bank financial enterprises. They might also make use of unofficial financial networks like hawala, which facilitate money transfers without the necessity for official banking channels.

2. LAYERING STAGE

The following step is layering, which occurs after the illegal funds have been engraved in the system. "Layering" refers to the separation of illicit proceeds from their source by creating complex layers of financial transactions. Layering conceals the audit trail and provides anonymity. Shifting money between several accounts, both domestically and abroad, purchasing and selling bonds and stocks, or using shell businesses to further detach the cash from their illegal source are some ways that are often deployed by offenders to make it harder for investigators to trace a complicated trail and track down the origin of such funds.

3. INTEGRATION STAGE

The last phase is called the “integration stage” of money laundering which involves reintroducing the money, that has been pictured as real money all this while, into the economy. From here this amplified money is then invested in companies, properties, and high-end items. The integration stage is important as the offender not only gains the principal amount back but also earns profit from their illegal activity without arousing suspicion. Launderers may employ complex financial instruments, such as guarantees, prime bank notes, and letters of credit, to further legitimize their finances during integration. The more "dirty money" that finds its way into the financial system, the harder it is to find its original source and the more difficult it is for authorities to take action.

More advanced money laundering techniques are imposed in the layering and integration stages. Cash is now injected in large quantities into the financial system via exchange houses and many more non-bank financial institutions.¹⁰ It is moved not only through wire transfers but also through a wide range of licit and illicit financial instruments, such as prime bank notes, bonds, other securities, and letters of credit. Also, there is a lack of requisite improvement and corresponding advancement in the global financial system to confirm the beneficiaries or legitimacy of these instruments.

ECONOMICS OF WHITE-COLLAR CRIME

Money laundering has the potential to weaken the global economy to a great extent, which is estimated to be worth \$2 to \$2.5 trillion yearly, or 6 to 8% of global GDP. Such felonious activities make the countries prone to terrorism and impeding financial institutions that would be so devastated until such actions get identified and prosecuted that it will take another 20-25 years to rebuild and bring the economy back to its original strength.¹¹ The above-mentioned steps i.e. placement, layering, and integration, are most important as they help one to hide the source of money that were obtained unlawfully.

BANKING SECTOR: MEDIUM, REGULATOR AND CAUSE

¹⁰J.D. Agarwal & Aman Agarwal, Keynote Address on Money Laundering: New Forms of Crime Victimization (Current Trends and Modus Operandi), Indian Institute of Finance, <https://iif.edu/director/articles/20061118art001.htm> (last visited August, 2025).

¹¹Friedrich Schneider, *Money Laundering and Financial Means of Organized Crime: Some Preliminary Empirical Findings* (CESifo Working Paper, revised July 2008).

The banking sector is the epicentre of almost all financial activities or transactions worldwide, thus providing services requisite for economic growth. However, the integrity of financial institutions is often attacked by misusing the banking system, posing a threat to society at large. This situation is fuelled by existing vulnerabilities like lack of transparency, absence of vigilant regulatory oversight, and culture of secrecy. Prevalence of such customs where client confidentiality is prioritized over due diligence, the clients utilize this opportunity to hide their illicit funds. The majority of these institutions are private banks and other offshore institutions.

Private banking services are mostly made use of by big shots, who deposit large amounts of illicit money which is further presented to these private institutions as collateral for loans. This process is financially beneficial for both the money launderer as well as the bank. Moreover, private banks also provide opportunities in terms of offshore accounts and shell corporations, creating anonymity over the number of accounts being held by a single client globally, making it difficult for the authorities to regulate and monitor the financial activities of the client. These offshore banking accounts and tax heavens are global financial hubs located in jurisdictions with strict privacy laws thus supplying high level of obscurity to launders. The lack of coordination and treaties among countries mandating sharing of information of suspicious financial conduct heightens the debilitating situation.

Some of the most common methods of money laundering involving banking sector includes cash smuggling, structured deposits, and the use of monetary instruments such as cashier's checks and money orders. In India, the Black-Market Peso Exchange and underground banking systems like Hawala are also prevalent.¹²

The Indian banking sector has witnessed numerous cases of money laundering, with investigations revealing the involvement of both domestic and international players. For instance, the infamous Punjab National Bank scam highlighted how bank officials colluded with private entities to facilitate fraudulent transactions, resulting in massive financial losses. Such cases underscore the need for stronger regulatory frameworks and more stringent enforcement of existing laws.¹³

¹²J.D. Agarwal & Aman Agarwal, Keynote Address on Money Laundering: New Forms of Crime Victimization (Current Trends and Modus Operandi), Indian Institute of Finance, <https://iif.edu/director/articles/20061118art001.htm> (last visited August, 2025).

¹³Business Standard, What Is PNB Scam, Business Standard, <https://www.business-standard.com/about/what-is-pnb-scam>, (last visited August, 2025).

