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Do Companies Commit Felonies? A Legal Analysis on Corporate Criminal Liability

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The Corporate Social Responsibility (CSR) is a guiding light to the companies in the process of protecting human rights. Although the concept CSR is supportive in the maximization of profits while addressing the societal expectations, the companies are often involved in the infringement of rights of the people and the surrounding environment. Such infringements have brought forth the idea of Corporate Criminal Liability. The acts committed by companies which become detrimental to the society can be identified as crimes, but controversies exist regarding the imposition of criminal liability on such acts. The author's attempt in this study is to analyse the contexts in jurisdictions namely United States of America (USA), United Kingdom (UK) and India in relation to the recognition of corporate criminal liability. This study identified that the Sri Lanka's company law does not provide adequate remedies to the injustice caused by the company operations. This has been considered as a loophole in the domestic legal framework. The study further recommends the enactment of a separate legislation on corporate crimes by taking Corporate Manslaughter and Corporate Homicide Act 2007 (CMCHA) as an example. CMCHA is of significance since it imposes criminal liability on companies for causing death of people. The methodology of this study is normative and qualitative in nature. The use of primary and secondary sources of law in the research has resulted in a comprehensive comparative analysis.

Keywords: company, corporate criminal liability, human rights, infringement