

Combating Organised Crime A Case Study of Mumbai City[?]

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Organised crime is not confined to the boundaries of any one country and has become a transnational problem. Organised criminal activity has existed in different forms since ancient times, but contemporary patterns of organised crime are infinitely more complex than they have been at any point of time in history. This paper places the specific case of organised crime in the city of Mumbai within the context of transnational trends in criminal activity. It first examines the larger international discourse on organised crime, clarifying concepts and outlining the nature and magnitude of various component phenomena across the globe. The paper then passes on to an assessment of trends in the operation of gangs and organised crime in Mumbai, the socio-demographic profile, ethnic background, religion and international dynamics of gangsters in the city and the

[?] This paper was presented at the All India Criminology Conference, organised by the National Institute of Criminology and Forensic Science, Ministry of Home Affairs, Government of India, New Delhi, November 1-3, 2001.

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international dynamics of gangsterism, contract killing, etc. Some combative strategies adopted to deal with organised crime in the city are also dealt with.

I. Organised Crime: Conceptual Framework

Contemporary technologies and the emerging world order have undermined the conventional parameters of state sovereignty and the inviolability of national boundaries. The communications and information revolution, and expanding processes of interaction, transportation and transaction have dramatically enhanced accessibility across borders, creating increasing levels of information and unprecedented opportunities for both good and evil. Patterns of 'development' have also contributed to a plethora of problems in terms of population explosion, competition for survival and scarce resources, and the struggle for existence. There are pathological outcomes of such processes of development, including poverty, unemployment, deviance (as an expression against normative means of livelihood) or crime (as a severe form of such deviance). It is in this context that organised crime has established itself as one of the most serious and violent manifestations of the modern criminal world.¹

Organised crime as a concept is, to some extent, synonymous with certain historical organisations, such as the mafia, camorra,² etc. It has, however, a broader and encompassing definitional connotation in terms of its nature, pattern and functional criteria.

¹ For details see, M.L. Sharma, *The Organised Crime in India*, Tokyo: United Nations Asia and Far East Institute (UNAFEI), 1999, vol. 54, p. 24; T A Pasha, *Current Problem in the Combat of Transitional Organised Crime*, Tokyo: UNAFEI, 1999, p. 147; J F Marine, *The Threat Posed by Transnational Crime*, Tokyo: UNAFEI, 1999, vol. 54, p. 25.

² A Mafia-like criminal organisation in the region of Campania and the city of Naples in Italy. Of controversial origin, it first came to light in 1830. Its activities spread by intimidation, blackmail, and bribery until Naples was controlled by it. The Camorra appears to have been used by the Bourbon rulers of Naples as a quasi-police network to crush opposition. Efforts to break the power of the Camorra, begun in the 1880s, culminated in the 1911 murder trial at which numerous members were convicted. The Camorra was suppressed and supplanted after Benito Mussolini's take-over in 1922. Source: The Columbia Encyclopaedia, Sixth Edition, 2001, <http://www.bartleby.com/65/ca/Camorra.html>

According to the Kefauver Committee (1951),³ organised crime could be a network of criminal syndicates fundamentally based on ‘muscle’ and ‘murder’ indiscriminately used in running criminal enterprises.⁴

Definition

The US Task Force Report of 1967 described organised crime as “a society that seeks to operate outside the control of the American people and their government. It involves thousands of criminals working within structures as complex as those of any large corporation, subject to laws more tightly enforced than those of legitimate governments. Its actions are not impulsive but the result of intricate conspiracies, carried on over whole fields of activity in order to amass huge profits.”⁵

The legal statute that is used to define organised crime has enormous significance. The Penal Statutes of several countries have criminalised organised crime, while others have used alternatives concepts and legislative devices to tackle the problem. For example, the Italian Penal Code does not specify what organised crime is, but it does define ‘criminal association.’ According to Article 416 of the Italian Penal Code, “when three or more persons associate for the purpose of committing more than one crime, whoever promotes or constitutes or organises the associations shall be punished, for that alone with imprisonment from 3 to 7 years.”⁶

In 1968, the US Congress enacted the Omnibus Crime Control and Safe Street Act, that stated “organised crime includes the unlawful activities of the members of a highly organised, disciplined association, engaged in supplying illegal goods and services, including but not limited to gambling, prostitution, loan sharking, narcotics, labour racketeering and other unlawful

³ Headed by Estes Kefauver, Democratic Senator from Tennessee, USA, it was the first committee made up of Senators from around the country organised to not only gain a better understanding on how to fight organised crime, but also to expose organised crime for the conglomerate empire that it was. See <http://www.murderinc.com/feds/kefauver.html>.

⁴ Sharma, *Organised Crime in India*, p. 88.

⁵ Ibid.

⁶ Ibid.

activities of such association.”⁷ Here, the choice of certain words to conceptualise organised crime within legal, the definition accommodates a wide range of diversities so that the exemption from the legal statute would not be applicable through the limitation of legal definition.

Organised crime has also been defined in a number of narrower legal statutes. For example, the US RICO (Racketeer Influence and Corrupt Organisation) Act, 1970, states that racketeering is an act of threat involving murder, kidnapping, gambling, arson, robbery, burglary, extortion or dealing in narcotics or dangerous drugs and other denominated crime.⁸ A pattern of racketeering activity requires at least two acts of designated offences.

Japan has a special law on the prevention of irregularities by gangsters. It is meant to exercise necessary control on acts of intimidation and violence carried out by gangsters, to protect the activities of civic public organisations and to prevent danger to the life of citizens from gangland war. Article 2 of the aforesaid law defines a gang as “any organisation likely to help its members including members of affiliated organisations of the said organisation to collectively and habitually commit illegal acts of violence.”⁹

Interpol defines organised crime as “any enterprise or group of persons engaged in continuing illegal activity which has its primary activities that bring together a client-public relationship which demands a range of goods and services which are illegal.”¹⁰

However, while defining several attributes of such organised syndicates, few more conceptual clarifications need to be made. For example, John Dellow, Assistant Commissioner, Metropolitan Police, London, ascribes the following three basic features to organised crime:

- ? Organised crime can involve any group of individuals that is structured, sophisticated and widely spread across nations.
- ? It is a section of society that seeks to operate outside control of the people and their government.

⁷ Ibid.

⁸ Marine, *The Threat Posed by Transnational Crime*, p. 25.

⁹ Ibid.

¹⁰ Ibid.

? It is a self-perpetuating, continuing criminal conspiracy for profit and power, using fear and corruption and seeking protection from law.¹¹

Elaborating on the nature and extent of organised crime, M.N. Singh, Commissioner of Mumbai Police, stated, “organised crime is a planned commission of criminal offences inspired by the pursuit of profit and power. It is also a resisting form of criminal activity that brings together a client-public relationship which demands a range of goods and services which are illegal.”¹²

The Maharashtra Control of Organised Crime (MCOC) Act of 1999 defines organised crime as any continuing unlawful activity by an individual, singly or jointly, either as member of an organised crime syndicate or on behalf of such syndicate by use of violence or threat of violence or intimidation or coercion, or other unlawful means with the objective of gaining primary benefits or gaining undue economic or other advantage for himself or any other person promoting insurgency.¹³

Within such a wide range of definitions of organised crime under various penal statutes of several nations, some of the attributes/indicators that are common and integral to the structure of organised crime can be derived to clarify the essential contours of the phenomenon:

Continuity: The criminal group operates beyond the lifetime of individual members and is structured to survive changes in leadership.

Structure: The criminal group is structured as a collection of hierarchically arranged interdependent offices devoted to the accomplishment of a particular function. It may be highly structured or may be rather fluid. It is, however, distinguishable as the ranks are based on power and authority.

Membership: The membership of the core criminal group is restricted and based on common traits such as ethnicity, criminal background or common interests. Potential members are

¹¹ Ibid.

¹² M N Singh, “Organised Crime in India”, a paper presented at the Kumarappa lecture, Tata Institute for Social Sciences, Mumbai, March 2001.

¹³ See “The Maharashtra Control of Organised Crime Act, 1999”, www.pucl.org/reports/Topics/Law/2002/maharashtra-crime.htm .

subjected to immense scrutiny and are required to prove their worth and loyalty to the criminal group. Rules of membership include secrecy, a willingness to commit any act for the group and intent to protect the group. In return for loyalty, the member receives economic benefits, certain prestige and protection from law enforcement agencies.

Criminality: The criminal group relies on continuing criminal activity to generate income. Thus, continuing criminal conspiracy is inherent in organised crime. Some activities such as supplying illegal goods and services directly produce revenue while others including murder, intimidation and burglary contribute to the group's ability to earn money and enhance its power. The criminal group may be involved both in legitimate as well as illegitimate business activity at the same time.

Violence: Violence in society is often manifest without any perceptible reason. This violence may be manifested in social gatherings such as marriage parties, etc., and may include damage to property or assault on persons or reckless acts such as firing in the air or driving at high speed in crowded places, etc. The intent, here, is to over-awe and establish an atmosphere of fear in the larger community.

Intimidation: Intimidation may be direct and overt, or covert, and may be intended to secure co-operation in the commission of certain unlawful acts, or omission on the performance of some lawful functions. People are threatened to stay away from lawful deals relating to sale or purchase of property, and government officials are threatened in order to secure certain ends through their intervention or coerced oversight. Intimidation is often also exercised to secure compromises or settlements in inter- and intra-gang disputes.

