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# A DECADE OF THE BENAMI TRANSACTIONS (PROHIBITION) AMENDMENT ACT, 2016 CRITICAL EVALUATION OF ITS EFFECTIVENESS IN INDIA

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## I. ABSTRACT

*The Benami Transactions (Prohibition) Amendment Act, 2016 was enacted for strengthening Indian legal framework against Benami transactions which have been linked with black money, tax evasion, corruption. While the original Benami Transactions (Prohibition) Act, 1988 prohibited such transactions but it lacked effective enforcement mechanisms and remained largely ineffective for 3 decades. The 2016 amendment introduced comprehensive definitions, specialized authorities, confiscation procedures, appellate mechanisms and strict penalties. This research evaluates the effectiveness of the Act during the decade from 2016 to 2026. It examines the evolution of benami law in India the enforcement measures adopted by the Government the role of specialized institutions and the impact of judicial interpretation on the implementation of the legislation. The study further analyses the contribution of technological initiatives such as Bhū Aadhaar and Aadhaar linked land records in improving transparency and preventing benami transactions. The findings indicate that the Act has significantly enhanced the Government's ability to detect and attach benami property. However, challenges such as procedural delays, constitutional limitations, judicial scrutiny and the complex ownership structure continue to affect its overall effectiveness. The study concludes that although the Act has not completely eradicated benami transactions or black money, it has emerged as an important instrument for promoting financial transparency and accountability. Continued institutional reforms, technological integration and inter agency coordination's are essential for achieving the full objectives of the legislation.*

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## II. KEYWORDS

Benami Transactions, Black Money, Confiscation, Benamidar, Bhu Aadhaar.

## III. INTRODUCTION AND RESEARCH PROBLEM

The practice of Benami transaction has historically helped to hide the ownership of assets, tax evasion, money laundering, corruption and accumulation of black money. Although the Prohibition of Benami Property Transactions Act was originally enacted in the year 1988 but the law was ineffective due to the absence of a proper mechanism. The enactment of the Benami Transactions (Prohibition) Amendment Act has changed the legal framework by including detailed definitions, provisions, adjudicating authorities, appellate tribunals and penalties.

The Government of India stated that the amendment was necessary to fight against black money and the undisclosed wealth. During the initial years of implementation authorities have attached thousands of crores worth of Benami properties and established Benami Prohibition units for investigating these properties and to check the enforcement of the Benami Transactions (Prohibition) Amendment Act, 2016.

### A. Research Objectives

1. To examine the legal framework which has been established under Benami Transactions (Prohibition) Amendment Act, 2016.
2. To evaluate the implementation of the Act between 2016 and 2026.
3. To analyze enforcement data relating to attachment and confiscation of Benami Properties.
4. To examine significant judicial interpretations of the Act.
5. To assess whether the Act was able to achieve its objective of recovering black money and recovering property of which true owner was not known.
6. To study the role of land digitization initiatives such as Bhu Aadhaar and the Aadhaar Linked land records in preventing benami transactions.
7. To suggest reforms for strengthening Anti-Benami enforcement.

## **B. Research Questions**

1. Has the legislation effectively reduced benami transactions?
2. Has it contributed to the recovery or reduction of black money?
3. Have judicial interpretations strengthened or weakened the enforcement of the legislation?
4. Can technological innovations in land administration further support anti-benami enforcement?

The present research paper seeks to examine and answer these questions.

## **C. Research Methodology**

The present study adopts a doctrinal and analytical research methodology. It is primarily based on the examination of statutory provisions under the Prohibition of Benami Property Transactions Act, 1988, as amended by the Benami Transactions (Prohibition) Amendment Act, 2016, along with relevant judicial decisions, government reports, Press Information Bureau releases, and secondary legal literature. The study analyses the legislative framework, enforcement mechanisms, institutional structure, and judicial interpretation of anti-benami law in India.

The scope of the research is limited to evaluating the effectiveness of the 2016 amendment during the period from 2016 to 2026. The study relies mainly on publicly available legal materials, government data, case law, and published secondary sources. Its limitation is that it does not involve empirical field research, interviews with enforcement authorities, or independent verification of unpublished enforcement records. Therefore, the analysis is confined to doctrinal evaluation and available secondary data concerning the implementation of the anti-benami legal framework.

