
CRITICAL ANALYSIS OF ECONOMIC OFFENDERS ACT

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ABSTRACT

India has seen a significant rise in economic offenders. The laws that are aimed to prohibit economic offences are seen to be not working effectively. The biggest issue that they are facing currently is with regards to extradition. This can be seen in cases like the Vijay Mallya scam or Mehul Choksi Case. The UK has become a primary destination for economic offenders and Indian authorities are facing issues in moving against these offenders. But despite that can we draw a commonality and/or differences between various economic offences that have taken place. This paper will try and do a critical analysis of various economic offences that have taken place in India and will try to rely on behavioral theories and models that can help pinpoint commonalities between them. This could help in possible intervention as these red flags and theories could become a possible basis for keeping a check on potential economic offenders. This paper will place reliance on various scams like Sahara, Vijay Mallya, Nirav Modi, Harshad Mehta, and YesBank. Based on these scams this paper will try to establish loopholes, red flags, and behavioral risks that one could look up to in the future.

Introduction:

White-collar crimes have seen a steady increase in the past 3-4 decades¹. With the advent of technology, economic proliferation, and globalization a steady increase in the commission of economic offences has created a problem all around the world. In India, we see that serious economic offences have been committed in the past 10 years. But India faces a unique problem that is not related to economic offences at all but transcendent into bringing these fugitives to justice. The enforcement mechanism system in India has broken down and it is creating a confidence loss problem. Recent cases like the Vijay Mallaya scam, Nirav Mod scam show that the system in place to curb economic offences has broken down and these fugitives are leaving the country. Extradition of these fugitives is an extremely slow and tedious process thus bringing the justice machinery to halt. Due to these problems, India enacted the fugitive Economic Offenders Act, 2018. But is this enough to solve the problem of economic offences in India? There have been more scams recently like the Yesbank scam and Ambience Mall scam. Non-performing assets are significantly on the rise and every year we see a serious and major economic offense that is committed which leads to more than 100 crores fraud. It impacts the investor confidence, economic cycle, and banking system significantly. Bearing this in mind, this paper will try to analyze these major offences and draw observations that align with jurisprudence around financial criminology. It will also try to create an analysis of economic offenders' acts and lacking areas.

Methodology

The methodology used to understand case studies and theoretical background is purposive sampling coupled with secondary data.

Understanding Landscape of Economic Offenders Act:

India was facing a huge issue related to economic offenders wherein these people were fleeing the country. So in a hurry to take cognizance of these activities, India enacted Economic Offenders Act, 2018. In this act, section 2 (f)² defines a fugitive economic offender. The act mainly condemns fugitive economic offenders (FEO). FEO is defined as a person who has a pending arrest warrant against him/her which is issued by courts of India concerning economic offences that are considered as schedule offences and such person has gone beyond the territory of India and refuses to comply with courts order. Typically FEO will refuse to comply with the

¹ Ralph Byington J and Ann McGee J, 'White-Collar Crime: A Due Diligence Issue in India' (2010) 21 Journal of Corporate Accounting & Finance 9 1

² Economics Offender Act, 2018

criminal proceeding initiated against them. Enforcement Directorate (hereinafter ED) has the authority to move against the person and special powers of ED can be invoked if the FEO has over 100 crores involved as the fraudulent amount³. ED has a wide range of powers including the power to attach property on the apprehension that properties might be sold off⁴. A special court is instigated within this act that deals with these types of cases and ED can approach and file an application to initiate and proceed against a person under FEO⁵. Court gives 6 weeks for the person to appear⁶ before the court and 7 days are provided to file a reply⁷. If this is not done then, a court has powers to attach all properties of the person irrespective of whether they were involved in criminal conduct or not and all properties include Benami property⁸. Section 14 provides that civil claims of the FEO can be disallowed by any court and further not only claims of FEO but companies and limited liability partnerships also, provided that FEO has a majority stake in them or holds a key managerial position⁹.