Public Disorder: This includes display of power by gangs. At times, disorder is purposely created on otherwise orderly social occasions. Functions organised by rivals are disturbed. The public at large is harassed with impunity and without any consideration or regard to legal sanctions.

Monopolising certain trade: When criminal gangs are involved in legitimate activities, they try to establish monopolies through muscle power. For example: rail contracts in important railway

centres, labour contracts in industrial towns and transport contracts in areas of high trading activity.

Corruption: Corruption is a significant indicator of the existence of organised crime. It is one of the important instruments used by criminal gangs. Subversion of enforcement officials is an important indicator of the effectiveness of organised criminal activity. Corruption at higher levels immensely encourages and strengthens criminal syndicates.

Protectors: They are corrupt public officials, attorneys and businessmen who individually or collectively protect the criminal group through abuses of status and/or privilege, collusion and violation of the law. As a result of the protectors' efforts, the criminal group is insulated from both civil and criminal government actions. Corruption is the central tool of the criminal protectors. A criminal group relies on a network of corrupt officials to protect the group from the criminal justice system.

Organised Crime Support

- ? Specialist Support: Organised criminal groups and their protectors rely on skilled individuals or support to assist the criminal groups on an *ad hoc* basis. Such specialists include pilots, chemists, lawyers, arsonists, hijackers, shooters, etc.
- ? Social Support: Social support includes public officials who solicit the support of organised crime figures and business leaders who do business with organised crime syndicates, and interact with them at social gatherings, thus portraying the criminal group in a favourable or glamorous light.

A majority of countries are now confronted by the challenge of transnational organised crime,¹⁴ and the major patterns of organised crime variously documented in recent years include:¹⁵

¹⁴ It refers to serious crimes that either significantly affect more than one country or are carried across national borders and thus involve criminal activity in more than one country. It would be correct to say that all serious and sophisticated activities involve some degree of organised crime. Transnational crime is not only committed by organised groups but also by individual offenders.

¹⁵ For details of the spread and magnitude of transnational crime, see, M.L. Sharma, *Organised Crime in India*, Tokyo: United Nations Asia and Far East Institute (UNAFEI), 1999, vol. 54, p. 24; T A Pasha, *Current Problem in the Combat of Transitional Organised Crime*, Tokyo: UNAFEI, 1999, p.

- ? Illicit Drug Trafficking;
- ? Alien Smuggling;
- ? Money Laundering;
- ? Financial Fraud;
- ? Counterfeiting;
- ? Illegal Arms Trafficking;
- ? International Car Theft Rings; and
- ? Prostitution.

II. Organised Crime in India: A Case Study of Mumbai

Criminal gangs have been operating in India since ancient times. The operation of ‘thugs’ during the British period is well documented.¹⁶ Another popular criminal grouping includes the dacoits of the Chambal region till recent times. Several such gangs used to operate in the States of Madhya Pradesh and Uttar Pradesh, and were neutralised as a result of police action and the social reform movement.¹⁷

Organised crime in contemporary India is a more complex issue. In the modern urban world, the gap between aspiration and fulfilment is widening. In India, the typical socio-political circumstances prevailing since Independence and the advent of democracy provide the logical context of the strengthening of these trends. The fact that the Constitution of India aimed at achieving socio-economic equality in a popular, nebulous and pluralistic democracy has generated processes favouring the creation of greater political legitimacy for various patterns of deviance and crime. An upsurge in economic crimes includes a variety of financial scams, tax evasion and money laundering.

147; J F Marine, *The Threat Posed by Transnational Crime*, Tokyo: UNAFEI, 1999, vol. 54, p. 25.

¹⁶ *Thuggee*, a cult of assassins who worshipped the Hindu goddess Kali, terrorised British India. The Thugs considered their many victims as sacrifices to Kali. Thugs used to waylay and strangulate unsuspecting travellers on the high roads of India in the British and pre-British period. Major General Sir William Sleeman played a key role in the final suppression of the *Thuggee* cult. See James Sleeman, *Thug, or A Million Murders*, London: Sampson Low, Marston & Co., 1933.

¹⁷ For instance see, M.L. Sharma, *Organised Crime in India*, UNAEFI.

The year 1991 was a watershed in India's economic resurgence. Liberalisation and globalisation of the economy allowed a free flow of foreign goods and capital into the country, and the dramatic growth in computerisation and e-business that followed have led to the emergence of cyber-crime.¹⁸

All schemes introduced to boost the country's foreign exchange reserves are open to manipulation. This is best illustrated by the Value Based Advance License (VABAL) scheme, where up to 60 per cent of the value of exports was allowed at zero import duty and with no income tax on the foreign exchange earning. This led to the *hawala* (illegal money transfer system) racket, where unscrupulous exporters started obtaining export license on the strength of bogus export orders, and made huge profit by arranging foreign remittances through *hawala* channels. M.N. Singh estimates that total *hawala* transactions in the country stood at Rs. 305 billion a year in 1994.¹⁹ This currency flight continues to be a lucrative underworld operation. The Mumbai bomb blast-case accused,²⁰ such as Tiger Memon and Moolchand Shah alias Choksi, channelised their illegal earnings through this *hawala* route, which they also used to fund their bombing operations.²¹

Various legislative initiatives have also given rise to other patterns of organised crime. In keeping with the spirit of the Directive Principles of the State Policy enshrined in the Constitution, many laws were enacted to remove social inequalities and evils, and to reduce economic disparities. Restrictions imposed on the consumption of alcohol gave rise to bootlegging activities in the States of Maharashtra and Gujarat. The Prohibition Law of 1949 in Mumbai gave rise to a lucrative clandestine trade in illicit liquor. In a city like Mumbai, where the price of alcohol is understandably high, bootlegging become a thriving business in the black-market and this was followed by the evolution of the popular illegal gambling system called *Matka*.

¹⁸ Crime Branch, Mumbai Police, June 2001.

¹⁹ M N Singh, "Organised Crime in India", a paper presented at the Kumarappa lecture, Tata Institute for Social Sciences, Mumbai, March 2001.

²⁰ Over 300 persons were killed in the serial bomb blasts in Mumbai on March 12, 1993. Source: Crime Branch, Mumbai Police, June 2001.

²¹ Source: Crime Branch, Mumbai Police, June 2001.

As the financial capital of India, Mumbai has long been the playground of several criminal gangs and their continuing warfare for dominance. The first systematic study of organised crime was conducted by V.K. Saraf, Commissioner of Police (Retd), Mumbai City, 1995, in which he traced the origin of organised criminal gangs in the city, their criminal activities and the inter-gang warfare. He also highlighted the main characteristics of the Mumbai gangs.

After Independence, due to the prohibition policy adopted by the Government of Maharashtra, bootlegging or trade in illicit liquor became a lucrative business for criminal gangs. They made considerable sums of money by supplying illicit liquor to the local citizenry. Their activities also extended to the neighbouring State of Gujarat, which was declared 'dry' at the time of Independence and continues to be so till date. Varadarajan Mudaliar, who started as a porter at the Victoria Terminus (VT) Railway station, took to committing theft at the Mumbai Docks and later graduated to bootlegging in the nineteen sixties. He acquired considerable wealth through such activities and also subverted the law enforcement system considerably. In the mid nineteen eighties, he became so influential that he used to hold *durbars* (conclaves) in his area of influence to settle disputes.

Similarly, Haji Mastan and Yusuf Patel began as small-scale criminals and later took to smuggling gold and silver. They made a lot of money and invested it in 'legitimate' business ventures, primarily construction and real estate. Haji Mastan made an attempt on Yusuf Patel's life in the nineteen seventies due to business rivalry but the latter survived. This was the beginning of the gang warfare in Mumbai, which continues unabated to date and has claimed hundreds of lives.

Another major gang to emerge in Mumbai was that of Varadarajan Mudaliar in the nineteen seventies on the basis of bootlegging and *Matka* operations. In later years, he diversified his illegal activities into smuggling, dock thefts and contract killing, ruling the city's underground for over a decade till the mid-nineteen eighties.²²

²² Ibid.

Another example was Abdul Latif, the Mafia don of Ahmedabad in the State of Gujarat. He also started his career as a small time bootlegger and went on to monopolise the entire illicit liquor business in the State. In 1985, he aligned with notorious Pathan gangster Alamzeb of Mumbai to put down his rival Pappu Khan. His influence and power in the city of Ahmedabad increased so much that he was even elected as a corporator from five different municipal wards while still in jail (he was arrested in the year 1985 for the murder of a police officer) during the 1987 elections. Later, he linked up with the Dawood Ibrahim gang and killed Alamzeb. In January 1993, he received a consignment of 57 AK-56 rifles and 15,000 rounds of ammunition from Dawood Ibrahim for use during the post-Ayodhya riots. Abdul Latif, a mere bootlegger thus turned out to be a dangerous gangster-cum-terrorist-cum-politician in due course of time and became a major headache for the Gujarat Police, until he was nabbed at Dariyagunj in New Delhi on October 10, 1995, and was killed in a police encounter subsequently. His area of operation extended across the States of Gujarat, Rajasthan, Madhya Pradesh and Maharashtra.²³

The Dawood Ibrahim Gang²⁴

Dawood Ibrahim is the most powerful Mumbai Mafia 'don', with a countrywide network and extensive linkages abroad. He is one of the most powerful gangsters involved in transnational crimes, including narcotics smuggling, extortion and contract killing. He has lived in Dubai and is currently based in Pakistan. He had a phenomenal rise within a short time. The son of Ibrahim Kaskar, a former Criminal Investigation Department (CID) constable,²⁵ he started off as a petty criminal and had the sympathies of Bombay (now Mumbai) Police due to his father's connections. He used to assist smugglers to recover money from those who did not keep up their 'word'. In the nineteen seventies,

²³ Ibid.

