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A Critical Study of the Effectiveness of the Fugitive Economic Offenders Act, 2018

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ABSTRACT

The ever-increasing incidence of economic crimes in India and the tendency of criminals to flee abroad made the government realize the need for a strong legal system and in this context, the Fugitive Economic Offenders Act, 2018 was enacted. The main objective of FEOA is to take strict action against such big economic offenders who have fled abroad or refuse to return to India to avoid facing the legal process in India after committing economic fraud of ₹ 100 crore or more. This research paper presents a critical view of FEOA through an in-depth analysis of its constitutional validity, effectiveness, practical constraints and illustrative cases. Although FEOA contains stringent provisions for confiscation of property of economic offenders and denial of due process of justice, its implementation has faced several serious challenges such as confiscation of foreign assets, limitations of extradition agreements, judicial delays and violation of constitutional rights, which limit the effectiveness of FEOA. The findings of this research paper indicate that FEOA, though strong in purpose, requires international cooperation, institutional reforms, and review of legal provisions for its effective implementation. FEOA will achieve its objective only if it is implemented in a robust and equitable manner in practice

Keywords: FEOA, economic offences, extradition, asset attachment, judicial process, international cooperation, constitutional rights, effectiveness, legal review

I. INTRODUCTION

In the last few decades, the Indian economy has emerged as an emerging power at the international level and with this India's image has been established as a strong, stable and responsible nation on the global forums. If India continues to progress at this pace and direction in education, science, health, infrastructure and other important areas, the day is not far when our country India will be recognized as a global superpower, and developed nations like America, Canada and Germany will also be eager and willing to increase cooperation and trade with India. Although India has made rapid progress in every field, it has also had to face

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various internal challenges parallel to this. Economic offences are taking place in India and one of these challenges is a very serious problem. It becomes even more serious when an economic offender who escapes from facing the law after committing a crime flees the country and takes refuge abroad or does not return to India to face the law. This criminal tendency is not limited to economic loss only, but it also adversely affects India's judicial system, banking system, and global image. After the year 2010, many high-profile financial scams came to light in India in which banks suffered losses of thousands of crores of rupees. In these cases, it was found that influential industrialists, businessmen or corporate promoters like Vijay Mallya, Nirav Modi, Nitin J. Sandesara, Mehul Choksi, Nitish Thakur and Jatin Mehta etc. took huge loans and deliberately avoided repaying them, and as soon as the fear of legal action against them increased, they fled abroad and refused to face the law and return to India. These economic offence cases have shaken the public and political conscience and there is a growing demand for special legal provisions to bring such fugitive economic offenders to justice. The Fugitive Economic Offenders Act 2018 is an act which provides for punishment against offenders who have fled from India and taken refuge abroad or are refusing to return to India to avoid facing legal process, having committed a major economic crime involving Rs 100 crore or more. FEOA is not just a legal instrument but an important and decisive effort of the Indian government towards restoring the public's confidence and presenting India as a responsible economic nation. Through FEOA, India has given a clear indication that compliance with the law is mandatory under all circumstances. Every person, no matter how powerful or influential, if involved in crime, will not be spared under any circumstances and will have to face the law and also suffer punishment.

II. PRACTICAL UTILITIES OF FEOA

The Fugitive Economic Offenders Act, 2018 is seen as a historic change in the legal system of India, which has given legal and strict form to the policy of 'zero tolerance' towards economic offences. The provisions of FEOA are not only punitive, but the practical effect of those provisions is also wide-ranging and long-term, which is believed to be helpful in strengthening India's economic security and governance system. During the research, some practical utilities of FEOA have emerged which are described as follows: -

A. Legal action possible even if in the absence of criminals

FEOA allows effective action against economic offenders who fail to appear in the court to face legal proceedings despite repeated summons issued through normal notice, bailable warrant, non bailable warrant. The most important feature of FEOA is that the Special Court

has the privilege to declare the accused a “fugitive economic offender” even in his absence and can also order the confiscation of his legal and illegal properties situated in India or abroad. For example, when Nirav Modi refused to return to India to avoid facing legal proceedings, the special court took unilateral action against him under FEOA and declared him a fugitive economic offender and passed an order for confiscation of all his properties. Thus, FEOA prevents the judicial process from getting delayed and does not allow the non-appearance of the accused to become a means of evading the law.