Some scholars and interested parties have argued that these are draconian laws, and it creates a black hole of deterrence. Blackhole here signifies that a person won't have any incentive to return to the country when such things are happening. For example Vijay Mallaya a declared FEO claimed that govt of India attached 14000 crores worth of property when he only owed 9000 crores¹⁰. This view is brought because of alternate use of the term's attachment of the property and confiscation of property. Section 5 of the act talks about attachment. It states Director or any officer authorized by the director may attach property with the permission of the special court. This is a stark comparison to other subsequent provisions wherein Confiscation is used as the term. The difference between the two is attachment¹¹ refers to an act of keeping the property secure during the trial until the final order of court so that the claims of other parties cannot be negated. It is aimed to protect so that an FEO can't sell the property and negate claims of the other side. Confiscation¹² on other hand signifies the forfeiture of property. This aligns with the objective of the act since, in the starting, it has been declared that if FEO doesn't respond to the notice of the court then govt can proceed with confiscation. It

³ Section 2 (m) FEOA

⁴ Section 5(2)

⁵ Section 4

⁶ Section 10

⁷ Section 11

⁸ Section 12

⁹ Section 14

¹⁰ 'Declaring Me Fugitive Offender Is like Giving "Economic Death Penalty": Vijay Mallya Tells Bombay HC' (*The Indian Express*, 25 April 2019)

¹¹ Black's Law Dictionary 161 (4th ed. 1968)

¹² Black's Law Dictionary 371 (4th ed. 1968)

implies that a high degree of punishment follows with non-compliance. But a counter to this point is that FEO then would not have an incentive to return since they know their property is confiscated and hence will not be returned. But a significant observation is FEO shouldn't have to flee in the first place because they know their actions will lead to confiscation.

We shall understand this contention in the light of deterrence, punishment, and criminal act. The idea here is to align in such a way that criminal activities are stopped, or criminals are incentivized to comply. The traditional way is to put penalties so high that crime is effectively deterred. Posner¹³ in his paper explains this and states the way to deter criminal behavior is to put penalties so high that people would not think about committing that offense. Yet in India, we see that despite, attaching such a draconian measure the enforcement in terms of extradition remains at an all-time low. Many factors affect that such as relations, enforcement policies of the country, etc but still it seems that the traditional way is not enough.

Theoretical background – Economic Analysis of Crime and punishment.

Economic analysis of the law particularly in terms of criminal law tries to balance the criminal act in terms of punishment and cost with the end goal of deterrence in mind. There are many approaches within this domain. Two approaches have been discussed above. Becker¹⁴ discusses that the large objective of criminal law should be to make criminal opportunities less attractive. This is significant because opportunities are an important element for an economic offense to realize or for that matter any offense. Cressey's fraud triangle states that one of the operative parts of white-collar crimes or economic offenders is a perceived opportunity¹⁵. Without this perceived opportunity the criminal act cannot operationalize. But whether the approach adopted by the Fugitive economic offender's act is capable enough to create a situation of less attractiveness is questionable. According to Posner's¹⁶ article, he states that sometimes fugitive is equipped enough to pay for damages thereby making law insufficient. This becomes a problem, because if deterrence in form of penalty is easily born by fugitives, then the law might become useless. Hence this act justifies the action of taking such a draconian measure. This is also significant bearing in mind that FEO is taking drastic steps to evade the law and mere appearance before courts. Further Economic offenders know the position before the law thus, know that they are guilty. This rationale justifies their action of leaving the nation. It is seen

¹³ Posner RA, 'An Economic Theory of the Criminal Law' (1985) 85 Columbia Law Review 1193

¹⁴ Becker GS, 'Crime and Punishment: An Economic Approach' (1968) 76 Journal of Political Economy 169

¹⁵ Tickner P and Button M, 'Deconstructing the Origins of Cressey's Fraud Triangle' (2021) 28 Journal of Financial Crime 722

¹⁶ Posner RA, 'An Economic Theory of the Criminal Law' (1985) 85 Columbia Law Review 1193

that the UK is the preferred place for safe harbor as you can either delay proceeding or extradition based on human rights and safety. Based on this analysis we can state the measures are taking effect due to non-appearance and bad faith conduct on behalf of fugitives. These measures are warranted so that an offender pays for using such tactics that can derail the proceeding and process of justice. If you feel they are draconian, then the best bet is to stay and face the courts. There is no confiscation before making an appearance. Hence measures are justified.