²⁴ Source of information on various criminal gangs and networks is the Crime Branch, Mumbai Police.

²⁵ See "Mumbai's mafia wars", *Frontline*, Chennai, vol. 16, no. 7, March 27-April, 1999.

other gangs had become relatively weak and he took advantage of the vacuum, taking up smuggling of gold and silver. He built up his criminal empire with the help of his brothers and close associates, and was responsible for the elimination of hundreds of criminals belonging to rival gangs. The liberal bail policy pronounced by the Supreme Court helped him consolidate his gang. In the nineteen eighties, he became the most feared gangster of Mumbai. However, fearing for his life at the hands of rival gangs, he fled to Dubai, though his criminal network remained virtually intact. He currently controls his gang's operations with complete impunity, as there is no extradition treaty between India and Dubai or Pakistan, and authorities in these countries have refused to extradite him – and, indeed, deny his presence on their soil despite overwhelming evidence. He also attempted to win social respectability by playing host to many influential politicians and film stars in Dubai.

Dawood's brother Anees Ibrahim looks after the smuggling, narcotics trafficking and contract killing operations. Another key associate, Noora, looks after film financing and extortion from film personalities. Iqbal, a low profile operative, looks after his 'legitimate' business activities, including trading in the share markets of Hong Kong and jewellery and gold businesses. His gang consists of about 4,000 to 5,000 men. Fifty per cent of the Dawood gang members hail from Mumbai and the neighbouring districts and 25 per cent, including Abu Salem, his close lieutenant, hail from the State of Uttar Pradesh.

Due to changes in fiscal policies, the smuggling of gold and silver has become less lucrative. Currently, the primary activities of this gang are extortion, contract killing, film financing, drug trafficking, smuggling computer parts and illicit trade in arms and ammunition. The Dawood gang has been supplying arms both to criminals and terrorists.

Dawood Ibrahim has also invested heavily in 'legitimate' business ventures. His brother Anees owns a trading company in Dubai and Dawood has invested approximately Rs. 20 crores in the Diwan Shopping Centre in Mumbai and is also reported to have financial stakes in the Diamond Rock Hotel in Mumbai. Noora runs the Suhail Travel agency in Mumbai, which has since come under severe enforcement pressure. Dawood also reportedly

has huge financial stakes in East West Airlines. His 'legitimate' business empire is estimated to have a turn over of approximately Rs.2,000 crores a year.

Dawood's gang was secular in character before the year 1993 and used to attract 'volunteers' from both the Hindu and Muslim communities. However, after his involvement in the serial blasts in 1993, most of the Hindu gangsters have parted company from him. Sunil Samant, a dreaded gangster who continued to be loyal to him, was killed in Dubai in year 1995 by the Chota Rajan gang. Apart from his brothers, who are his chief counsellors, he continued to run his empire through Abu Salem²⁶ and Chota Shakeel.

The Chhota Shakeel gang initially used to be a wing of Dawood Ibrahim's 'D Company'. Currently operating as an independent gang, though not in dispute with the Dawood gang, it is active in the south, central and north-west areas of Mumbai.

Arun Gawli Gang

After the death of Ramya Naik, the mantle of leadership of his gang fell on the shoulders of Arun Gawli. There have been several inter-gang killings against the Dawood gang, and they have also targeted each other's political and economic interests. This gang consists of about 2000 to 3000 persons. Interestingly, Arun Gawli was sent to prison in 1990 and even though he was granted bail by the Courts, he chose to remain in jail primarily to escape the wrath of the Dawood gang. He continued to run his criminal empire from within the jail premises by passing

²⁶ Abu Salem, hailing from the Azamgarh district in Uttar Pradesh initially worked for Dawood Ibrahim's brother Anees Ibrahim and transported guns across the city. Later, he became Anees's trusted confidant, running his vast film industry-focussed extortion empire. He was put in charge of a key operation in the 1993 serial bombings of Mumbai, organised by the Dawood Ibrahim gang. Abu Salem's job was to liaise with two top Karachi-based smugglers, Mustafa Majnu and Mohammad Dosa, who would ferry the explosives used in the bombings. Two major consignments of plastic explosives and assault rifles were landed at Dighi and Shekhadi on the Raigad coast in Maharashtra, from where, hidden in cardboard boxes and sackcloth, they were moved to Mumbai by Abu Salem's aides. After the Mumbai bombings, Abu Salem fled to Karachi with the remaining members of the Dawood's organisation. See "The Underworld: The Great Escape", *Frontline*, vol. 18, no. 23, November 10-23, 2001.

instructions through his visitors. His gang is involved in the collection of protection money from rich businessmen and also contract killings. He came out of prison and started a political party, the Akhil Bhartiya Sena. He has been sent back to jail for his alleged involvement in a contract killing case. Arun Gawli is politically very active and has considerable influence in the slum areas of Mumbai. He even posed a significant political challenge to the dominant Shiv Sena party in the State of Maharashtra.

Amar Naik Gang

This gang originated in the year 1980 and commenced with the collection of protection money from various vegetable vendors in the Dadar area of Mumbai city. When Ram Bhat, the leader of this gang was sentenced to imprisonment in a robbery case, Amar Naik took over the reigns. The main thrust of his criminal activities was to collect *hafta* (extortion money) from vegetable vendors, hawkers, bootleggers and smugglers. Due to a clash of interests, his gang had several violent skirmishes with the Arun Gawli gang, not only outside jail but even within the jail premises, where members of both the gangs were lodged, resulting in several killings. This gang has a strength of about 200 criminals. Amar Naik was killed on August 9, 1996, and the mantle of leadership has now fallen on the shoulders of Ashwin Naik, his younger brother, an engineer by profession.

Chota Rajan Gang

Chota Rajan commenced his criminal career with the Dawood Ibrahim gang. Hailing from Mumbai's eastern suburb of Chembur, he started out with extortion rackets centred on the Sahyadri Krida Mandal, which organises the annual Ganesh festival at Tilak Nagar.²⁷ Subsequent to the 1993 serial blasts in Mumbai, Dawood's gang was divided on communal lines and Chota Rajan fell out with Dawood and fled from India. He raised a new gang in 1994-95. According to an estimate, the membership of this gang numbers about 800. His areas of operation are in the States of Maharashtra, Karnataka, Uttar

²⁷ See "Mumbai's mafia wars", *Frontline*, vol. 16, no. 7, March 27-April 9, 1999.

Pradesh and Delhi. He is essentially a drug-trafficker and contract killer. He joined hands with Arun Gawli and was responsible for the killing of Sunil Samant, a trusted lieutenant of Dawood Ibrahim, in Dubai in 1995. It was a retaliatory killing. He has targeted many Dawood loyalists and his gang has also suffered in retaliatory actions. Chota Rajan is presently operating from South East Asia.

Characteristics of Mumbai Gangs

Based on the study of the Mumbai underworld, V.K. Saraf developed the following profile of membership and activities:²⁸

- ? 66.5 per cent of gangsters in his sample were in the age group of 19-28 years; 26 per cent in the 29 to 38 years category; and 6.5 per cent were above 40 years.
- ? 29 per cent studied up to primary school, 42.5 per cent up to secondary school and 5 per cent had college education.
- ? A majority were drawn from a poor economic background and were propelled into the world of crime due to economic difficulties.
- ? A majority of the gangsters hailed from outside Mumbai and approximately 30 per cent came from outside the State of Maharashtra.
- ? The gangs were not based on region or religion, but after the 1993 serial blasts, Hindu gangsters have largely disassociated themselves from the Dawood Ibrahim gang.
- ? A typical Mumbai gangster is a cool-headed schemer and ruthless and un-hesitatingly employs terrorist tactics when he perceives his interest is being jeopardised. He is prone to violence at the slightest provocation.
- ? There is no initiation ceremony or ritual for the members. However, a 'hopeful' is involved in a criminal situation to test his mental capacity.
- ? The gang leaders have a caring attitude towards the members. The families are well looked after by the leadership when the members are killed or are in jail.

²⁸ V K Saraf, *Formation of Criminal Gangs in Major Cities*, Ph.D. Thesis submitted to the Bureau of Police Research and Development, New Delhi, 1999.

- ? A gang leader is not a total autocrat. He consults experienced people in the gang. After the death of Sunil Samant, Dawood Ibrahim relied on his brothers and his decisions were/are executed through Abu Salem and Chota Shakeel.
- ? There is evidence of a loose confederation of gangsters. A smaller gang may merge into a bigger gang but does not lose its identity completely. The smaller gang carries out the decisions of the main gang but is left free to involve itself in any activities of its choice so long as it does not clash with the interests of the main gang.
- ? The gangsters are required to display unflinching loyalty to the boss. Lack of loyalty means death.
- ? The gangsters are divided into three categories, namely, sharp shooters, money collectors and liaison agents. The liaison agents deal with lawyers and law enforcement officials and assist in legal problems relating to incarcerated gangsters. Each gang has a certain number of auxiliary members. They have a history of being involved in criminal activity and generally provide shelter to the gangsters and act as a repository for weapons. Their premises are used for holding meetings and making telephone calls by the gangsters.