B. Powers to confiscate & disposal of property of declared fugitive economic offender

FEOA empowers special courts to confiscate all the legal and illegal movable and immovable properties of a person after he is declared a fugitive economic offender.

The confiscated properties are disposed of by the Central Government, for this an Administrator is appointed by the Central Government under FEOA who helps the government in compensating the loss of banks or financial institutions by selling them through auction and getting the money. However, if the legal ownership of a third party is proved, then the court also gives him a fair opportunity to file an objection.

C. Powers to confiscate property even before the accused is declared a fugitive economic offender

The Act gives power to law enforcement agencies to confiscate the property of an accused who has not yet been officially declared a fugitive economic offender by the Special Court and who they believe will not cooperate in the investigation and will flee from India or will not return to India to avoid the judicial process. However, it is important to note here that the said seizure will be completely interim and will be only for 180 days, which period can also be extended with the permission of the Special Court. Also, the law enforcement agencies will have to ensure that within 30 days of the said interim seizure, an application must be filed against the such accused before the Special Court for declaring him a fugitive economic offender. This provision was made so that the accused person has fear of law in his mind and he comes forward to face the legal process.

D. Assistance to banks in recovery of bad debts and NPA

FEOA provides an important legal and effective tool to the banks in recovering their bad loans and non-performing assets. The Administrator appointed by the Central Government helps the government in recovering the losses of the banks or financial institutions by selling the

properties confiscated on the orders of the Special Court through auction and receiving the money.

E. Helps in restoring investor confidence

When the government takes timely and strict action against economic offenders under FEOA, it definitely restores the confidence of investors in the country's economy. Any investor, whether domestic or foreign, prefers to invest only when they feel that their capital is in safe hands and financial frauds are being curbed. FEOA definitely strengthens the investment environment by bringing stability in the financial market.

F. International cooperation and extradition is facilitated

FEOA presents India as a strong and responsible nation, which has strengthened India's credibility at the global level. Now other countries have also started believing that India has a fair and effective legal system, so when there is legal and concrete evidence against an accused, other countries take extradition requests more seriously and cooperate fully in the extradition of criminals.

G. Control over economic offences is possible

FEOA gives a clear warning to potential economic criminals that if anyone, no matter how influential he is, commits any economic offence or financial fraud and tries to flee the country, he will not be able to escape under any circumstances and will have to face the punishment for his crime under any circumstances. FEOA has definitely created a fear of law in the minds of people, because they know very well that in case of committing a crime and fleeing abroad, they will be declared fugitives and their properties will also be confiscated.

H. Promotion of corporate accountability and discipline

FEOA certainly has a very positive impact on the corporate sector because the directors of companies now know that no irregularities will be tolerated in any of the company's actions, which increases discipline in companies. Companies start working with transparency and also ensures accountability at the board level. FEOA also becomes a means of structural reform, which promotes honest business and irregularities can definitely be prevented.

I. Strength to good governance and judicial efficiency

FEOA strengthens good governance and judicial efficiency in India. In this, the arrangement of special courts, quick action, and ensuring transparent process is a solid step towards good governance. FEOA creates the impression that India is no longer limited to just making laws,

but is also completely leading in implementing them effectively. FEOA also promotes trust and transparency in the governance system.

J. Protection of taxpayers' money

When any economic offender flees from India after taking a loan of thousands of crores, it directly affects the common people, because ultimately government assistance comes from the taxes paid by the taxpayers. Under FEOA, when the properties of criminals are confiscated and auctioned, the amount received from it returns to the government treasury. FEOA helps in protecting the taxpayers' money and maintaining fiscal balance.

K. Increase in India's global credibility

The international credibility of any country is determined by how effective its legal framework and governance system is. FEOA has established India as a strong nation which adopts a zero-tolerance policy towards economic offences. Leading institutions of the world like IMF, FATF and World Bank have praised FEOA of India. When India demonstrated on the international platform that it was seizing or was capable of seizing the assets of fugitive criminals and trying to bring them back to India, then certainly its global credibility and investability increased significantly.