Case studies

i. Nirav Modi

Nirav Modi entered the diamonds market like a ghost¹⁷. He belonged to a family of Jewellers and learned the craft from Mehul Choski¹⁸. He had an ambition of creating an Indian luxury brand that gets associated with diamonds. He wanted to create renown for Indian jewels. He started his company called Firestar diamonds. A significant aspect is that diamonds have a high minimum efficiency scale and are a very volatile industry¹⁹. It took him a decade to establish his domestic reputation in India and 2010 he decided to go international²⁰. Within 5 years he established multiple stores in major jurisdictions like Hong Kong, the UK, the US, etc²¹. He started his international reputation by selling a diamond set in the biggest diamond auction house in Hong Kong for the maximum selling price²². During his establishment in foreign markets, he also started to try unprecedented stuff and went on an innovation spree. He created Expandable diamond bangles that show he was into unprecedented innovation. He further made sure that his company hired top people in every aspect from advertising to engineers. He even provided top-tier services to his employees who were involved in the polishing of diamonds. This aspect is quite unprecedented in terms of operation. For a model like this to sustain it either requires state-of-the-art and a completely new business model that no one has heard about, or something isn't right.

¹⁷ 'The Rise and Fall of Nirav Modi' (*The Indian Express*, 26 June 2018). See also Lall PC, *Flawed: The Rise and Fall of India's Diamond Mogul Nirav Modi* (Hachette UK 2019)

¹⁸ Lall PC, *Flawed: The Rise and Fall of India's Diamond Mogul Nirav Modi* (Hachette UK 2019)

¹⁹ Berger R and Gavish Y, 'A Gem in a Hostile World: An Evolutionary Analysis of the Diamonds Industry: The Case of the Israeli Diamond Industry' (2015) 6 *International Journal of Strategic Change Management* 268

²⁰ See Lall PC, *Flawed: The Rise and Fall of India's Diamond Mogul Nirav Modi* (Hachette UK 2019)

²¹ Lall PC, *Flawed: The Rise and Fall of India's Diamond Mogul Nirav Modi* (Hachette UK 2019)

²² Lall PC, *Flawed: The Rise and Fall of India's Diamond Mogul Nirav Modi* (Hachette UK 2019)

In 2018 it was discovered that Modi was sustaining his business through loans by bribing PNB employees to grant a Letter of undertaking (LOU). LOUs act like a guarantee and provide an easy way to take loans. It requires cash collateral²³. Modi was taking multiple LOUs from PNB Baroda Branch in Mumbai without providing collateral²⁴. Since the PNB system hadn't transitioned into the online system completely this was hidden from top management²⁵. This was revealed when one of the employees step down and Modi's employees came for another set of LOUs cash collateral was demanded and then a scam came to light. By that time Modi had taken 11,400 crores. But a critical point to note here is that without providing cash collateral it would result in shrinkage in account and this wasn't caught by auditors both internal and external²⁶. When the scam came to light Modi left for the UK. An extradition order is pending before the UK.