ONLINE GAMING INDUSTRY

When the whole world went to slow-paced race during the 2019 covid pandemic, the online gaming industry grew extensively. Online gaming is majorly of two types- one played with skills, and one played by chances. The second category is often exploited to perform money laundering by the offenders.

Money laundering through the online gaming industry works by manipulating the virtual economies and lightly policed systems for transactions embedded in gaming platforms. Such money launderers use the systems to "purify" illegal proceeds by incorporating them into the electronic stream of in-game currency and goods that frequently maintain real-world exchange value. It usually starts with the acquisition of virtual credits, coins, or assets through the illegal use of money usually acquired through means such as identity theft, credit card theft, or organized crime proceeds. Such assets, whether virtual weapons, character boosts, or skins, may increase in value based on demand and are often traded or sold within the virtual game or third-party markets.

One of the factors that make online games so vulnerable to money laundering is the sheer number of microtransactions and the anonymity with which players frequently operate. Criminals can utilize multiple accounts or enlist unwitting players' help to transfer digital goods from one account to another, obscuring where the money originally came from and where it is going. In multiplayer online role-playing games (MMORPGs) or e-sports betting websites, they are sheathed in multiple layers of legitimate gameplay as well as social interaction, mixing the criminal activity into the background transactional noise.¹⁴

In addition to this, many games provide users with app in built virtual assets that are bought using some game points but in reality, these assets hold real time monetary value and are therefore converted into fiat currency or transferred to other players who then make use of it in real time. These players are sitting across the globe using both fake and real accounts, thus adding an extra layer of complexity to investigation of money laundering acts.

ANTI- MONEY LAUNDERING REGULATINS IN INDIA

1. PREVENTION OF MONEY LAUNDERUNG ACT

¹⁴Cyril Amarchand Mangaldas, *Investigations and White-Collar Crimes: Enforcement Trends 2025(2025)*, <https://www.cyrilshroff.com/wp-content/uploads/2025/05/Investigations-and-White-Collar-Crimes-Enforcement-Trends-2025.pdf>.

The Prevention of Money Laundering Act (PMLA) is the main legislation to combat money laundering in India and is administered by the Directorate of Enforcement (ED) under the Ministry of Finance. The Act covers not just direct criminal benefits but also properties possessed or transferred overseas. The field of the Act has been greatly extended in recent years. In 2023, the Ministry of Finance amended the definition of "reporting entity" under Section 2(1) (wa) to incorporate means a banking company, financial institution, intermediary or a person carrying on a designated business or profession.¹⁵ Casinos and gaming operations in cash or kind are some examples of these games. These players are now obliged to have in place stringent anti-money laundering (AML) measures, such as customer due diligence (CDD), KYC processes, record maintenance, and periodic reporting of large or suspicious transactions, whether cash or otherwise.

In spite of these developments, the existing regime under the PMLA remains inadequate to regulate the fast-emerging online gaming industry, particularly games of skill. Recently in January 2025, India's financial intelligence unit charged Bybit fintech limited with a penalty of INR 9,27,00,000 for not abiding by the mandatory registration of VDA providers under PMLA as reporting entities.¹⁶

2. FOREIGN EXCHANGE MANAGEMENT

However other legislations like foreign exchange management act [FEMA] and tax regulations have elaborated their provisions to cover this gap. Under FEMA read with the Foreign Exchange Management (Current Account Transaction) Rules (Current Account Rules), remittance (i) out of lottery winnings, (ii) for purchase of lottery tickets, banned/prescribed magazines, football pools, sweepstakes, etc., and (iii) of income from racing/riding, etc., or any other hobby, is prohibited.¹⁷ Thus, such a provision covers all activities that might get defined under hobbies.

3. TAXATION

In august 2023 as well, an amendment was introduced to central goods and services tax act, 2017 and Integrated Goods and Services Tax Act, 2017 (IGST Act) with regard to recent trends of online gaming. Herein online gaming is defined wherein players involve any real time

¹⁵Id

¹⁶J. Sagar Associates, JSA Newsletter: Anti-Corruption, White Collar Crimes and Investigations Practice (Apr. 2025), <https://www.jsalaw.com/newsletters-and-updates/jsa-newsletter-anti-corruption-white-collar-crimes-and-investigations-practice-april-2025/>.

¹⁷Id

money or virtual digital assets in expectation of winning the larger amount in game based on skill or chance or both. In lieu of the amendment online games based on skill are taxed at the rate of 18% and that on chance is 28%. By doing that the government has indirectly put the obligation on tax collectors or reporting entities of this gaming industry to check the authenticity of players.¹⁸

4. BRIDGING THE GAPS

Despite the above efforts, India needs to buckle up and make more elaborate and stringent laws in terms of online gaming industry which in recent times has become the largest dispensary of money laundering. In the light of the fact that Indian online gaming industry is likely to touch INR 388 billion by 2026.¹⁹

In the light of the same licensing of the game providers shall become mandatory and an imposed duty of conducting due diligence of all their clients shall too become compulsory²⁰, this not only reduces the crime rates altogether but also makes the whole investigation quick and efficient in cases otherwise. This helps in quick identification of the gaming platform from where reportedly any illegal financial transaction might have taken place.