Thus, FEOA is an effective and revolutionary change in the legal system of India, which has set a new direction and condition in the way economic offences are dealt with. FEOA has not only become a means of taking strict and effective action against fugitive economic offenders, but it has also made the judicial system more effective, quick and practical. The effectiveness of FEOA has been clearly reflected in high-profile cases like Vijay Mallya, Jatin Mehta, Nirav Modi, Mehul Choksi. Under FEOA, concrete results have come out on important issues like asset confiscation, international cooperation, corporate discipline and investor protection. FEOA is very important and effective not only from a punitive but also from a preventive point of view. The implementation capacity of FEOA has definitely strengthened India's global credibility and has given a clear warning that India is no longer a safe haven for economic offenders. In future, FEOA can be made even more effective and efficient by adding more transparency, accountability and technical efficiency to it.

III. LIMITATION OR CHALLENGES OF THE FUGITIVE ECONOMIC OFFENDERS ACT 2018

There is no doubt that as a result of FEOA, the Government of India has got immense help in taking action against such criminals who have fled abroad. Before the implementation of

FEOA, there was no specific provision in any Act of India to take strong action against the said fugitive criminals. This is the only Act that gives the Government of India the right to confiscate all the legitimate or illegitimate properties of economic criminals who have fled abroad even in their absence. Also, there is no doubt in this sense that due to the implementation of FEOA, India's credibility has strengthened in the international market. Now other countries have also started believing that India has such a fair and effective system which is capable of keeping a tight rein on economic criminals. Believing this, other countries also take India's request seriously and now cooperate in the extradition of criminals. During the study, some practical challenges or limitations have also come to light in FEOA, due to which serious questions have been raised on the credibility of FEOA. The description of the said challenges is presented as follows:

A. Limited jurisdiction

The biggest challenge that has emerged in FEOA is the limited jurisdiction of FEOA. FEOA is able to take action only against those criminals who are accused of earning income of crime of ₹100 crores or more, FEOA cannot take any action against the said criminals who are accused of earning criminal income of less than Rs 100 crores. If any criminal is involved in a crime of less than ₹100. crores, then no action can be taken against the said accused under FEOA nor can his property be confiscated under FEOA. Taking advantage of this limitation of FEOA, often big criminals also commit crimes and try to reduce the crime committed by them below this limit. In this way, FEOA is bound by limits and its jurisdiction is very limited. The amount of ₹100 crores is a very large amount which is usually found only with a few people and the people who commit such big crimes are relatively less in number. Due to which, till now only 26 economic offenders have been brought under the purview of FEOA and if seen from the point of view of collective crime, this number is even less, till now action has been taken in only 16 big economic offence cases, which include (1) Vijay Mallya's bank loan default of more than ₹9,000 crores, (2) Nirav Modi and Mehul Choksi's fake LoU scam of more than ₹13,000 crores from PNB, (3) Sandesara family (Nitin Sandesara, Chetan Sandesara, Deepti Sandesara and Hitesh Narendra Bhai Patel)'s fake loan scam of ₹8,100 crores, (4) Memon family (Hajra Iqbal Memon, and sons Junaid Iqbal Memon and Asif Iqbal Memon) case of hawala and benami properties worth ₹200–600 crores, (5) Ramachandran Vishwanathan's satellite service fraud of ₹579 crores, (6) Zylog Systems Ltd. (Sudharshan Venkataraman and Ramanujam Sesharatnam's ₹2,300 crores fake invoice and loan fraud, (7) Pushpesh Kumar Baid's corporate fraud of over ₹183 crores, (8) Bhupesh Arora's corporate fraud of over ₹2,200 crores, (9) Bansal family (Atul Bansal and Sona Bansal)'s corporate