ii. *Vijay Mallya*

Vijay Mallaya was a son of a rich businessman²⁷. He had a lavish lifestyle. He wanted to create an image for himself and entered the brewery business. It turned out to be very successful. Through his brand Kingfisher, he invented the concept of surrogate advertising to advertise beer products²⁸. This added to his fame as he achieved a way to elevate a prohibited industry and advertise it openly. He decided to expand and wish to create a luxury airline brand. But Airline industry has high MES and operating costs²⁹. The sheer value it requires to operate is immense³⁰. To fund his airline business named Kingfisher Airlines, he started taking loans. Since 2005 a series of loan sprees started³¹. But these loans couldn't sustain his business and due to operating costs, he faced huge losses. He decided to revamp the brand and took another set of loans. This included additional aircraft brought, money spent on advertising, etc. During this period he entered into other lavish industries like IPL and F1 racing³². Since the advent of

²³ S. Gayathri D and T M, 'A Critical Analysis of the Punjab National Bank Scam and Its Implications' (Social Science Research Network 2018) SSRN Scholarly Paper ID 3274568

²⁴ S. Gayathri D and T M, 'A Critical Analysis of the Punjab National Bank Scam and Its Implications' (Social Science Research Network 2018) SSRN Scholarly Paper ID 3274568

²⁵ S. Gayathri D and T M, 'A Critical Analysis of the Punjab National Bank Scam and Its Implications' (Social Science Research Network 2018) SSRN Scholarly Paper ID 3274568

²⁶ Investigation of auditors involved in audit of PNB brady branch. See Vyas M, 'Nirav Modi Scam: ICAI Sends Notices to Statutory Auditors of Brady House Branch' *The Economic Times* (15 April 2018)

²⁷ Nag K, *Kingfizzer: The Rise and Fall of Vijay Mallya* (HarperCollins 2017)

²⁸ Giriprakash K, *The Vijay Mallya Story* (Penguin UK 2014)

²⁹ Cento A (ed), 'Characteristics of the Airline Industry', *The Airline Industry: Challenges in the 21st Century* (Physica-Verlag HD 2009)

³⁰ Cento A, *The Airline Industry: Challenges in the 21st Century* (Springer Science & Business Media 2008)

³¹ Sharma G and Gupta C, 'A Review on Kingfisher Airline "Prosperity Converted Into Bankruptcy"' (Social Science Research Network 2019) SSRN Scholarly Paper ID 3396995

³² Nag K, *Kingfizzer: The Rise and Fall of Vijay Mallya* (HarperCollins 2017)

2011 the debt had been piling up and multiple funding was used to cover that up. In March 2016-17 banks projected an NPA of 9000 crores. Before Mallaya could be arrested he left the country. In 2011 Veritas published a report³³ on Kingfisher and United Breweries and projected the red flags and imminent downfall of the industry. There were critical concerns over its profit-making ability and ability to withstand the costs of the airline industry. Refer to Table 1 to see the series of loans sanctioned by 17 banks and the extent of the amount lent. Table 2 uncovers a trend of rising losses each year despite multiple funding and injections into the business. There are 5 major concerns within this case. The first aspect is related to collateral and the bank's deliberate avoidance of demand of collateral. Second private banks subsequently rejected Mallaya's proposal of loans and most of the banks involved are public banks. Third, subsequent funding especially after a few years was not vetted properly using financial tools, etc. IDBI sanctioned the loans despite knowing the debt that kingfisher holds, and they sanctioned the loans based on projections without vetting financials. A company that is unable to pay its employee in India won't be able to sustain itself despite giving substantial funding³⁴. Fourth transactions were politically motivated as Mallaya was an MP and had connections within the parliament. Fifth there is a stark comparison in terms of giving money to normal people in comparison to a businessman. There is a deliberate attempt to absolve their collateral liability which is not correct.

Problems and Issues – In light of Behavioural theories and red flags.

In most cases, behavioural aspects and red flags are usually similar. In above-mentioned cases, which are the most recent ones, also follow a similar trend. It shows that Indian jurisprudence is unwilling to learn from its past mistakes. These economic offences have a deep impact on the economy especially on the stock market, banks, and investor confidence. Due to these offences and the involvement of Public Sector banks, govt has to be involved to bail them out. Its taxpayer money that is utilized in this endeavor and wasted could have been used for other productive outcomes.

