

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO. 4086

TO BE ANSWERED ON THE 4TH JANUARY 2019/ PAUSHA 14, 194 (SAKA)

Defaulting Businessmen Fleeing Abroad

4086. SHRI GAJANANKIRTIKAR:

Will the Minister of FINANCE be pleased to state:

- (a) whether the businessmen who took loans from Government banks could not repay the loan amount within limited period during the last three years, if so, the details thereof;
- (b) the number of defaulting businessmen/economic offenders who migrated to foreign countries/fled the country to escape prosecution during the last five years and the current year;
- (c) the number of such offenders/ defaulters who have been arrested and brought to the country for trial/conviction during the said period;
- (d) whether the Government has taken any action against such offenders/ defaulters, if so, the details thereof; and
- (e) the steps taken to prevent fleeing of criminal/economic offenders from the country to escape trial?

ANSWER

Minister of State in the Ministry of Finance
(SHRI SHIV PRATAPSHUKLA)

(a): Reserve Bank of India has apprised that the required information in this regard is not available with it.

(b) to (e): In respect of the number of defaulting businessmen / economic offenders who migrated to foreign countries/ fled the country to escape prosecution during the last five years and current year, the Directorate of Enforcement (ED) has intimated the number as 27. With regard to action taken against such offenders/defaulters, ED has apprised that application under the Fugitive Economic Offenders Act, 2018 have been filed against seven persons out of these 27 persons, applications have been sent to Interpol to issue Red Corner Notices (RCNs) against 20 persons out of which RCNs have been issued against eight persons, and extradition requests have been sent for six individuals to the countries concerned. ED has also apprised that on 10.12.2018, the Westminster Magistrates' Court in London has recommended extradition of Shri Vijay Mallya from the United Kingdom to India. ED has further, informed that the number of offenders/defaulters as aforesaid is nil.

Besides aforementioned actions, steps taken to prevent fleeing of economic offenders from the country to escape trial include the enactment of the Fugitive Economic Offenders Act, 2018, which provides for attachment of property of a fugitive economic offender, confiscation of his property, and disentitling him from defending any civil claim. Further, Government has advised Public Sector Banks to obtain a certified copy of the passport of the promoters/directors and other authorised signatories of companies availing of loan facilities of more than Rs. 50 crore.