fraud of over ₹1,500 crores, (10) Suspended Deputy Collector Nitish Thakur's bank fund diversion of over ₹120 crores, (11) Jatin Mehta's ₹6,800 crores default through Winsome Diamonds, (12) Zakir Naik's ₹193 crores hate speech, foreign funding and money laundering case, (13) Sanjay Bhandari's ₹665 crores money laundering and tax evasion of ₹197 crores, (14) Manav Bharti University (Ashoni Kanwar and Mandeep Rana) ₹387 crores fake degree and money laundering case, (15) Rashid Naseem ₹800 to ₹1000 crores MLM fraud and (16) ₹5000 crores money laundering case through Mahadev online betting app (Saurabh Chandrakar and Ravi Uppal). Even the above mentioned 26 accused, against whom action has been taken under FEOA, are trying to find some way or the other to estimate the amount of crime committed by them to be less than ₹100 crores so that they can come out of the scope of the provisions of FEOA. A living example of this is Sanjay Bhandari, against whom the Income Tax Department and The Directorate of Enforcement (ED) have registered cases of undeclared foreign assets worth about ₹606 crores and tax evasion of ₹197 crores and whose application for declaring him a fugitive economic offender is pending in the special court since 13.12.2019³. He is trying to somehow prove in the special court through his lawyers that the crime committed by him was less than ₹100 crores so that he can get relief from the provisions of that Act. Due to which he has not been declared a fugitive economic offender yet and the case is pending in the special court. In FEOA, no matter how serious the nature of the crime or how widespread its social or institutional impact, on the basis that the crime is less than ₹100 crores, they are excluded from the process of FEOA. As a result, thousands of economic offenders involved in small but widely organized and heinous economic offences are not declared fugitives under FEOA, thereby limiting the effectiveness of FEOA. In fact, the number of criminal cases involving amounts less than ₹100 crores is much higher in the country, and the lack of strict action against such criminals upsets the balance of justice and deterrence. Thus, it can be said that the feature of action in cases of more than ₹100 crores or more is also the biggest challenge of FEOA.

B. Act in a discriminatory manner

The main objective of FEOA was to strengthen the country's economy by bringing to justice those who escape abroad after committing economic offences of Rs 100 crore or more and by confiscating their property. Since the crime is related to a large amount, it is clear that high level political interference and selective action was often seen in the implementation of FEOA, due to which serious questions have been raised on the fairness of FEOA. It is often

³ The Hindu, *Arms dealer Sanjay Bhandari opposes ED's plea to declare him 'fugitive', calls his stay in U.K. legal*, (20 April 2025) available at www.thehindu.com (visited on 10.05.2025).

alleged that the action taken under FEOA is politically motivated. *The Vijay Mallya*, once known as “The King of Good Times” and the first ever fugitive economic offender declared under FEOA, has described through the media that the action taken against him under FEOA is totally illegal and a result of actions taken with fraudulent intent. Vijay Mallya, in an interview on prominent YouTuber Raj Shamani's podcast, nearly 6½ years after being declared a fugitive economic offender, narrated his ordeal⁴. Mallya said that the 2008 global financial crisis was responsible for the total failure of Kingfisher Airlines. When Lehman Brothers collapsed, the flow of investment stopped and the Indian rupee depreciated rapidly. He then sought permission from Shri Pranab Mukherjee, the then Finance Minister, Government of India, to downsize Kingfisher Airlines with the main objective of reducing its expenses. But he was asked to continue operations as usual by depending on the banks. Under these circumstances, his bank debt increased to ₹6,200 crore. Strongly objecting to being called a 'thief or fugitive', he said that in 2016 he had gone abroad on a pre-scheduled trip and was trapped in legal situations with a fraudulent intent and could not return to India. Then he contacted late Shri Arun Jaitley, the then Finance Minister of the Government of India, and requested him to return to India and present his side. His request was rejected with a fraudulent intent due to legal complexities and thus all the ways of his safe return to India legally were closed. After that The Fugitive Economic Offenders Ordinance, 2018 was passed, through this ordinance, an application was filed against him on 22-06-2018 to declare him a “fugitive economic offender” and in just less than 6 months, on 05.01.2019, the Special Court declared him a fugitive economic offender and carried out the proceedings of illegal confiscation of his properties and this is continuing till date. He also claimed that against a loan of ₹6,200 crore, banks have recovered more than ₹14,137 crore from his confiscated properties, which is completely false and baseless and totally against humanitarian principles. He also gave clear indications that if he is guaranteed a fair judicial process and respectful treatment, he is ready to return to India even today. Of course, the above interview of Vijay Mallya can also be seen as a mere attempt at personal defence, which should be made the subject of wider public discussion. But the fact that ₹14,137 crores have been recovered against allegations of ₹6,200 crores certainly raises serious questions on the need, purpose and fairness of FEOA. On the other hand, the *Jatin Mehta*, who is accused of bank fraud of more than ₹7,000 crore, the Enforcement Directorate (ED) has filed an application in the special court on 25-06-2019 against him also to declare a fugitive economic offender. But despite more than 6 years having passed, neither any process of declaring Jatin Mehta a fugitive and