Nature and Extent of Crime in India

Before we further analyse the issue of organised crime, it would be necessary to delineate the present nature and extent of crime in India.

Table 1: Trends in Violent Crimes, Property Crimes and Economic Crimes in India (1951-1981 & 1991-1997)

Year	Total Cognizable Crimes (IPC)	Violent Crimes		Property Crimes		Economic Crimes	
		Incidence	% To Total	Incidence	% To Total	Incidence	% to Total
(1)	(2)	(3)	{4}	(5)	(6)	(7)	(8)
1953*	607954	49578	8.2	403946	67.1	NA	-
1961	625651	55726	8.9	355473	56.8	26891	4.3
1971	952581	124380	13.1	501011	52.6	32323	3.4
1981	1385757	193224	13.9	579599	41.8	39347	2.8

1991	1678375	246252	14.7	495015	29.5	49428	2.9
1992	1689341	251952	14.9	477863	28.3	52455	3.1
1993	1629936	232554	14.3	443454	27.2	50846	3.0
1994	1635251	235228	14.4	425100	26.0	50581	3.1
1995**	1695696	249980	14.7	410813	24.2	48384	2.9
1996	1709575	249087	14.6	400082	23.4	51987	3.0
1997	1719820	249200	14.5	390396	22.7	52533	3.1
1998	1779111	255710	14.4	406922	22.9	55712	3.1
% Change in 1991 Over 1961	168.3	341.9		39.33		83.8	
% Change in 1991 over 1981	21.1	27.4				25.6	
% Change in 1998 Over 1997	1.8	0.0					1

* Data available from 1953 onwards only.

** Arson and Dowry Death cases included in Violent crime since 1995; hence data before 1994 not comparable from 1995 onwards

NA stands for not available.

Source: Crime in India, 1997, Ministry of Home Affairs.

According to the *Crime in India* report for the year 1998, the total number of incidents of crime reported in the country was 6,180,996, wherein 1.779 million cases were reported under the Indian Penal Code (IPC), followed by 4,401,855 under the State laws, which showed an overall increase in the incidences of crime over the preceding five years. Table 1 reveals that, over the decades, there is a significant trend especially with regard to violent crime, property crimes and economic offence, with percentage/change in 1991 over 1961 being 341.9 in the case of violent crime. In property crimes, it is 39.33 per cent and in economic offences 83.8 per cent whereas percentage change in 1991 over 1981 in violent crimes and economic crimes are 27.4

and 25.6 per cent respectively. Overall, total cognisable crimes (consisting of three major categories viz. violent, property and economic offence) percentage have changed in 1991 over 1961 (i.e. over three decades to about 168.3 per cent)

The increasing incidence in property crime and economic offences is linked to the widening range of organised networks of crime in India, which are gradually getting more and more complex due to the changing nature and mode of operations in terms of sophisticated weaponry, financial transaction and communication systems. Thus, cheating, a non-violent type of offence (38,173 incidences registered in the year 1998) showed a steep rise of 68.1 per cent over the decade 1988-98. At the other end, a serious kind of organised crime like drug trafficking, under the Narcotic Drug and Psychotropic Substances (NDPS) Act of 1986, also witnessed a rise of 36.8 per cent in the decade of 1988-98. Similarly, under the Explosive and Explosive Substances Act, there is an increase of 31.7 per cent cases during the decade 1988-98. It is important to mention that in the cases involving arms, drugs, and explosives and explosive substances, Uttar Pradesh has reported the highest number of incidences. It would be interesting to note that the data available from Crime Branch, Mumbai, (up to June 2001) shows that, in Mumbai's gang land activities, a large number of recruitments are from the State of Uttar Pradesh.

In the Indian context, the focus areas of organised crime are smuggling, drug trafficking, arms trade, *hawala*, circulation of fake currency notes, extortion and contract killing.

Smuggling

Smuggling, consisting of clandestine operations leading to unrecorded trade, is a major economic offence. The volume of smuggling depends on the nature of fiscal policies pursued by the government. The nature of smuggled items and the quantum thereof is also determined by the prevailing fiscal policies.

India has a vast coastline of approximately 7,500 kms and also open borders with Nepal and Bhutan. The sub-continent is prone to large scale smuggling of contraband and other consumable items. Though it is not possible to quantify the value of contraband goods smuggled into India, it is possible to have some idea of the extent of smuggling from the value of

contraband seized, even though this may constitute a very small proportion of the actual volume of smuggling.

Table 2 shows the value of smuggled goods seized. The high point of smuggling was in the year 1990, when contraband worth Rs. 7.6 billion was seized. Introduction of various liberalisation measures, such as the revised gold and silver import policies in 1992-93, have had their impact on seizures that declined by 30 per cent (Rs. 5.36 billion in 1992) and subsequently to Rs. 3.89 billion in 1993-94.

In 1987, gold occupied the top position amongst smuggled items, followed by narcotics, electronic watches and silver. In 1995, however, narcotics occupied the number one position followed by gold, electronics, foreign currency and synthetic fabrics.²⁹

Table 2: Value of Smuggled Goods Seized 1988-1998

Year	Value of Goods Seized (in crores)
1988	443.14
1989	554.95
1990	760.08
1991	740.00
1992	535.71
1993	388.96
1994	535.22
1995	631.25

Source: UNAFEI, Resun Matusen No, 1999

Drug Trafficking

It is perhaps the most serious organised crime affecting the country and is truly transnational in character. India is geographically situated between the countries of the Golden Triangle³⁰ and the Golden Crescent,³¹ and is a transit point to the West for narcotic drugs produced in these regions. India also

²⁹ Sharma, *Organised Crime in India*, p. 82.

³⁰ Countries that form the Golden Triangle are Thailand, Burma and Laos.

³¹ Countries that constitute the Golden Crescent are Pakistan, Iran and Afghanistan.

produces a considerable amount of illicit opium, part of which also finds place in the illicit market in different forms. Illicit drug trade in India centres around five major substances, namely, heroin, hashish, opium, cannabis and amphetamines. Seizures of cocaine, amphetamines and Lysergic Acid Diethylamide (LSD) are not unknown but are insignificant and rare.³²

Table 3: Seizure of Narcotic drugs & Number Of Persons Involved 1991-1995 (in kilograms)

S.No	Drug Type	1991	1992	1993	1994	1995
1	Opium	2145	1918	3011	2256	1183
2	Ganja	52633	64341	98867	187896	57584
3	Hashish	4413	6621	8238	6992	3073
4	Heroin	622	1153	1088	1011	1251
5	Mandrax	4415	7475	15004	45319	16838
6	Persons Arrested (No.)	5300	12850	13723	15452	14673
7	Persons Prosecuted (No.)	5546	7172	9964	9154	12918
8	Persons Convicted (No.)	855	761	1488	1245	2456

Source: UNAEFI, 1991

Our borders have traditionally been most vulnerable to drug trafficking. In 1996, out of the total quantity of heroin seized in the country, 64 per cent was traced to the Golden Crescent.³³ The Indo-Myanmar border is also quite sensitive but the percentage of seizures is much smaller. The India-Sri Lanka border has also started contributing considerably to the drug trade. The seizure of narcotics from 1991 to 1995, and persons involved, is shown in Table 3.

³² Sharma, *Organised Crime in India*, p. 82.

³³ Ibid.

In 1995, 13,554 persons, including 130 foreign nationals, were arrested under the Narcotic Drugs and Psychotropic Substances Act.

Illegal Arms Trade

Light arms proliferation is a global phenomenon. It has extracted a heavy toll in terms of human lives and socio economic development of entire regions, costs of which can never be adequately computed. In Afghanistan, the death toll due to arms rivalry has crossed the 1,00,000 mark and is still rising, while Cambodia, Sri Lanka and some African states continue to witness conflict-related deaths in their thousands. India has also suffered due to trafficking in illicit arms. The twin phenomena of rising crime combining with armed conflicts and terrorism are directly linked to the global proliferation and movement of weapons.

The Purulia Arms Drop Case is the most glaring example of illicit arms trafficking. On December 17, 1996, an Antonov 26 aircraft dropped over 300 AK 47/56 series rifles and 20,545 rounds of ammunition, Drangnov sniper weapons, rocket launchers and night vision devices in the Purulia village of West Bengal State.³⁴ The aircraft was bought from Latvia for US \$ 2 million and chartered by a Hong Kong registered company, Carol Airlines, and payments were made primarily through foreign bank accounts. The aircraft was ferried to Thailand where it was registered. After a dry run over the airdrop area, the aircraft moved to Bulgaria from where the consignment of arms was picked up using an end-user certificate issued by a foreign country.

According to data reported in *Crime in India* (1997), the violation of Arms Act showed a steady increase of 38.3 per cent over the decade 1987-97. The highest incidence (51,326), constituting 69.3 per cent of the total cases under the Arms Act, were reported from Uttar Pradesh. The crime rate varied from a minimum of 0.1 per cent in Karnataka and Goa to a maximum of 31.9 per cent in Uttar Pradesh against a national average of 7.8 per cent.

³⁴ See “6 foreigners convicted in Purulia arms drop case”, www.rediff.com/news/2000/jan/31puru.htm.