## **D. Literature Review**

Government Reports and PIB Releases: Government reports have shown sufficient enforcement activity after the 2016 amendment. By May 2017, more than 400 benami

transactions had been identified with property attachments exceeding more than ₹600 crore and dedicated Benami Prohibition Units which have been established all over India.

After that in the year 2018, it released a report which has attached property exceeding ₹3,500 crore in more than 900 cases which showed effective enforcement.

Further reports show that in the year 2019 the attached property exceeded ₹4,300 crore in more than 1,600 transactions showing the government's effective enforcement as an anti-black money measure.

The scholars generally agree that the 2016 amendment addressed the major weaknesses of the 1988 act by including a comprehensive enforcement mechanism. However, some concerns have been raised regarding the complex procedure, lengthy adjudication and constitutional issues regarding the retrospective application.

The Supreme Court's jurisprudence<sup>2</sup> has significantly influenced the interpretation of the legislation and particularly regarding the retrospective application. These decisions have changed the practical enforcement and the confiscation of powers.

## **IV. RESEARCH AND ANALYSIS**

### **A. Evolution of Benami Law in India**

The practice of Benami transactions has existed in India for centuries and was traditionally used for various social and economic reasons which include tax avoidance, protection of family wealth and concealment of the ownership of the property. This resulted in growing black money, corruption, money laundering and tax evasion, Benami transactions increasingly became a tool for accumulation for illegally acquired assets.

To address this issue the Parliament enacted the Benami Transactions (Prohibition) Act, 1988. The Primary objective of the legislation was to prohibit Benami transactions and

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<sup>2</sup> Supreme Court on Benami Act, 2016 Amendment, Retrospective Application, Fiduciary Capacity and Confiscation, SCC Online Blog (May 15, 2026), <https://www.sconline.com/blog/post/2026/05/15/supreme-benami-act-2016-amendment-retrospective-fiduciary-capacity-confiscation>

prevent individuals from claiming ownership rights over the property which have been held in the name of other individuals. Despite this the Act remained largely ineffective nearly for three decades because it lacked the institutional and procedural framework necessary for implementation. Although Benami transactions were legally prohibited the Act did not establish investigative authorities, adjudicating bodies, confiscation procedures or any kind of appellate mechanisms. The authorities had faced significant practical difficulties in identifying Benami properties and taking legal action against the offenders. It lacked detailed definitions and further created uncertainty regarding the scope of the law, and the individuals exploited the loopholes and took advantage of that. There was a growing concern regarding black money and the undisclosed wealth of a person to which Government of India acted and brought Benami Transactions (Prohibition) Amendment Act, 2016 which came into force on 1<sup>st</sup> November 2016. The amendment brought many changes into the present act from a dormant statute into a comprehensive enforcement mechanism which included detection, investigation and confiscation of Benami properties.

The major change in the 2016 amendment was the detailed definitions of specific words, the amended act clearly defined key terminology such as “Benami Transaction”, “Benamidar”, “Beneficial owner” and “Benami Property”. This reduced the ambiguity and expanded the scope of transactions that could be scrutinized by the enforcement authorities.

The amendment also established a structural administrative framework for this implementation. It introduced Initiating Officers who were empowered to conduct inquiries, collect evidence and temporarily attach the Benami properties. The actions of these officers were subject to oversight by Approving Authorities and ensuring that attachment proceedings were not arbitrary. This institutional mechanism provided an investigative structure that was not present in the 1988 legislation.

To strengthen procedural fairness and judicial oversight the amendment created Adjudicating Authorities responsible for determining whether a property was benami

after examining evidence and hearing parties involved in it. The establishment of these authorities ensured that decisions relating to the attachment and confiscation were subject to an independent review process. Further an Appellate Tribunal was established to hear appeals against orders passed by the Adjudicating Authority for legal scrutiny and follow due process.<sup>3</sup>

Another major reform was the introduction of a detailed confiscation mechanism under which once a property is declared benami, it may be confiscated by the Central Government without payment of any kind of compensation. Prior to 2016 the absence of an effective confiscation framework was very weak. The power of confiscation now enables the State to permanently deprive offenders of assets acquired or were held through Benami arrangements and hence reducing financial incentives associated with such transactions.