⁴ The Business Standard, *'I'm not a chor, I didn't run': Vijay Mallya defends himself after 9 years*”, (6th June 2025) available at www.business-standard.com (visited on 08.06.2025).

seizing and auctioning his properties was initiated nor any process related to extradition was implemented seriously. It is alleged that Jatin Mehta has family relations with Gautam Adani and Gautam Adani is said to be close to the top leadership of the current central government. It is often alleged that due to his alleged closeness to Gautam Adani, the central government has not taken any strict action under FEOA against the said Jatin Mehta, a close relative of Gautam Adani. Vijay Mallya or Jatin Mehta, even if there was no malicious intent on the part of the Central Government or anyone else in not implementing the Act in a fair manner in both the above cases, yet both the cases raise serious questions on the necessity, purpose and fairness of the Act.

C. Failure in identification of properties of fugitive

It has been provided in FEOA that in case any accused does not appear in the court proceedings, he will be declared a fugitive criminal unilaterally and even in his absence, unilateral action will be taken against him and his movable and immovable, legal or illegal properties situated in India or abroad will be confiscated. Then the confiscated properties will be auctioned and the loss incurred due to the crime committed by the said accused shall be recovered. But in practice, this process faces many practical difficulties because many movable and immovable properties acquired by the accused are hidden through a complex network through various names, companies, trusts or foreign structures, which the law enforcement agencies of the Central Government often fail to identify in time, due to which the success in the confiscation proceedings remains limited, which weakens the effect of FEOA. Barring Vijay Mallya, till now only limited success has been achieved in the confiscation and auction of all the other 13 declared fugitive criminals. Like in the case of Nirav Modi, who is accused of fraud of more than ₹13,000 crore under the Letter of Undertaking (LOU) scam, he was declared a fugitive economic offender on 5 December 2019 and accordingly an order was passed to confiscate and auction his properties, but despite more than five years having passed, the government has so far been able to recover only ₹3,500 crore from his properties, which is less than one-third of the total crime amount. Similarly, in the case of Sandesara brothers, where a fraud of ₹8,100 crore was detected, the recovery was limited to ₹4,710 crore. This study makes it clear that despite the legal force of FEOA, there are many serious obstacles in its implementation such as asset identification, lack of international cooperation, and political will, which raise serious questions on the credibility and effectiveness of FEOA.

D. Failure to extradite fugitive

FEOA provides that in case of any accused against whom an application has been made by the law enforcement agencies of the Central Government for declaring him a fugitive, the investigating agencies of the Government of India shall initiate the process of his extradition with international cooperation and make best efforts to extradite him to India at the earliest. But the biggest irony is that despite 7 years having passed since the existence of FEOA, no practical success has been achieved in extraditing even a single fugitive, whether declared a fugitive economic offender or not, to India. This is not only the biggest failure of FEOA but also the most serious challenge before its effective implementation, which raises serious questions on the credibility and effectiveness of FEOA. There are many reasons behind this failure, such as lack of international cooperation, not taking India's extradition requests seriously and lack of political will. Lack of international cooperation and not taking India's extradition requests seriously by other countries have emerged as the biggest factors that hinder the extradition of accused to India. Many countries avoid India's requests citing political, technical or human rights reasons, due to which the extradition process of the accused remains pending for years. This attitude of other countries not only badly affects the effectiveness of India's judicial system, but also gives economic offenders an opportunity to escape the law. Another reason for the failure of criminals to get extradited to India is the legal tactics adopted by the criminals themselves. These criminals often resort to many legal excuses like political asylum, health human rights violations, problems, dual criminality and citizenship disputes, so that the extradition process can be kept pending for a long time. A direct example of this failure is Mehul Choksi, against whom an application was filed in the special court on 10 July 2018 to declare him a fugitive economic offender, but till date Mehul Choksi has neither been formally declared a fugitive economic offender nor has India succeeded in extraditing him. Mehul Choksi has used several excuses and legal remedies to avoid extradition, such as alleging security threat to the Indian government, compulsion to treat blood cancer, alleged dual criminality in Belgium, political offence exception and arguments of human rights violation, due to which his extradition to India has been delayed for a long time. Although the cancellation of his Antiguan citizenship in 2023 has increased the possibility of his extradition to India, events in Belgium and Dominica, such as alleged kidnapping and international legal battle for restoration of citizenship, have continued to hamper India's extradition efforts of Mehul Choksi. It is, therefore, quite evident that unless India does not establish more active diplomacy at the global level, effective use of extradition

