

Fugitive Economic Offenders Bill: To seize and punish

Finance Minister Arun Jaitley announces at a press conference on Thursday, March 1 that the Cabinet had approved the Fugitive Economic Offenders Bill, 2017. | Photo Credit: [PTI](#)

The Fugitive Economic Offenders Bill, 2018, which was introduced in the Lok Sabha this week, aims to provide for measures to deter fugitive economic offenders from evading the process of law in India. It is a deterrent for those offenders who continue to stay outside the jurisdiction of Indian courts. The larger objective of the proposed legislation is to “preserve the sanctity of the rule of law”.

In its statement of objectives and reasons, the government refers to the “several instances of economic offenders fleeing the jurisdiction of Indian courts anticipating the commencement of criminal proceedings or sometimes during the pendency of such proceedings”. Fugitive businesspersons Vijay Mallya and Nirav Modi have resisted the jurisdiction of Indian courts.

The absence of such offenders from Indian courts has several deleterious consequences, such as obstructing investigation in criminal cases and wasting the precious time of courts. In effect, it undermines the rule of law in India. Further, cases of economic offences involving non-repayment of bank loans impact the financial health of the banking sector and erode the government’s declared fight against corruption.

The Bill adds teeth to the existing civil and criminal provisions, which have been rather inadequate in dealing with the problem. It is armed to ensure that fugitive economic offenders return to India to face action in accordance with the law. It defines a “fugitive economic offender” as an individual who has committed a scheduled offence or offences involving an amount of 100 crore or more and has fled abroad or refused to return to India to avoid or face criminal prosecution.

The Bill works under the legal philosophy that the jugular for these fugitives would be their assets and properties in India. It contains provisions allowing the attachment of the property of a fugitive economic offender and proceeds of crime.

The proposed law empowers authorities to survey, search and seize. Under this law, the competent authorities can confiscate the property and crime proceeds of a fugitive economic offender and disentitle him from putting forward or defending any civil claim for his assets. The burden of proof for establishing that a person is a fugitive economic offender or that a property is the proceeds of crime shall be on the authorities concerned. An appeal shall be to the High Court concerned against the orders issued by the Special Court.

The India-Japan economic relationship remains underwhelming in relation to strategic ties

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