Some common behavioral theories that are relevant for these case study is the fraud triangle³⁵,

³³ Veritas report, 2011 – A pie in sky, <https://fddocuments.in/document/pie-in-the-sky.html>

³⁴ DiNapoli, T. P. (2008). Red Flags for Fraud. State of New York Office of the State Comptroller, 1-14. Retrieved from https://www.osc.state.ny.us/localgov/pubs/red_flags_fraud.pdf

³⁵ Kassem R and Higson A, 'The New Fraud Triangle Model' (2012) 3 Journal of Emerging Trends in Economics and Management Sciences 191

role theory³⁶, routine activity theory³⁷, lifestyle theory³⁸, and psychological theory³⁹. In the fraud triangle, there are three elements namely pressure, opportunity, and rationalization⁴⁰. The pressure element states that there is an incentive or financial need that pushes the person towards the fraud. Pressure can be in terms of meeting deadlines or achieving sale goals etc. In the above cases, both relate to keeping business afloat and their drive to make a name for themselves. Opportunity is the ability to execute a well-crafted plan. It usually arises when certain measures are absent like security etc. In above -mentioned cases, it relates to the lack of proper measures like the online system CBS not being linked to the main PNB system⁴¹ and utilization of power in the Vijay Mallaya case. rationalization signifies the justification of dishonest action. It basically means internalizing that whatever action you took is the right one. Role theory⁴² states the involvement of powerful people and the need of the economic offenders to stay close to these people. Politically motivated aspects are present in both of the cases above without which leaving the country is not possible. This can be initiated with political alliances and the involvement of insiders within enforcement agencies. Routine activity theory⁴³ states a fraud is committed when there is a motivated offender and suitable target with an absence of a guardian. In both cases proper corporate governance measures were not present for example use of auditors, financial viability studies not conducted, etc. these give rise to a suitable target without a guardian and a motivated offender is present because someone will utilize this opportunity to commit a crime. Lifestyle theory⁴⁴ talks about the lifestyle of economic offenders, and it is usually on the lavish side. it is a common feature in most economic offenders. Nirav Modi and Vijay Mallaya both had a lavish lifestyles. Psychological theory⁴⁵ talks about common cognitive features of economic offenders. It is usually on the egoistic side with an ambitious drive. These people are more motivated to commit a crime. Nirav Modi and

³⁶ Biddle BJ, *Role Theory: Expectations, Identities, and Behaviors* (Academic Press 2013)

³⁷ Miró F, 'Routine Activity Theory', *The Encyclopedia of Theoretical Criminology* (American Cancer Society 2014)

³⁸ Maxfield MG, 'Lifestyle and Routine Activity Theories of Crime: Empirical Studies of Victimization, Delinquency, and Offender Decision-Making' (1987) 3 *Journal of Quantitative Criminology* 275

³⁹ Hollin CR, *Psychology and Crime: An Introduction to Criminological Psychology* (Routledge 1989)

⁴⁰ Kassem R and Higson A, 'The New Fraud Triangle Model' (2012) 3 *Journal of Emerging Trends in Economics and Management Sciences* 191

⁴¹ S. Gayathri D and T M, 'A Critical Analysis of the Punjab National Bank Scam and Its Implications' (Social Science Research Network 2018) SSRN Scholarly Paper ID 3274568

⁴² Biddle BJ, *Role Theory: Expectations, Identities, and Behaviors* (Academic Press 2013)

⁴³ Miró F, 'Routine Activity Theory', *The Encyclopedia of Theoretical Criminology* (American Cancer Society 2014)

⁴⁴ Maxfield MG, 'Lifestyle and Routine Activity Theories of Crime: Empirical Studies of Victimization, Delinquency, and Offender Decision-Making' (1987) 3 *Journal of Quantitative Criminology* 275

⁴⁵ Hollin CR, *Psychology and Crime: An Introduction to Criminological Psychology* (Routledge 1989)

Vijay Mallaya both had that drive within them.