Another solution could be to use AI for regulatory and monitory purpose. This will reduce the huge time frame that exists between generation, transfer and detection of illicit funds.²¹ Machines have proved themselves more vigilant and provide 24/7 surveillance of some targeted bank accounts and transaction. For this investing in digital forensics and AI learning becomes important. Its high time that India should step in with its swadeshi LLM model to establish its digital security and break the dichotomy of US and Chinese AI models.

CONCLUSION

White-collar crime and money laundering especially, evolves at a speedier rate than the law intended to counter it. From ancient moral prohibitions to contemporary cyber loopholes, the root motive has always been constant to hide ill-gotten gains to maintain power, wealth, and

¹⁸Press Information Bureau, Cabinet approves the Scheme for Promotion of Research and Innovation in Pharma-MedTech Sector (PRIP), PIB, Sept. 20, 2023, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1945208>.

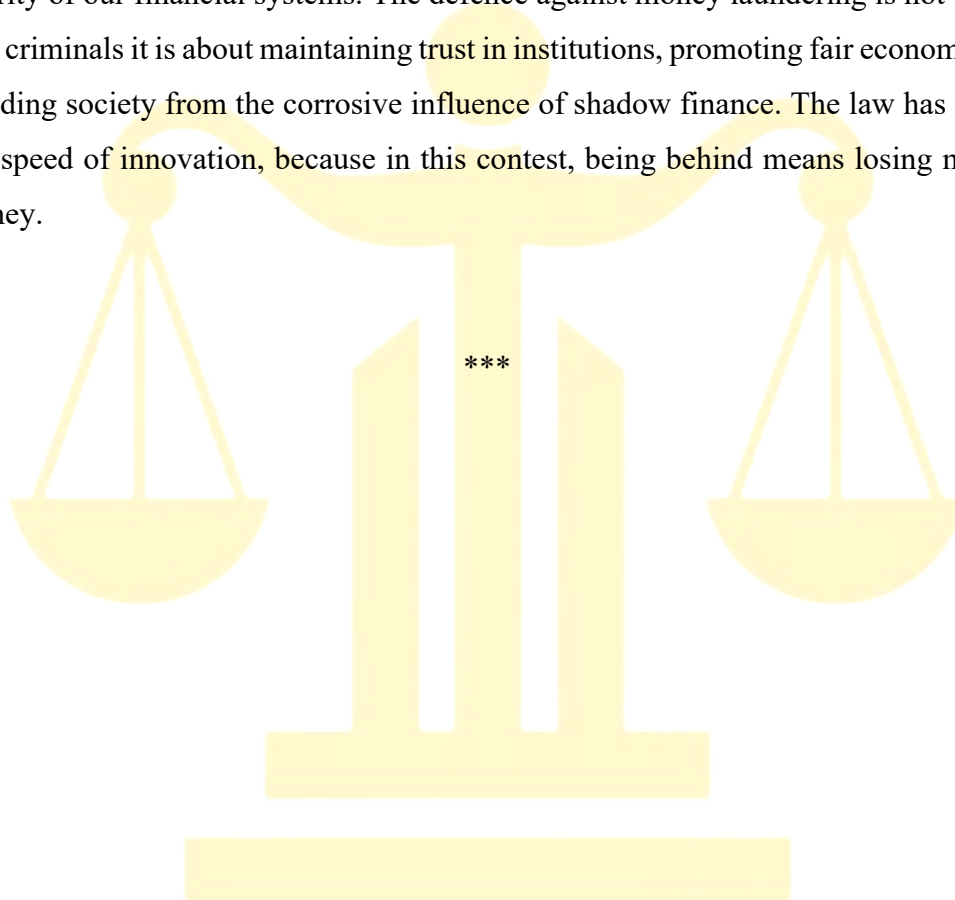
¹⁹Invest India, Media, <https://www.investindia.gov.in/sector/media> (last visited August, 2025).

²⁰Cyril Amarchand Mangaldas, *Investigations and White-Collar Crimes: Enforcement Trends 2025*(2025),<https://www.cyrilshroff.com/wp-content/uploads/2025/05/Investigations-and-White-Collar-Crimes-Enforcement-Trends-2025.pdf>.