In Mumbai, illicit arms trade is increasing at an alarming rate. In the nineteen seventies and early eighties, Mumbai gangsters primarily used knives and daggers. However, the scene completely changed with the entry of sophisticated weaponry, and currently the underworld is reported to be using the AK series of assault rifles, carbines, 9mm pistols, hand grenades and machine guns, among other weapons. The following recoveries are illustrative:

- ? The serial bomb blast case in Mumbai in 1993 led to the recovery of:

Table 4: Types of Arms Recovered after Serial Blasts in Mumbai, 1993

S. No.	Names	Frequency
1	RDX	3.5 tonnes
2	Hand grenades (Austria) Argies	459
3	AK 56 Rifles	63
4	9mm Pistols	12
5	Detonators	1150
6	Delay switch No. 10	03
7	Ammunition	49,000 rounds

Source: Crime Branch, Mumbai Police

- ? In 1992, the arrest of Lal Singh alias Manjit Singh, a Sikh terrorist, led to the recovery of arms and ammunition worth Rs. 2 crores in Ahmedabad, Gujarat, from the Abdul Latif gang.
- ? Recovery of 10 AK-56 rifles, 51 magazines, 110 hand grenades and 3,300 cartridges from Mohammed Shariff and Naseemuddin of the Dawood Ibrahim gang on October 16, 1998.
- ? One AK-56 rifle, a sten gun, a revolver, six magazines and 126 rounds of ammunition were recovered in April 1999 from Peter John D'Souza of the Chhota Rajan gang.
- ? Two AK-56 rifles with 173 rounds, 9 revolvers with 171 rounds, and seven star pistols of 9 mm caliber along with 205

rounds of ammunition, were recovered on October 13, 1999 from Hanif Haji Ismail Sumania from a building in Bandra, Mumbai.

- ? On December 30, 1999, police arrested some agents of the Pakistani external intelligence agency, the Inter Services Intelligence (ISI), involved in the hijacking of Indian Airlines aircraft IC-814 from Kathmandu, Nepal, and recovered two AK-56 rifles, five hand grenades, four anti-tank TNT shells, a huge quantity of ammunition and Improvised Explosive Devices (IED).
- ? The following recoveries made by Gujarat Police also indicate the hand of organised criminal groups in gun running activities:
 - i. Recovery of 24 AK-56 assault rifles, Russian hand grenades and ammunition from village Jamia in the Ujjain district of the State of Madhya Pradesh in October 1995.
 - ii. Recovery of two AK-56 rifles from Gajju Khan Pathan, a Municipal Corporator of Ahmedabad city in Gujarat.
 - iii. Recovery of 115 automatic pistols, 750 cartridges, 13 magazines, four kilograms of RDX, 10 detonators, 48 long electric wires at Mehsana, Gujarat, on December 23, 1996, from Ajmer in the State of Rajasthan.
 - iv. Border Security Force (BSF) seized four AK-56 rifles, seven bolt action rifles and 22 Chinese-made pistols in Kutch, Gujarat on January 17, 1997.³⁵

The first two recoveries were made from the associates of Dawood Ibrahim. The third and fourth recoveries showed that weapons were being pushed into India from Pakistan across the land border in Kutch (Gujarat) and Rajasthan. The sea route was used in the year 1993 to bring in shiploads of explosives and firearms and the landings were organised along the western coast of Gujarat and Maharashtra. There are indications that small arms are also being brought in by the air route, although no significant recovery has been made as yet.

One of the major thrust areas of the Mumbai Police in recent times has been the recovery of firearms that are being

³⁵ Source: Crime Branch, Mumbai, June 2000.

increasingly used in gangland killings. Country-made weapons as well as foreign-made weapons are being smuggled into the city by criminal elements. Country-made weapons originate primarily from the States of Uttar Pradesh and Bihar, where the illicit arms business is run almost like a cottage industry. In the last three years, Mumbai Police have recovered large quantity of firearms originating from various States, as indicated below:

Table 5: Statement on Origin of Seized Weapons –Mumbai

States	1998	1999	2000
Maharashtra	122	125	155
Karnataka	25	30	23
Andhra Pradesh	08	08	05
Tamil Nadu	11	14	10
Kerala	07	04	07
Madhya Pradesh	07	06	04
Gujarat	16	12	17
Rajasthan	05	10	05
Uttar Pradesh	80	139	144
Bihar	09	18	28
West Bengal	05	09	01
Pakistanis (ISI)	00	05	00
Mumbai	73	83	71
Others	142	141	78
Total	500	607	555

Source: Crime Branch, Mumbai, June 2001.

Mumbai has also been used as a transit point for drug trafficking. The break-up of Soviet Russia has opened new routes for Mumbai. At present, Mandrax tablets, manufactured in mofussil Maharashtra, find their way through Mumbai to South Africa, Mauritius and other countries.³⁶ The ISI of Pakistan and other terrorist groups channel drug money into the illicit arms trade. In India, Dawood Ibrahim largely controls drug trafficking.³⁷

³⁶ Source: Crime Branch, Mumbai Police.

³⁷ Ibid.

Hawala / Money Laundering Business

Hawala or money laundering refers to the conversion of illegal and ill-gotten money into legal money so that it can be integrated into the legitimate economy. Proceeds of drug-related crimes are an important source of money laundering the world over. Money laundering indicates a serious threat not only to the criminal justice system but also to the country's sovereignty. The tainted illegal money is being accumulated and integrated into the economy by organised racketeers, smugglers, economic offenders and anti-social elements and it adversely affects the internal security of the country.

Investigations into *hawala*-related crimes are conducted under the Foreign Exchange Regulation Act (FERA). Even though the word *hawala* has not been defined in FERA, the essence of the Act is that any person who retains foreign exchange abroad or sends foreign exchange abroad without the Reserve Bank of India's permission is guilty of violating FERA provisions. *Hawala* operations received a boost with the economic liberalisation policy introduced during 1991-92. According to the crime branch of the Mumbai Police, *hawala* transactions went up to \$ 112 million during 1993-94. The Directorate of Revenue Intelligence (DRI) investigated a couple of commercial fraud cases involving repatriation of millions of rupees. Money was received in India through banks on account of exports which had, in fact, not taken place and the custom documents submitted to the banks and Directorate General of Foreign Trade (DGFT) were found to be forged. However, cash, according to Crime Branch reports, has become India's top export after economic reforms.

In the context of Mumbai, *hawala* operations played a significant role in the 1993 Mumbai serial bomb blast case and were primarily routed through Tiger Memon, Moolchand Shah alias Choksi, Mohammed Dosa and others.³⁸

Circulation of Fake Currency Notes

In recent years, the arrival of fake currency notes by land as well as air routes appears to have increased. The man who

³⁸ Crime Branch, Mumbai, June 2001.

handles these operations in Dubai is Aftab Bakti, who works in tandem with Habib Khan and Iqbal Mujahid, an ISI agent from Pakistan.³⁹ They use Indian expatriates in Dubai as carriers who are paid Rs. 7000 in cash and air ticket as compensation for carrying the contraband. They are given parcels containing fake currency notes wrapped in aluminium foil and concealed in toy boxes or flower vases. On arrival at the airport, they are allowed to pass through the Green Channel by obliging customs officials. A contact man meets the carrier outside the terminal building by a pre-arranged signal and the parcel is handed over to him. In a July 2000 detection, Mumbai Police recovered approximately Rs. 150 million in fake currency notes, mostly in Rs. 500 denomination and partly in Rs. 100 denomination, and arrested 20 persons.⁴⁰ The contact person in Mumbai was Ismail Murani Sayyed alias Kassam. Akhtar Moharram Hussain Farooqui was looking after the distribution network. Similar recoveries were made in the States of Rajasthan, Andhra Pradesh, Gujarat, Karnataka, and Delhi by the DRI and Customs. There is sufficient ground to believe that fake currency notes are being printed in the Pakistani Security Press. Furthermore, Dawood Ibrahim has been reportedly working in tandem with the ISI to undermine the Indian economy.

Extortion (*Hafta*)

One of the most threatening activities by Mafia gangs in India is extortion (*hafta*). Extortion was almost non-existent in Mumbai city till the end of the nineteen eighties. Today, it is a major concern for the city's Police. Mafia gangs have started terrorising people from all walks of life for extortion. Almost all the prominent gangs of Dawood Ibrahim, Chhota Rajan, Shakeel, Abu Salem, etc, are involved in the extortion racket in Mumbai. All big business personalities are their targets. In the case of well-known and rich personalities, if money is not paid, an example is made of a couple of 'targets' who are killed in order to terrorise and secure the compliance of others. Chhota Shakeel, Fahim, Salim, Chiplun and Rashid Malbari operate the biggest extortion

³⁹ Ibid.

⁴⁰ Ibid.

racket on behalf of Dawood Ibrahim through the Dubai-Karachi-Mumbai network.

Table 6: Extortion Cases

Heads	1997	1998	1999	2000
Persons approached	360	987	947	912
Cases registered	253	367	297	344
Extortionists nabbed	442	640	626	577

Source: Crime Branch, Mumbai.

This practice predominantly exists in all big cities like Delhi, Kolkata and Mumbai. It is generally operated by local gangsters or *goondas*, popularly referred to as *bhai*, under the umbrella of big names like Dawood Ibrahim, Chhota Rajan, Chhota Shakeel, Babloo Srivastava etc. *Hafta* is usually collected as ‘protection’ money from middle-range and small businessmen.