treaties and swift judicial coordination, the Act will not achieve its full success and effectiveness.

E. Delay in judicial process

The delay in judicial process is also one of the most prominent and practical challenges coming in the way of effective implementation of FEOA. The purpose of FEOA is to bring to justice those economic offenders who flee the country and take refuge abroad to avoid facing the law. The entire legal process of declaring a person a "fugitive economic offender" is conducted in special courts in FEOA. This process is conducted through special courts constituted under the Prevention of Money Laundering Act, 2002(PMLA). The main purpose of this system is that since these special courts have expertise in cases related to economic offences. Therefore, these special courts are considered to be more effective and capable of giving decisions at a faster pace than other general courts. But in practice, this legal process has proved to be very long, technical and complex. Many a times the accused do not appear in court personally, and the courts take the legal process forward by giving an opportunity of representation to their lawyers. Frequent technical objections by the lawyers of the accused, errors in documents and tendency to adjourn the proceedings on grounds of inadequacy of procedure lead to long wasted time in completion of legal process. Such judicial delays not only hamper the disposal of such special cases but also provide more time to the accused who have fled abroad. So that they can seek legal protection by raising human rights violations, political asylum, or other cases in foreign courts to avoid extradition. This also adversely affects the image of the Government of India and its enforcement agencies at the international platform. Mehul Choksi, Jatin Mehta and Sanjay Bhandari against whom the application for declaring them fugitive economic offenders were filed on 10.07.2018, 25.06.2019 and 13.12.2019 respectively, in the Special Court, has not been declared fugitive economic offenders as yet due to legal complexities in all such cases. This makes it clear that delay in the judicial process is also a major and practical challenge in the effective implementation of FEOA.

F. Failure to prevent criminals from committing crimes

The failure to prevent criminals from committing crimes can also be considered one of the most serious practical failures of FEOA, 2018. The main objective of implementing FEOA was to confiscate the legitimate or illegitimate properties of those accused of serious economic offences, who flee the country to avoid facing the legal process or do not return to India to face the law, located abroad or in India, and to initiate such strict legal process against

them so that they cannot engage in any criminal activity again. But the reality is also that FEOA has not been completely successful in stopping such serious criminals from their economic criminal activities. Big accused like Mehul Choksi, Jatin Mehta, Zakir Naik and Nitin Sandesara have been outside India for years, and by resorting to citizenship of different countries, legal asylum, and technical means, they not only saved themselves from returning to India, but also continued their economic and business activities as usual. The latest example is the Mahadev Satta App run by Saurabh Chandrakar, which is still in operation despite ED action, seizure of crores, and arrests, and is illegally earning money from millions of users in many countries including India. There are many reasons behind this failure, such as limitations of extradition treaties, lack of Interpol cooperation, political or human rights protection given to the accused in other countries, and the slow pace of legal process in India. Unless strong international cooperation, digital surveillance and financial intelligence mechanisms are created, FEOA will remain only a paperwork and will not become an effective tool to control criminals. Thus, failure to prevent criminals from committing crimes is also considered one of the most serious practical challenges of FEOA, 2018, which weakens the effectiveness of FEOA.