The amendment further strengthened the law by introducing stricter criminal penalties. The Individuals found guilty in such Benami transactions may face rigorous imprisonment of up to 7 Years and monetary penalties extending to 25% of the fair market value of the property. The inclusion of severe punishment shows the legislature's intention to treat Benmi transactions as serious economic offences that affect transparency and public accountability.

The 2016 amendment of Benami Law has broadened the government efforts to combat black money, corruption, tax evasion and money laundering. The establishment of dedicated Benami Prohibition Units (BPUs) across the country has improved the investigation capacity of the Income Tax Departments and coordinated enforcement action. As a result, thousands of crores worth of Benami properties has been identified and attached since the amendment came into force.

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<sup>3</sup> The Prohibition of Benami Property Transactions Act, No. 45 of 1988, §§ 2(1), 2(3), 2(4), 2(19), 7, 30, Acts of Parliament, 1988 (India), as amended by the Benami Transactions (Prohibition) Amendment Act, No. 43 of 2016, Acts of Parliament, 2016 (India).

The evolution of Benami law in India shows a change from symbolic legislative prohibition under the 1988 Act to a comprehensive enforcement oriented legal framework under the 2016 amendment. The creation of specialized authorities, confiscation procedures, appellate mechanisms and stringent penalties transformed the legislation into a significant defense strategy against black money and concealed ownership of the assets. This change forms the foundation for evaluating whether the Act has successfully achieved its objectives during the decade from 2016 to 2026.

### **B. Enforcement Performance During 2016-2026**

The effectiveness of any legislation is determined not merely by its provisions but by its practical enforcement. The primary objectives of the Benami Transactions (Prohibition) Amendment Act, 2016 was to identify, attach, confiscate and eliminate Benami properties used for hiding black money and illegally acquired wealth. Government data shows a significant increase in investigative and enforcement activities immediately after the implementation of the amended act.

Within six months of the Amendment coming into force by May 2017: -

1. More than 400 Benami Transactions were detected
2. Properties worth over ₹600 crore were provisionally attached
3. The Government established 24 dedicated Benami Prohibition Units (BPUs) across India to investigate suspected Benami transactions.<sup>4</sup>

These developments show the Government's commitment to implementing the legislation and hence brought changes into it and changed the existing framework of 1988 Act.

By January 2018 the scale of Benami property increased significantly within a year of implementation: -

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<sup>4</sup> Press Information Bureau, Gov't of India, More Than 400 Benami Transactions Identified; Properties Worth Over ₹600 Crore Attached (May 24, 2017), <https://www.pib.gov.in/PressReleaselframePage.aspx?PRID=1576787>

1. More than 900 cases of suspected Benami transactions were identified.
2. Property valued over ₹3,500 crores were attached.<sup>5</sup>

The substantial increase in both the number of cases and the value of attached properties shows that the investigative authorities had systematically begun to identify the properties.

Further as Reported in July 2018: -

1. More than 1,600 Benami transactions were under investigation.
2. Attached properties exceeded ₹4,300 crores.

The consistent increase in number of cases and their value shows how the amendment has strengthened the state's ability to find and take appropriate actions against Benami property.

The statistical data shows us three important trends: -

- 1. Increase in the Identification of Benami Property:** The dramatic rise from 400 identified transactions in 2017 to more than 1,600 investigations by 2018 indicates that specialised agencies have significantly increased efficiency in identifying Benami properties.
- 2. Enhanced Investigative Capacity:** The creation of dedicated Benami Prohibition Units has enabled the authorities to focus specifically on Benami Transactions rather than just relying on general tax enforcement mechanisms.
- 3. Stronger Message to Benami Property Holders:** The attachment of thousands of crores worth of property has sent a Strong message for Benami Property Holders that they would no longer be spared by the law enforcement agencies.

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<sup>5</sup> Press Information Bureau, Gov't of India, Benami Properties Worth More Than ₹3,500 Crore Attached (Jan. 11, 2018), <https://www.pib.gov.in>

Even after a decade of implementation the actions are still on a recent example of Hyderabad in which ₹5 crore of assets held by a former MLA in the name of his daughter were declared as Benami Property. This shows that the authorities are also taking actions against Political or Influential people. <sup>6</sup>

The statistical data shows that the Benami Transactions (Prohibition) Amendment Act, 2016 have significantly improved the identifying and attachment of suspicious properties.