Contract Killing

The offence of murder is punishable under section 302 of the Indian Penal Code by life imprisonment or a sentence of death, but this has little deterrent value, as the chance of detection in contract killings is quite low. The method adopted in contract killings is to engage a professional gang for a monetary consideration. Part of the prefixed amount, paid in advance, is called *supari*. The rest of the payment is made after the commission of the crime. The Mumbai gangs specialise in contract killings. The amount they charge is quite large and varies with the socio-economic status of the targets. The Dawood Ibrahim gang has been responsible for the killing of several rich businessmen, industrialists and politicians. Gulshan Kumar, the Mumbai music magnate, was one of the high profile victims of this scourge.⁴¹

With special focus on Mumbai city, there are a few other areas of business that organised criminals/mafia have entered, including the construction, film, hotel and cable industries.

⁴¹ On August 12, 1998, the Abu Salem group killed Gulshan Kumar, allegedly to help a rival music producer, Nadeem Akhtar Saifi. See “The Underworld: The Great Escape”, *Frontline*, vol. 18, no. 23, November 10-23, 2001.

Construction Industry

Land is the most precious commodity in Mumbai and has naturally attracted the attention of the underworld. Builders have used them as musclemen and in many instances they have themselves been rendered victims of their greed. Many gangsters transformed themselves into builders as the construction industry allowed enough scope for ploughing black money. The following prominent builders have been killed in the past:

- ? The Dawood gang killed Om Praksh Kukreja on September 18, 1995, as he was perceived to be close to the Chhota Rajan gang.⁴²
- ? Vallabhbbhai Thakkar was shot dead by the Arun Gawli gang on April 17, 1997, because he was close to the Dawood Ibrahim gang.⁴³
- ? Abu Salem gang killed Praveen Jain on March 7, 1995.⁴⁴
- ? Shantilal Patel was shot dead by the Arun Gawli gang on 1991.⁴⁵
- ? The Arun Gawli gang killed Natwarlal Desai on August 18, 1997, over certain financial transactions.⁴⁶
- ? Majid Khan, another important figure in the construction industry, was killed by the Chhota Rajan gang on March 1, 1999.⁴⁷

Table 7 shows incidents of attacks on builders and people connected with the real estate business.

⁴² See “Multi-crore projects bite dust as city builders run for cover:”, *The Indian Express*, Mumbai, May 19, 1998.

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ See “Ruin Of A Don”, http://entertainment.sify.com/content/weekendstory.asp?news_code_num=245&lang_code=politics.

⁴⁶ See “Multi-crore projects bite dust as city builders run for cover:”, *The Indian Express*, Mumbai, May 19, 1998.

⁴⁷ Majid Khan, along with his Dubai-based brother Yakub Khan, was accused of having harboured in a Mumbai factory a quantity of Research Department Explosive (RDX) for the gang of the Dubai-based underworld leader Dawood Ibrahim Kaskar. See “Mumbai’s mafia wars”, *Frontline*, Chennai, vol. 16, no. 7, March 27-April 9, 1999.

Table 7: Attacks by Criminals on Builders/Real Estate Agents

Year	Incidents	Persons killed	Persons injured
1997	17	17	0
1998	44	46	5
1999	15	17	8
2000	05	05	0

Source: Crime Branch, June 2000.

Film Industry

The Film industry in Mumbai provides direct employment to approximately 500,000 people and indirect employment to nearly another one million. It has an annual turnover of approximately Rs. 12.50 billion.⁴⁸ A significant proportion of its transactions takes place in black money. The underworld has developed a strong business interest in all the departments of the film industry. Many film artists and other film personalities are known to keep direct contacts with the underworld. This has led to coercion, threats and even physical assault in which many have died, as indicated in Table 8.

Table 8: Attacks on Film Personalities in Mumbai

Date	Victim
07/06/1994	Javed Riyaz Siddiqui (Producer)
01/07/1994	Firoz Sarfraz Khan (Producer)
08/03/1997	Mukesh Nandsingh Duggal (Producer)
31/07/1997	Rajiv Rai (Producer)
12/08/1997	Gulshan Kumar (Producer)
15/10/1999	Munnalal Kesharwani (An employee of Gulshan Kumar)
20/11/1999	Dhanraj Sonar (Bodyguard of Sakseria, Film Producer)
15/12/1999	Anil Thadani (Distributor)
29/12/1999	Manmohan Shetty (Producer)
21/01/2000	Rakesh Roshan (Producer)
27/03/2000	Priya Rajvansh (Film Star)

Source: Crime Branch, Mumbai Police

⁴⁸ Ibid.

Hotel Industry

Having made their entry into business activities mentioned above, underworld gangs and organised crime syndicates have also made a foray into the hotel industry, the annual turn over of which is Rs. 7.2 billion. Table 9 lists some prominent victims of organised criminal violence from the hotel industry in Mumbai.

Table 9: Attacks on Hoteliers

Date	Victim
15/06/1995	Ramnath Payyade
13/06/1995	Harish Wallabhdas Bhatia
18/12/1995	Aslam Patni
08/10/1996	Dev Narayan Ghosh
07/10/1998	Deviprasad Narayan Hegde
07/10/1998	Bal Krishna Gopal Kotiyam
13/10/1998	Amar Vasu Shetty

Source: Crime Branch, Mumbai Police.

Cable Industry

Criminal gangs are vying with each other to establish control over the cable industry. In addition to extorting money from cable operators, they also force cable companies to appoint their cronies as sub-area operators. Gangs have obstructed the use of latest scientific technology like fiber optics in the cable industry. In Mumbai, the Arun Gawli gang killed executive Ram Jethanand Panjabi on September 11, 1998. On April 14, 1999 cable operator Vijay Dattaram Lad was killed, again by the Arun Gawli gang as he reportedly refused to meet their extortion demand. Chhota Rajan's brother Deepak reportedly runs a company called Cable Cop in Mumbai, which offers film producers protection from cable TV operators who telecast their new movies without authorisation.⁴⁹ Deepak, according to police sources charges producers between Rs 25 and 50 lakh. According to senior police sources, initially, the producers associate themselves with the

⁴⁹ See "Shadow of Fear", *The Week*, Kochi, March 5, 2000.

mafia to gain a foothold in the industry.⁵⁰ However, after they make their mark, the mafia gangs demand their share.

Characteristics of Mumbai Gangs⁵¹

Based on field data, a few observations regarding the characteristics of gangs in Mumbai are delineated.

Age

Approximately 25 per cent of the gangsters belong to the age group between 19-25 years and another 30 per cent belong to the age group between 25-35 years. Approximately 5 per cent constitute the age group between 41-60 years.

Qualifications

It is found that most of the young gangsters do not attain education up to 10th standard level (approximately 80 per cent) while approximately 16 per cent reach the Higher Secondary Stage (HSC). Only about 4 per cent had reached graduation level or post graduation degrees.

⁵⁰ Ibid.

⁵¹ Based on the field work done by the author on “Youth Anomie” exploring the role of youth in organised crimes in Mumbai city. Data includes approximately 90 per cent of observations of highly crime-affected areas in Mumbai, interviews taken of youth in the organised crime syndicates and expert police officials dealing with the problem of organised crime in Mumbai.

Table 10: Qualification-wise analysis of accused arrested by Anti-Extortion Cells from 01.01.98 to 31.12.98

Region	No- of Complaints/ Information received	No. of cases in which offences registered	No. of cases in which offences detected	Total No. of Persons Arrested	Accused Arrested Gangs wise					Accused arrested			
					6	7	8	9	10	11			12
1	2	3	4	5	6	7	8	9	10	11			12
	Total	Total	Total	Total	Illiterate	Up to 7 th	7 th to 10 th	S.S.C	H.S. C	Graduate			Post Graduate
										B.A.	B.Com	B.Sc	
South	237	71	61	108	25	20	25	22	12	0	2	2	0
Central	136	99	74	169	29	46	58	23	7	2	1	2	1
North East	110	68	55	105	28	22	28	16	9	1	0	1	0
North West	369	111	93	217	24	56	58	47	23	4	2	0	3
CID Crime	135	18	16	41	5	8	9	7	9	1	2	0	0
Total	987	367	299	640	111	152	178	115	60	8	7	5	4

Source: Crime Branch, Mumbai

Ethnic Background

Traditionally, a large proportion of migrants to Mumbai have originated from the two northern States of Uttar Pradesh and Bihar, as also from within a few regions of Maharashtra itself. Interviews with police officials and youth reveal that migrants primarily emerge from the four eastern districts of Uttar Pradesh and parts of Bihar. Some of them also originate from the Nagpur and Aurangabad regions of Maharashtra.

Predominantly, as perceived by the police officials – who are mostly of Hindu origin – the main recruits to the Mumbai underworld belong to the Muslim community. A few hard-core organised gangs, patronised by the gang leaders with Muslim origin, facilitate this. This attribution of a Muslim identity is not devoid of the usual bias carried by the Hindu majority who consider the Muslims as non-conformists and violent in behaviour.

Living Conditions and Environment

A majority of the youth drawn into the gangs is from the dense slum locations where the residents are always looking out for better opportunities. These youth come in contact with the slumlords or gang leaders and are attracted to the money, power and the glamour enjoyed by their local gang leaders. They are aware of the narratives of making ‘easy money’ through unlawful activities and fall prey to the world of crime. The media also plays an important role in raising their aspirations and trying their luck in the ‘city of gold and silver.’

These youth are exposed to the stark reality of slums, which is full of misery and deprivation. To escape such darkness they rush to an illusory light, which is momentary and also life threatening. The family background also influences the entry into crime world according to some respondents. Domestic quarrels, alcohol consumption by father/brother, gambling dens, pleasure seeking peer groups and sexual abuses are experiences that impel the youth to anomie. Crammed living conditions and over population are also factors conducive to pathological development.