²¹Monika Rani & Sameer Kumar Dwivedi, Digital Veils of Deception: AI-Enabled Money Laundering and the Rise of White-Collar Cyber Fraud, 11 Int'l J. L. 34 (2025), <https://www.lawjournals.org/assets/archives/2025/vol11issue6/11126.pdf>.

influence. India's regulatory system, headed by the Prevention of Money Laundering Act, has gone some way in making significant progress, and support measures under FEMA, the Income Tax Act, and recent GST reforms reflect an intention to seal gaps emerging. However, the burgeoning rise of online gaming and virtual economies has presented new threats that classical laws are poorly suited to address.

Since methods of laundering become more complex integrating with genuine transactions, straddling the globe in seconds, and taking advantage of anonymity India requires an active, technology-oriented, and concerted approach. Mandatory licensing enhanced due diligence, real-time surveillance, and global coordination are now not a choice but a necessity to ensure the integrity of our financial systems. The defence against money laundering is not only about grabbing criminals it is about maintaining trust in institutions, promoting fair economic growth, and shielding society from the corrosive influence of shadow finance. The law has to keep up with the speed of innovation, because in this contest, being behind means losing much more than money.



SOURCES

1. J.D. Agarwal & Aman Agarwal, Money Laundering: The Real Estate Bubble, ResearchGate, June 15, 2007, https://www.researchgate.net/publication/242483477_Money_Laundering_The_Real_Estate_Bubble.
2. Bible Study Tools, <https://www.biblestudytools.com/proverbs/11-26.html> (last visited August 2025).
3. Friedrich Schneider, *Money Laundering and Financial Means of Organized Crime: Some Preliminary Empirical Findings* (CESifo Working Paper, revised July 2008).
4. Neal Shover & Andy Hochstetler, *White-Collar Crime: An Opportunity Perspective* (Routledge 2005).
5. Dr. U. Amaleswari, A Review on Current Trends and Prediction of Indian Financial Services, 6 J. Emerging Techs. & Innovative Res. 486 (2019).
6. J.D. Agarwal & Aman Agarwal, Keynote Address on Money Laundering: New Forms of Crime Victimization (Current Trends and Modus Operandi), Indian Institute of Finance, <https://iif.edu/director/articles/20061118art001.htm> (last visited August, 2025).
7. Cyril Amarchand Mangaldas, *Investigations and White-Collar Crimes: Enforcement Trends 2025* (2025), <https://www.cyrilshroff.com/wpcontent/uploads/2025/05/Investigations-and-White-Collar-Crimes-Enforcement-Trends-2025.pdf>.
8. Press Information Bureau, Cabinet approves the Scheme for Promotion of Research and Innovation in Pharma-MedTech Sector (PRIP), PIB, Sept. 20, 2023, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1945208>.
9. Invest India, Media, <https://www.investindia.gov.in/sector/media> (last visited August 2025).

10. Monika Rani & Sameer Kumar Dwivedi, Digital Veils of Deception: AI-Enabled Money Laundering and the Rise of White-Collar Cyber Fraud, 11 Int'l J. L. 34 (2025), <https://www.lawjournals.org/assets/archives/2025/vol11issue6/11126.pdf>.
11. Lakshmana E., Assessing the Effectiveness of Antimoney Laundering Regulations, 4 Int'l J. Res. & Analytical Revs. 869 (2017), <https://www.ijrar.org/papers/IJRAR19D5593.pdf>.
12. Peter Grabosky & Sascha Walkley, *Computer Crime and White-Collar Crime* (Routledge 2017).
13. Corporate Crime and State Corporate Crime Raymond J. Michalowski & Ronald C. Kramer, *Corporate Crime and State Corporate Crime: Theoretical and Empirical Issues* (Anderson Publ'g Co. 1987).
14. White Collar Crime, John Braithwaite, White Collar Crime, 11 Ann. Rev. Soc. 1 (1985), <https://www.jstor.org/stable/2083283>.
15. White Collar Criminality Edwin H. Sutherland, White Collar Criminality, 5 AM. Soc. Rev. 1(1940), reprinted in 1940 Y.B. 138, <https://heinonline.org/HOL/Page?handle=hein.journals/yrbok24&id=144>.
16. John Madinger, *Money Laundering: A Guide for Criminal Investigators* (3d ed. Routledge 2012).
17. Hemant Garg, Leveraging Artificial Intelligence for Combating Money Laundering and Enforcing Anti-Corruption Strategies: Challenges for Anti-Corruption Agencies, Financial Regulators and Recommendations for Future, 10 Int'l J. Advances Res. Ideas & Innovations Tech. (IJARIIT) (2025), <https://www.ijariit.com/manuscripts/v10i3/V10I3-1219.pdf>.

18. Gautam Badlani, Money Laundering, iPleaders Blog (Apr. 8, 2023), <https://blog.ipleaders.in/money-laundering/>.
19. Glenda Ann Higgins, *An Analysis of White-Collar Crime in Fort Bend County, Texas* (Ph.D. dissertation, Texas Southern Univ. 2023).