However, there are certain limitations to this such as: -

1. Mere attachment does not mean confiscation of property.
2. Confiscation does not necessarily mean criminal conviction.
3. Many cases are on trial and appeals.
4. Judicial scrutiny may some or the other day may release the property and declare Non-Benami Property

While the data shows there has been a lot of success in identifying Benami properties only on the basis of statistical figures we cannot establish the overall success of the legislation. The effectiveness of the Act must also be evaluated by seeing conviction rates and confiscation orders.

### **C. Institutional Mechanisms and Administrative Effectiveness.**

One of the achievements of the Benami Transactions (Prohibition) Amendment Act, 2016 was the creation of specialized institutions responsible for investigation, adjudication and appellate review. Whereas the 1988 act lacked enforcement mechanisms and the amendment established a comprehensive institutional framework which has been designed to ensure effective implementation.

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<sup>6</sup> I-T's Benami Unit Attaches ₹5 Crore Worth Assets of Ex-MLA in Daughter's Name, Times of India (Dec. 20, 2025), <https://timesofindia.indiatimes.com/city/hyderabad/i-ts-benami-unit-attaches-5-cr-worth-assets-of-ex-mla-in-daughters-name/articleshow/126469774.cms>

For effective enforcement the Government established several dedicated institutions such as: -

1. Benami Prohibition Units (BPUs)
2. Initiating Officers
3. Approving Authorities
4. Adjudicating Authorities
5. Administrators
6. Appellate Tribunal

These authorities have been given specific responsibilities to be followed at different stages of investigation and adjudication

In the year 2018 the Union Cabinet approved the appointment of a dedicated Adjudicating Authority and the establishment of an Appellate Tribunal under the Act.

The Tribunal performs an important role such as: -

1. Hearing appeals against orders of the Adjudicating Authority
2. Reviewing the procedural irregularities
3. Ensuring compliance with principles of Natural Justice

These specialised institutional frameworks have some benefits such as: -

1. **Improved Enforcement Efficiency:** Dedicated authorities having specialised expertise in investigating complex ownership structures and financial arrangements have significantly improved Enforcement Efficiency.
2. **Faster Disposal of Cases:** The establishment of dedicated adjudicatory bodies has reduced pressure on civil courts and thus improve the efficiency of civil courts.
3. **Greater Transparency:** After clearly defined procedures of attachment, adjudication and confiscation of property have improved transparency and accountability in enforcement.

- 4. Better Coordination:** The New and Updated framework have laid down coordination between tax authorities, financial institutions, land registration departments and the investigating agencies.

Despite all these achievements there are several challenges which could affect the effectiveness of the institutional framework such as: -

- 1. Procedural Delays:** Many cases remain pending before adjudicating authorities and appellate forums for longer periods and thus leading to Procedural Delays.
- 2. Limited Manpower:** Limited manpower and continuous increasing caseloads have affected the efficiency and speed of investigations leading to delayed adjudications.
- 3. New challenge of Ownership Structures:** Modern Benami arrangements involve shell companies, trust and a layered ownership structure that are difficult to investigate and who should be held accountable.
- 4. Judicial Challenges:** Frequent litigation or Frequent amendments may delay final confiscation and prosecution of the offenders.

Thus, the creation of specialised institutions has been one of the most successful aspects of the 2016 amendment, but the establishment of dedicated investigating and adjudicatory bodies has significantly improved the Government's ability to detect and process benami transactions but the procedural delays. Limited resources and the complex process of litigation continue to affect the objective of the legislation. While the institutional framework has substantially strengthened enforcement, further administrative reforms should be made to further improve efficiency and to ensure timely disposal of cases.

#### **D. Judicial Interpretation and Constitutional Challenges**

Judicial interpretation has played a significant role in shaping the implementation of the Benami Transactions (Prohibition) Amendment Act, 2016. Courts have clarified the scope

of the Act, the limits of retrospective operation, the distinction between civil confiscatory proceedings and criminal punishment, and the need to balance effective anti-benami enforcement with constitutional safeguards and due process.