Religion

The gangs are not based in terms of region or religion of their recruits but subsequent to the 1993 serial bomb blasts, the Hindu gangsters have substantially disassociated themselves from the Dawood Ibrahim gang.

III. Strategies to Combat Organised Crime

Maharashtra Control of Organised Crime Act (MCOCA), 1999

With the object of combating organised crime in the city, the Maharashtra government enacted the Maharashtra Control of Organised Crime Act (MCOCA) in the year 1999. Under MCOCA:

1. Whoever commits an offence of organised crime shall,
 - i. if such offence has resulted in the death of any person, be punishable with death or imprisonment for life and shall also be liable to a fine; subject to a minimum fine of rupees one hundred thousand;
 - ii. in any other case, be punishable with imprisonment for a term which shall not be less than five years but which may extend to imprisonment for life and shall also be liable to a fine, subject to a minimum of rupees five hundred thousand.
2. Whoever conspires or attempts to commit or advocates, abets or knowingly facilitates the commission of an organised crime or any act preparatory to organised crime, shall be punishable with imprisonment for a term which shall be not less than five years but which may extend to imprisonment for life, and shall also be liable to a fine, subject to a minimum of rupees five hundred thousand.
3. Whoever harbours or conceals or attempts to harbour or conceal any member of an organised crime syndicate shall be punishable with imprisonment for a term which shall not be less than five years but which may extend to imprisonment for life and shall also be liable to a fine, subject to a minimum of rupees five hundred thousand.
4. Any person who is a member of an organised crime syndicate shall be punishable with imprisonment for a term which shall

not be less than five years but which may extend to imprisonment for life and shall also be liable to a fine, subject to a minimum of rupees five hundred thousand.

5. Whoever holds any property derived or obtained from commission of an organised crime or which has been acquired through organised crime syndicate funds shall be punishable with a term which shall not be less than three years but which may extend to imprisonment for life and shall also be liable to fine, subject to a minimum of rupees two hundred thousand.

If any person on behalf of a member of an organised crime syndicate is, or, at any time has been, in possession of movable or immovable property which he cannot satisfactorily account for, he shall be punishable with imprisonment for a term which shall not be less than three years but which may extend to 10 years and shall also be liable to fine, subject to a minimum of rupees one hundred thousand and such property shall also be liable for attachment and forfeiture, as provided by Section 20.

The opinion of about 120 police officials and 20 public prosecutors was sought to determine whether MCOCA was proving a significant deterrent to organised crime in Mumbai. Responses suggested that it was difficult to secure bail in MCOCA cases and that this gave the Act some 'punch'. In other criminal cases, a policy had been laid down by Justice Krishna lyer in 1977 that 'made bail and not jail' the credo of the judiciary, which had helped offenders to secure easy release. Many organised criminals, thus, escaped from the clutches of law and entered into a pattern of hardcore recidivism.

For example, Dawood Ibrahim, along with seven others, had robbed a businessman on February 4, 1974. All the accused were arrested in this case but later released on bail. They were convicted on July 3, 1977, and sentenced by the Sessions Court for a period of 7 years rigorous imprisonment. However, by that time, they had left India and Dawood had established his underworld network. Thus, organised criminals take full advantage of such 'judicial liberalism' and a soft bail policy, much to the disadvantage of the people and law enforcers. Under MCOCA, 'not bail but jail' becomes the controlling principle.

Furthermore, to deal with MCOCA cases, the following important judicial provisions have also been made:

Jurisdiction of Special Courts

Every offence under MCOCA is to be tried only by a Special Court within whose local jurisdiction it was committed or as the case may be by the Special Court constituted for trying offences under Subsection (1) of Section 5.

- i. In MCOCA cases, access is given to Police that instead of 90 days of cases concerned, officer can file charge sheet within 180 days.
- ii. After producing the accused in the court within 24 hours, in MCOCA cases, an arrested person can be kept under police custody for 30 days instead of the 15 days in ordinary criminal cases.

Protection of Witness

- i. Notwithstanding anything contained in the Code, the proceedings under this Act may be held *in camera* if the Special Court so desires.
- ii. A Special Court may, on an application made by a witness in any proceeding before it or by the Public Prosecutor in relation to such witness or on its own motion, take such measures as it deems fit for keeping the identity and address of any witness secret.
- iii. In particular, and without prejudice to the generality of the provisions of sub-section (2), the measures which a Special Court may take under that sub-section may include:
 - (a) the holding of the proceedings at a place to be decided by the Special Court;
 - (b) the avoiding of the mention of the names and addresses of the witnesses in its orders or judgements or in any records of the case accessible to public;
 - (c) the issuing of any directions for securing that the identity and addresses the witnesses are not disclosed;
 - (d) that, it is in the public interest to order that all or any of the proceeding pending before such a Court shall not be published in any manner.

Any person who contravenes any direction issued under subsection (3) shall be punishable with imprisonment for a term, which may extend to one year and with fine that may extend to one thousand rupees.

- iv. For the protection of witness, it is laid down that, if not willing, the witness need not be produced in Court. Thus, under such a judicial dispensation, there is no fear of victimisation.
- v. Especially in MCOCA cases, it is said that a Police Officer not below the rank of Superintendent of Police should be supervising the case (i.e. Deputy Commissioner or higher rank officials).
- vi. Only in MCOCA cases, if the arrested gang member wants to confess, his/her voice can be recorded by some Deputy Commissioner of Police or an Officer of higher rank, and such confession is admissible by Court. But, the Deputy Commissioner of Police or higher rank officer who would record the confession should not be investigating or supervising the case.

On the basis of opinion given by 120 Police Officials including Commissioner of Police, Joint Commissioner (Crime), Deputy Commissioner (Crime) Zonal Deputy Commissioner of Police, CBI Officers, etc., and 10 Public Prosecutors, 10 Defence lawyers and two Judges dealing with MCOCA cases, this paper puts forth the following propositions for combating organised crime.

Any effective strategy to deal with organised crime has to deal with each one of these features adequately. For this purpose, police and other law enforcement agencies need to be strengthened.

- i. There should be utilisation of specially selected teams with specially trained young officers known for their integrity and such officers should be given a relatively long tenure.
- ii. There should be a multi-disciplinary approach with the team comprising of officials from Police, Central Bureau of Investigation (CBI), DRI, Enforcement Directorate (ED), Income Tax, Intelligence Bureau (IB), Customs, etc.

- iii. There should be specialists in banking, accountancy and financial analysis, computer operations etc for building up a data bank on organised crime and updating the same.
- iv. There should be adequate levels of intelligence sharing with various agencies at State and Central levels.

In all these areas, while a few police forces, like the Mumbai Police, have acquired some expertise, there is still a great deal to be done to control the growing menace of organised crime in other parts of India.

It is clear that the Indian Police and in fact the Indian criminal justice system are not adequately geared to deal with the growing menace of the organised crime. Primarily, the police lack (a) adequate legal instruments, (b) specialised training, (c) responsive organisational structures, (d) technical resources, (e) effective co-ordination mechanisms with other agencies, and (f) adequate intelligence to deal with organised crime. There is also no sense of urgency on the part of the government in remedying these deficiencies.

A new law to control organised crime has been talked about at the national level for the last four years, but Maharashtra is perhaps the only State which has passed such a separate legislation, and the outcome of implementation is still to be assessed.

The first point to be noticed about organised crime is that the actual perpetrator of crime is a mercenary or a foot soldier, and the brain behind the organised crime is somewhere else, even far away from the country and out of the clutches of law. The 'soldiers' or actual perpetrators are, moreover, increasing in number. Under the existing legal framework and the work ethos of the Indian Police, the maximum that can be done is to arrest the foot soldiers. For instance, if arms are smuggled, efforts are directed towards arresting the person who is actually smuggling the arms. Once he is arrested, the focus of investigations and the prosecution is to chargesheet him and get him convicted as quickly as possible, rather than to unearth the entire conspiracy. Once the conviction takes place, the investigating officer is happy that he has successfully prosecuted the case. The top or even the second and third line leadership of the gangs remains untouched. The system and the laws do not encourage the investigating

officers at the top to go deep into the matter, to unravel the entire conspiracy and to destroy the criminal organisation. Firstly, it requires a great deal of time to unravel all these aspects. Secondly, the exiting provisions relating to conspiracy under the Indian Penal Code (IPC) make it difficult to obtain the conviction of all concerned. Thirdly, even if the case is successfully prosecuted, it only accounts for disposal of one case while evaluating the work of the officer. Thus, even though the police claim to have solved a majority of the crimes committed by organised gangs, in effect they have not been able to administer a crippling blow to any gang.

Organised crime can only be destroyed when the financial power of the organisation is broken. This requires expertise in financial and accounting matters, understanding methods of money transfer, including *hawala* deals, acumen for financial analysis, etc. The police organisations in India are yet to build such expertise. Such expertise will never be fully available within the department, and there must also be a system of collaboration by which the requisite expert advice can be obtained from outside the enforcement set-up, and even internationally.

The required type of expertise can only be built when separate task forces to handle organised crime are created and officers are given sufficient tenures on the job. Every policeman cannot investigate organised crime. It is only special task forces working in close co-operation with the police stations, which can achieve results. The special task forces also require technical resources for surveillance, for monitoring telecommunications, information technology (IT) specialists, etc.