All these theories highlight a potential offender that we should be on the lookout for⁴⁶. But a significant feature is that potential offenders and red flags go hand in hand. These are important to understand so preventive measures can be taken place. Since these offences are very shattering on an economy. It is important to see what red flags are present. In our analysis, we find that there is no mention of credit rating/auditing agencies and their liability. Firestar diamond and Kingfisher were given a higher rating by one of two agencies. For example CARE, India rating gave a high rating to Firestar diamond in 2017⁴⁷. This is an important observation because these agencies give an opinion that the company is soundly based on certain parameters and it's critical to scrutinize how these parameters are arrived at. If they are based on unsound analysis, then these agencies must be held accountable. They have a higher responsibility as their reports are relied on by many potential investors. Then there is an aspect of avoidance of reports and no active conduction of investigation. Before these frauds came to light, certain significant aspects took place. In the Nirav Modi scam, a report published by Deloitte external auditing agency stated that debt repayment of Firestar's Subsidiary wouldn't be possible unless drastic measures is taken⁴⁸. There were mentions of related party transactions and it was flagged that most of the company's business is with 8 common entities which are in two jurisdictions. This should have been investigated further because it clearly shows that something isn't right. This was later revealed as inflation of diamonds was happening by using other entities. It gave rise to improper asset valuation, and this wasn't flagged by internal auditors⁴⁹. In the Vijay Mallaya scam, the Veritas report was published, 4 years before the scam reveal which stated that United Breweries and Kingfisher won't be able to pay back their debt⁵⁰. There was no movement by any enforcement agency to investigate further. Also, more loans were granted by other banks despite the existence of this report.

These aspects are critical because they provide an opportunity to minimize losses. The number of scams could have been lowered if a timely investigation was done. This is a common aspect

⁴⁶ Glueck S, 'Theory and Fact in Criminology' (1956) 7 British Journal of Delinquency 92

⁴⁷ Care in 2016 gave BBB- and India rating gave Ind A-. what this signifies is that company is safe to invest but its health is deteriorating. These rating were subsequently changed when scam was revealed. See Chatterjee D, 'Banks Relied on India Ratings' A- Outlook to Lend to This Nirav Modi Firm' *Business Standard India* (17 February 2018)

⁴⁸ Subramanian NS, 'The Uncertain Financials of Firestar International, the Flagship of Nirav Modi's Empire' *The Economic Times* (20 February 2018)

⁴⁹ Subramanian NS, 'The Uncertain Financials of Firestar International, the Flagship of Nirav Modi's Empire' *The Economic Times* (20 February 2018)

⁵⁰ Veritas report, 2011 – A pie in sky, <https://fddocuments.in/document/pie-in-the-sky.html>

within the two and many other economic offences. For example in Sahara Scam, an investigative journalist revealed the chit fund and its implications. Yet Sahara was allowed to be listed and they almost got an IPO listing which would have resulted in an even bigger scam. Another major red flag is trend analysis. Unprecedented stuff is a major giveaway for something wrong is happening. In the Nirav Modi scam, it took him 10 years to establish himself in one jurisdiction, but he established himself in other major jurisdictions, more than 4, within 6 years. This is unprecedented for a jeweler. Not even the big diamond industry like Tiffany and Co. moved that fast. There was other unprecedented stuff like the use of top-quality things in each aspect. From advertising to worker services etc. In the Vijay Mallaya scam, the line of credit was stopped. It clearly shows that other industry partners realized the dire situation of Kingfisher airlines, but banks and enforcement agencies did not. Trend Analysis could have revealed that Luxuries doesn't work well with airlines. Offering quality services etc might not work in volatile industries such as airlines. For example, there is a reason why indigo works on minimalistic stuff. It is difficult to break even the operating costs and if luxuries are offered these costs are even more difficult to break even. And other airlines have gone into heavy losses due to this. In Nirav Modi, a small branch that was named to be a top performer should have been given a closer look. Based on loans naming a branch best performer isn't a correct valuation. In accounting standards, it is stated to be premature revenue recognition. Especially since Nirav Modi hadn't been paying the loans back. This gives rise to a critical failure of accounting standards and careful scrutiny is needed on how it was missed by internal and external audits.