Earlier, in *Union of India v. Ganpati Dealcom Pvt. Ltd.*, the Supreme Court had held that the 2016 amendment could not be applied retrospectively and that confiscation proceedings could not be initiated or continued in respect of transactions entered into before the amendment came into force. However, this position can no longer be treated as settled law. On 18 October 2024, in *Union of India v. Ganpati Dealcom Pvt. Ltd.*, Review Petition (Civil) No. 359 of 2023, the Supreme Court recalled its judgment dated 23 August 2022 and restored Civil Appeal No. 5783 of 2022 for fresh adjudication, observing that the constitutional validity of the relevant provisions had not been squarely challenged or contested before the Court.

The subsequent decision in *Manjula v. D.A. Srinivas*, 2026 SCC OnLine SC 831, has further clarified the present legal position. The Supreme Court held that the 2016 amendments, to the extent they are declaratory, procedural, curative and machinery-oriented, may operate retrospectively. At the same time, pure penal provisions creating new offences or enhancing punishment remain prospective, consistent with constitutional protection against retrospective criminal liability.

This clarification is important because it distinguishes between civil enforcement mechanisms and criminal punishment. The procedural framework introduced by the 2016 amendment, including mechanisms relating to attachment, adjudication and confiscation, may be applied to earlier benami transactions where it gives effect to the original legislative object of prohibiting benami arrangements. However, penal consequences such as prosecution or enhanced punishment cannot be imposed retrospectively for conduct that was not punishable in the same manner at the relevant time.

Another important area of judicial scrutiny concerns the fiduciary-capacity exception under the Act. The legislation protects certain genuine transactions where property is

held by one person for the benefit of another in a recognised fiduciary relationship, such as trustees, executors, partners, company directors and other legally recognised fiduciaries. In *Manjula v. D.A. Srinivas*, the Supreme Court emphasised that the fiduciary-capacity exception must be construed carefully and cannot be expanded merely on equitable considerations to disguise benami holdings as legitimate fiduciary arrangements.

Judicial review has therefore had a dual impact on the implementation of the Act. On the one hand, courts have ensured that enforcement authorities comply with statutory procedure, provide affected parties with an opportunity of hearing, and act within constitutional limits. On the other hand, the recall of *Ganpati Dealcom* and the clarification in *Manjula* have strengthened the enforcement framework by allowing retrospective operation of procedural, curative and declaratory provisions, while preserving the prospective operation of penal provisions.

Thus, the current legal position is not that the 2016 amendment is wholly prospective. Rather, the more accurate position is that procedural and curative provisions may apply retrospectively, whereas purely penal provisions remain prospective. This approach preserves constitutional safeguards while also preventing benami transactions from escaping scrutiny merely because they were entered into before the 2016 amendment.

#### **E. Technology, Land Governance and Prevention of Benami Transactions**

A major development during the last 10 years after the 2016 amendment is the increasing role of technology in land administration and property governance. Since Benami transactions rely on concealment of ownership and manipulation of land records the technological reforms have emerged as an important complement to legal enforcement mechanisms. The Government emphasised digitisation, unique property identification system and integration of ownership data and has significantly enhanced transparency in land administration.

The Government introduced the Bhu Aadhaar Initiatives which gives a unique identification number to a land. The primary objectives of the initiatives include: -

1. Creating a standardised land identification system
2. Improving transparency in land ownership records
3. Providing easier verification of ownership details
4. Prohibiting fraudulent transfer of property

By giving a unique identity to each part of land the authorities can easily track change in the ownership and identify suspicious transactions.

The Bhu Aadhaar system had helped to reduce opportunities for: -

1. Fake ownership can be easily detected with the help of integrated records.
2. A single property cannot get easily registered under multiple ownership claims.
3. Digital verification reduces the possibility of unlawful transfers through forged documentation.

Thus, the Bhu Aadhaar have strengthened the ability of enforcement agencies to identify the true beneficial owner and to identify potential Benami arrangements.