G. Indifferent and slow attitude of law enforcement agencies

Just as there are legal and international hurdles in the effective implementation of FEOA, the indifferent and slow attitude of law enforcement agencies have also emerged as a serious challenge in the effective implementation of FEOA. It is expected in FEOA, that ED, CBI, and other concerned agencies conduct prompt investigation in a timely manner, file chargesheet, and submit a strong application in the special court with strong evidence so that the properties of fugitive economic offenders can be seized quickly. But in many cases, it has been observed that the said agencies delay the completion of the necessary documents, technical errors are found in the extradition requests, which takes unnecessary time in court proceedings. The result of such negligence of law enforcement agencies is that the accused take advantage of the loopholes in the judicial process and get legal protection abroad. Cases like Jatin Mehta and Sanjay Bhandari are a visible result of such negligence of law enforcement agencies, due to which no decisive action has been taken against them for years. Such negligence of law enforcement agencies not only destroys the public's trust in law and order, but also affects India's image at the international level. Therefore, it can be clearly said that the indifferent and slow attitude of law enforcement agencies is also a serious challenge in the effective implementation of FEOA.

H. Lack of modern resources for investigation

In the current digital age, economic offences have become extremely complex, multi-layered and technologically advanced using means such as artificial intelligence, blockchain, cryptocurrency, and tax haven based financial networks. With the help of these means, economic offenders not only commit crimes but also develop strategies to evade investigation and law. These big economic offenders, who are well-equipped, global and legally savvy, destroy or complicate their evidence much faster than the capabilities of the investigating agencies. In contrast, the investigation process of India's enforcement agencies is still carried out with traditional methods and limited technological resources, which severely lack the intelligence tools required for modern cyber forensics, financial data analysis, and international surveillance. This technological disparity and imbalance make the process of conviction under the Act extremely complex, slow and ineffective. All these investigative activities like analysis of digital transactions, tracking of international transactions, and unravelling the structure of shell companies etc. are certainly hampered in the absence of proper equipment and expertise. When declared or undeclared fugitive economic offenders transfer their assets elsewhere, the process of confiscation and auction also becomes ineffective, due to which the technical quality of evidence presented in the courts also often comes under suspicion. Thus, the lack of modern resources for investigation before the investigating agencies also poses a deep and serious challenge to the effective implementation of FEOA.

Thus, FEOA, which has the potential to prove to be an effective, powerful, legal instrument and a potential "milestone" for the Indian economy, has faced serious practical, legal and institutional challenges in its implementation. These serious challenges not only hamper the effectiveness of FEOA but also weaken the basic spirit of FEOA. When any economic offender escapes the legal process even after committing any economic offence on a large scale and lives a safe and luxurious life abroad, it not only causes a deep and serious blow to India's internal financial system, but also India's image is considered as a weak, indecisive and legally ineffective nation on the international platform. This situation is not limited to only economic loss, but also poses a serious challenge to India's sovereignty, judicial system and the common people's trust in the law and the nation. When the provisions of any law prove so challenging in its implementation that they become incapable of preventing or punishing crime, then that law becomes merely a formal document. Therefore, in the present scenario, FEOA does not seem to be giving any concrete result in fulfilling its objective due to the above and other challenges, which need to be removed with immediate effect.

IV. CONCLUSION

The main objective of The Fugitive Economic Offenders Act, 2018, a ray of hope for the Indian economy, is not only to bring the major economic offenders to justice, but also to restore transparency, accountability and investor confidence in India's economic system. However, the effectiveness and success of FEOA depends on the quality of its implementation. Several serious practical and institutional barriers such as limited jurisdiction, delay in judicial process, inaction of enforcement agencies, and lack of technical resources are likely to hinder the fulfillment of its objective. If the above recommendations such as establishment of special courts, use of modern technology, expansion of international cooperation, and ensuring accountability of investigative agencies are implemented, then it is possible that FEOA can be established as an effective legal mechanism. This will not only enable the confiscation and recovery of the properties of those economic offenders who have fraudulently looted the hard-earned money of the public but will also definitely develop an environment of respect and fear for the law in the country and society.