Given the modern techniques employed in the commission of organised crimes, task forces thus constituted must be duly assisted by IT specialists, financial analysts, banking, legal and other experts. While the police department may employ a few of such experts, it will be necessary to constitute panels of such experts whose services can be availed of by the police from time to time, depending on the requirement. Most importantly, there is a need to evolve an effective co-operative mechanism for timely sharing of information and for co-ordinating the work of different agencies investigating different aspects of various cases or organisations, so as to achieve the common objective of

building a strong case against a gang. Unfortunately, the efforts at co-operation made between various agencies, including the State Police and various Central organisations, have not been very successful.

The objective of an investigation into organised crime should be the prosecution of gang members at all levels of its hierarchy, and particularly, the top leadership.

In addition, the law has to deal with organised crime on a footing different from that of conventional crime, as regards (a) admissibility of evidence, (b) appreciation of the evidence, and (c) sentencing. The argument whether there should be a special law for controlling organised crime or whether additional provisions can be made in the existing laws is not really relevant. It is, however, evident that the existing legal framework for trial and sentencing is hardly appropriate and commensurate with the challenges posed by the problem. The reasons why this inappropriate legal framework persists may be partly rooted in a lack of critical awareness of social realities, but it is certainly also the case that quite a few among the dominant sections of society and the political leadership seem to have developed vested interests in the imperfections of the existing legal framework. Organised crime, more often than not, has political overtones. Any concerted effort to address and resolve the problem will consequently require the support of all major political parties.

At present, the responses to organised crime at all important stages of the criminal justice system – investigation, trial and sentencing, and the post-conviction detention stage – are inadequate and imperfect, both in terms of intensity and the nature of response. The substantive law, the procedural law and the limited resources provided to investigating and prosecuting agencies to tackle organised crime, and the ability of the elite to frustrate investigations, all hamper any practical possibility of seriously curbing organised crime.

There are various reasons as to why organised crime should be treated differently from traditional individual criminality. Firstly, the enormous power and influence wielded by such organisations; secondly, the much greater potential physical and economic harm caused to society by organised crime; and thirdly, the enormity and seriousness of the implications of organised

crime for the political, social and legal systems that stand discredited by their presence.

Conspiracy is an integral aspect of organised crime. Therefore, the issue of whether the evidence of conspiracy is relevant under Section 10 of the Evidence Act assumes importance. However, the interpretation accorded to Section 10 of Evidence Act by which only that evidence which justifies furtherance of common intention is made relevant is not conducive to secure convictions in organised crime trials. The role and the value of approver evidence in organised crime trials has to be viewed in the light of this new form of criminality and its potential for harm. Two aspects are particularly significant: (i) the degree and quality of corroboration required needs to be varied in cases of organised crime; and (ii) the approver deserves to be protected from the fellow criminals. Measures also need to be taken to protect the next of kin and others who are exposed to risk because of their relationship with the approver. Though the joint liability or group liability principle is accepted under Indian law, our laws still fail to criminalise various categories of undesirable organisations or enterprises as such. All these lacunae are covered in the US by the Racketeer Influenced and Corrupt Organisations (RICO) Act. The burden of proving certain actions should be shifted upon the accused, by providing rebuttable presumptions, like if it were proved that the accused has kidnapped, the presumption would be that it is for ransom.

A defective legal system creates ample room for the accused (in a given case) to evade the intent of the law. As the case goes under judicial scrutiny, the role of the public prosecutor and defence lawyer comes into focus. It has been observed more often than not that there is a lack of proper liaison between the police and public prosecutors. Public prosecutors are usually paid by the government and are often not sufficiently competent to sustain an independent practice. To increase earnings, there is a need to take up additional number of cases, which at times goes beyond their capacity to handle. A Chief Public Prosecutor (PP) disclosed that usually three to four cases are dealt with by a PP on any given day. Since the government pays them, no personal liaison is established between the victim/client and PP, whereas, a defence lawyer has a personal equation with the client, as he/she is also

concerned with his/her commercial profit and reputation. The PPs and judges dealing with MCOCA cases have no specialised background to deal with such trials. They are merely transferred from ordinary civil and criminal courts, and have no specialised exposure or training that equips them to deal with organised crime. This results in a failure to appreciate the unique character of these crimes, and the dangers they constitute to the structure of society and the security of the state.

The need that these types of cases have to be dealt expeditiously was accepted when Special Courts were set up for their trial. Unfortunately, even the Special Courts take a long time to dispose of such cases. The Mumbai Serial Blasts case illustrates the point. The blasts occurred on March 12, 1993 and police filed chargesheets on November 4, 1993 (i.e., in less than eight months) whereas the Special Court framed charges in May 1995. Among the 145 accused persons arrested, 98 were enlarged on bail. (A total number of 387 bail applications have been filed indicating that multiple applications have been filed by the same accused). A total of 4,399 miscellaneous applications were filed (till December 1999), the intention of defence at times being quite simply to obstruct and derail the trial process. The Court is required to decide on all these applications. More often than not, due to the large number of pending cases, courts are blamed for the chronic delay in trial. As on July 23, 2001, since 1999, 40 cases had been registered under MCOCA. Out of these, six cases resulted in conviction, while some cases were discharged. Eight cases were still pending investigation and 23 cases were pending trial. There is a case of a Special Court dealing with only one case and the trial is yet to be completed. This proves that the 'villain' is not the number of pendants, but our legal procedures, which need radical simplification. (1) The process of framing charges should be made simple, like committal proceedings; Sections 227 and 228 of the Criminal Procedure Code (Cr.PC) may be suitably amended; (2) There should be only one appeal on facts and procedures; (3) Witnesses need not be called to appear in the witness box as a matter of routine. In many cases, their evidence could be taken as an affidavit and this would cut down delays. (4) Immunity is granted to the accused for securing his evidence against the co-accused under Sections 306 and 307 of the Cr. PC.

Not many of the accused presently wish to become approvers, as they do not benefit significantly from such a choice. For example, in the existing law, if the approver is in jail, he would continue to be in jail till the termination of the trial. If the trials are fast, the approver would not mind. But, trials are protracted and take decades to be terminated. The result is that the accused (approver) is not willing to co-operate while he remains in jail for such a long period. To illustrate, in the Rajghat case,⁵² the approver remained in jail for 10 years and the co-accused got punished only 12 years after conviction. The law needs to be amended to the effect that the approver will be released on bail after his testimony in the court is completed, subject to the condition that the investigating agency has no objection. This may perhaps encourage some accused to become approvers.

The Way Forward

If the need to deal with cases of organised crime differently and as a distinct category is accepted, an effective response would be to enact a separate Organised Crime Code rather than making patchwork amendments to the IPC. The existing laws of extradition have also been of little help. Certain fugitives like Anis Kaskar, Dawood Ibrahim, Tiger Memon, Chhota Rajan, etc, wanted for serious offences in India, have been living in various countries abroad and our law enforcers are totally helpless.

Merely enacting special laws is, however, not adequate. Police and other investigating agencies should not be lulled into inaction till a special law is enacted, or after such a law is in place, but should vigorously pursue investigation. We need to develop specialised infrastructure for investigation and prosecution of such crimes. Stricter control on possession of

⁵² An attempt on the life of ex-Premier Rajiv Gandhi was made on October 2, 1986, at Rajghat where he had gone to pay homage to Mahatma Gandhi. Concealed behind the overgrowth on a canopy, a Sikh youth, Karamjit Singh, repeatedly fired at him from a country made gun. See "Attempts made on the life of Shri Rajiv Gandhi", www.india-today.com/jain/vol3/chap2.html.

Karamjit Singh, a resident of Sangrur district of Punjab, under went a jail term of 13 years and seven months under Section 307 (attempt to murder) of the Indian Penal Code (IPC) and TADA as ordered by a designated Delhi Court. See "Rajiv Gandhi case convict released", www.tribuneindia.com/2000/20000504/punjab.htm#7.

illegal firearms and explosives, and also provisions for enhanced punishment for those found in possession of ordnance type of bombs/hand grenades, explosives like RDX, etc, are needed. The criminal-intelligence system also needs to be immensely strengthened.

As one of the essential features of organised crime is its determined effort at subverting the police, administrative, political and judicial systems, those who collaborate with organised crime need to be severely dealt with under law. Such compromised elements need to be taken out of the system.

Role of Media and Community Awareness

Mass Media, both print and electronic, can play a significant role in leading an awareness programme against organised crime. As has been the trend in the present era, commercialisation has engulfed all spheres of life including the media. The glorification of crime through the media is the dominant trend, and this creates an illusion of a certain glamorous life style that does not exist in reality. The media can play an important role in portraying a real picture of the phenomenon and also attempt to build trust between the police and citizenry. Indeed, the media could play an effective role in creating awareness about the severity of organised criminal activity. A large number of people living in different areas of Mumbai city, such as Nagpada, Agripada, Kurla, Chembur, Bhandi Bazar, etc., have expressed their dissatisfaction with the present situation, stating that liaison between the police and public is a myth. Specifically, in the slum areas, people directly blame the police for indulging in extortion, reportedly not even sparing petty shopkeepers. At the other end, a large number of lower-rank police personnel state that people living in such areas support and encourage criminality and even provide shelter to many gangsters, creating a mystique around them as *'bhai'*, and harbouring hopes that they would themselves be leaders of the locality in future. If organised crime is to be curbed in the city, it is imperative that the citizenry be involved in its prevention, and that public opinion is built up against such crimes. In this complex process, the media can act as a catalyst, because it has the strength and influence to reach out to people and to create mass awareness.