The State of Kerala has taken steps for land reforms in which integration of Aadhaar with land records through a unique Thandaper Number.<sup>7</sup>

This system Aims to: -

1. Link land ownership records with verified identity information.
2. Establish a transparent chain of ownership
3. Improve accuracy of land records
4. Facilitate easier verification by authorities

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<sup>7</sup> Kerala to Have Unique Thandaper Number Linking Aadhaar and Land Records, New Indian Express (Dec. 15, 2021), <https://www.newindianexpress.com/states/kerala/2021/Dec/15/kerala-to-have-unique-thandaper-number-linking-aadhaar--land-records-2395594.html>.

The integration of Aadhaar-Based identification with property records have created a greater transparency.

The Technological reforms have significantly strengthened the system and have helped to find benami transactions by making concealment of ownership more difficult. Digitisation and integration of land records have helped authorities to:-

1. Trace the original beneficial owners of the land.
2. Detect and identify unusual ownership patterns.
3. Monitor property transfer from time to time.
4. Cross verification of ownership data with tax and identity databases.

These capabilities reduce the opportunities for individuals to hold property through proxies.

Although the Benami Transactions (Prohibition) Amendment Act, 2016 has provided a strong legal framework for attachment and confiscation are not enough to completely eliminate Benami transactions.

Technology helps the legislation by: -

1. Preventing the creation of Benami arrangements at the first stage which is at time of Registration.
2. Improving transparency in land administration.
3. Improving data sharing among government agencies.
4. Reducing opportunities for corruption and manipulation of records.

The integration of technology into land administration shows one of the most important features in combating Benami Transactions. The Initiatives such as Bhu Aadhaar<sup>8</sup> and Kerala's Thandaper system have enhanced transparency, improved the ability to trace the true owner and reduce opportunities for concealment of assets.

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<sup>8</sup> Ajoy Ashirwad Mahaprashasta, What Is Bhu Aadhaar? A Unique ID for Land That Aims to Check Fraud & Benami Transactions, ThePrint (Apr. 7, 2023), <https://theprint.in/india/governance/what-is-bhu-aadhaar-a-unique-id-for-land-that-aims-to-check-fraud-benami-transactions/1475189/>

Thus, the technological reforms may prove as an important as a legal reform in preventing Benami transactions and strengthening India's effort in combating black money and undisclosed wealth accumulated with people.

#### **F. Has the Act Achieved Its Objectives?**

After nearly a decade of implementation the effectiveness of the Benami Transactions (Prohibition) Amendment Act, 2016 can be checked through 3 key indicators: -

- 1. Detection of Benami Assets:** The Act was able to achieve its main function of identifying and attaching benami properties across the country. Government data has shown that within a short period after the new amendment came into force the authorities were able to detect thousands of Benami transactions and attach properties worth several thousand crores of rupees. The establishment of specialized enforcement bodies such as Benami Prohibition units with investigative powers has helped the authorities to find property holdings which otherwise would not have been found. Thus, the act has undoubtedly strengthened the Government's capacity to detect Benami assets and take appropriate actions against the offenders.
- 2. Deterrence and Preventive Impact:** The one of the objectives of the legislation was to discourage individuals from entering into Benami transactions. The Act introduced stricter penalties which include imprisonment for up to seven years, substantial monetary fines with possibility of confiscation of property by the Central Government. The creation of dedicated investigation authorities and their regular enforcement have further contributed to creating a sense of Deterrence among the future offenders. While the law has created a huge penalty on the people who are found engaging in benami transactions and there is limited empirical data available to determine the extent to which it has changed the public behavior.
- 3. Contributing towards the Elimination of Black Money:** The broader objective of the Act was to fight against black money and undisclosed wealth. It would

be unrealistic to expect the Act by itself to eliminate black money entirely. Benami Transactions represents only one aspect through which Benami wealth may be hidden. Individuals involved in financial wrongdoing often use multiple methods such as use of shell companies, offshore accounts, money laundering and cash-based transactions. For this reason, there is a larger regulatory framework that includes: -

- Income Tax enforcement mechanisms
- The Prevention of Money Laundering Act, 2002
- Goods and Service Tax (GST) compliance measures.
- Digital land governance initiatives such as Bhu Aadhaar and Aadhaar linked land records
- Financial transparency and anti-corruption measures

The Benami Act functions more effectively when combined with these other regulatory frameworks. The Benami Transactions (Prohibition) Amendment Act, 2016 can be seen as the first step towards strengthening transparency in property ownership and have improved the Government's ability to identify and investigate these properties. The Act has achieved success in detecting Benami properties and creating a stronger framework. At the same time the issue of Black Money, procedural delays, constitutional challenges and the complex ownership problem have not been completely removed. While the Act cannot be seen as a complete solution of Benami Transactions it has in fact emerged as an important tool for combating black money, corruption and undisclosed wealth.