The collateral aspect is also critical. A normal person when goes to banks collateral is the first thing they ask. But in both case studies the collateral was missing. This shows stark differences and ease of convenience for businesspeople. It gives rise to an opportunity to misuse. When there is collateral on the line, it becomes even more significant to utilize the funds judiciously. This becomes even more critical with the involvement of public sector banks. Time and time again the trend has shown that Public sector banks lend on whims and fancy. This is a stark comparison to private banks which have a higher accountability standard. Top management is involved in such a large transaction. It requires careful scrutiny. This was missing in the Nirav Modi case wherein a high bank guarantee was issued without the involvement of senior management. If we analyze carefully, the number of banks involved in the Vijay Mallaya scam, we will find that 90 percent of them are public banks. Further private banks had lent relatively

low amounts. This shows the sound analysis they do and helps reduce further NPAs (non-performing assets).

Conclusion

In light of a dire situation. With the advent of subsequent and significant economic offences. India decided to pass the economic Offender's act. but the conclusion is that this act isn't required. It only gives the power to attach all property of a fugitive offender. On more careful analysis, it is revealed that a much significant approach would be to utilize the corporate governance strategy and not ignore them. with proper utilization, this could have helped in avoiding these crimes. One could derive that these crimes were totally unwarranted, or the scam amount could have been lowered significantly. Instead of passing completely new legislation instead, a need is seen to strong-arm the corporate governance tactics.

APPENDIX

TABLE 1- Loans and Amount sanctioned

Bank Name	Loan Amount
SBI	1,600 Crores
PNB	800 Crores
IDBI	800 Crores
Bank of India	650 Crores
Bank of Baroda	550 Crores
United Bank of India	430 Crores

Central Bank of India	410 Crores
UCO Bank	320 Crores
State Bank of Mysore	150 Crore
Indian Overseas Bank	140 Crore
Federal Bank	90 Crores
Punjab & Sind Bank	60 Crore
Axis Bank	50 Crores

Source: Compiled by the author.

1. Jacob W, 'Vijay Mallya – An Astute Businessman?' (2016) 12 SAMVAD 39 <<http://samvad.sibmpune.edu.in/index.php/samvad/article/view/109756>> accessed 13 November 2021
2. Sharma G and Gupta C, 'A Review on Kingfisher Airline “Prosperity Converted Into Bankruptcy”' (Social Science Research Network 2019) SSRN Scholarly Paper ID 3396995 <<https://papers.ssrn.com/abstract=3396995>> accessed 13 November 2021

TABLE 2- Losses faced by Kingfisher

Year	Loss
2005	2 Million \$
2006	76 Million \$
2007	180 Million \$
2008	242 Million \$
2009	560 Million \$
2010	934 Million \$
2011	1164 Million \$

Source: Compiled by the author

1. 'Kingfisher Airlines Profit and Loss Reports' (*The Economic Times*)
<<https://economictimes.indiatimes.com/kingfisher-airlines-ltd/profitandlose/companyid-276.cms>> accessed 13 November 2021
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12. Kingfisher Airlines Profit and Loss Reports' (*The Economic Times*)
<<https://economictimes.indiatimes.com/kingfisher-airlines-ltd/profitandlose/companyid-276.cms>> accessed 13 November 2021
13. 'Kingfisher Airlines Profit and Loss Reports' (*The Economic Times*)
<<https://economictimes.indiatimes.com/kingfisher-airlines-ltd/profitandlose/companyid-276.cms>> accessed 13 November 2021
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