## **V. SUGGESTIONS AND RECOMMENDATIONS.**

Based on the above analysis, it may be concluded that the Benami Transactions (Prohibition) Amendment Act, 2016, has brought a significant change in the legal and institutional response to benami property holdings and black money. However, certain

reforms are necessary to further enhance its effectiveness and ensure fuller achievement of the objectives of the legislation.

1. The capacity of enforcement agencies should be strengthened. Although specialized authorities such as Benami Prohibition Units and Adjudicating Authorities have improved enforcement, delays in investigation and adjudication continue to affect timely disposal of cases. Increasing manpower and providing specialized training in financial investigation, property tracing, digital records, and ownership analysis would improve administrative efficiency.
2. Greater integration of technology with land administration systems is required. Initiatives such as Bhu Aadhaar and Aadhaar-linked land records demonstrate the potential of digital governance to improve transparency in property ownership. The Government should work towards wider and uniform implementation of such systems at the national level.
3. Coordination among regulatory and enforcement agencies must be improved. Effective information-sharing between the Income Tax Department, land registration authorities, banks, financial institutions, and investigating agencies can significantly improve the detection of suspicious transactions and concealed beneficial ownership.
4. While judicial oversight remains essential for protecting constitutional rights and ensuring due process, procedural requirements should be streamlined to reduce avoidable delays and unnecessary litigation in attachment, adjudication, and confiscation proceedings.
5. Public awareness regarding the legal consequences of benami transactions should be increased. Many individuals continue to engage in informal or proxy property arrangements without fully understanding the legal risks involved. Awareness campaigns should therefore be undertaken to explain the prohibition on benami transactions, the possibility of confiscation, and the penal consequences of violation.

Thus, the Benami Transactions (Prohibition) Amendment Act, 2016 has laid a strong foundation for combating benami property holdings. With stronger institutional support, technological integration, inter-agency cooperation, procedural reforms, and public awareness, the Act can become a more effective instrument in India's fight against black money, corruption, and undisclosed wealth.

## **VI. CONCLUSION**

The Benami Transactions (Prohibition) Amendment Act, 2016 represents one of the most significant legislative measures undertaken by India in combating black money, tax evasion, corruption and the concealment of property ownership. Prior to the amendment the 1988 Act largely remained ineffective due to the absence of adequate enforcement mechanisms, clear definitions and specialized authorities. The 2016 amendment addressed these lacunas by introducing a comprehensive institutional framework including Benami Prohibition units, Adjudicating Authorities, Appellate Tribunals, confiscation procedures and stricter penalties.

An analysis of the Act's performance over the last decade shows that it has strengthened the Government's ability to identify and investigate Benami transactions. The attachment of properties worth thousands of crores of rupees and the establishment of dedicated enforcement agencies shows that the legislation has achieved success in uncovering concealed assets.

At the same time the study shows that the effectiveness of the legislation has been influenced by judicial interpretation and constitutional limitations. The decisions of the Supreme Court regarding the retrospective application have ensured the protection of due process and property rights while restricting certain enforcement actions. The procedural delays, limited manpower and complex ownership structures continue to pose practical challenges to a effective implementation.

The research also highlights the growing importance of technology in preventing benami transactions initiatives such as Bhu Aadhar and Aadhaar linked land record systems demonstrate how technology can improve transparency and reduce Benami property.

Overall, the Benami Transactions (Prohibition) Amendment Act, 2016, cannot be seen as a complete solution to the problem of black money. However, it can be seen as an effective part of India's stance on anti-corruption and financial transparency framework. The experience of the past 10 years suggests that while benami transactions have not been completely removed but the Act has significantly enhanced enforcement capabilities and transformed the legal landscape governing Benami Property ownership in India.

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