Catching BENAMI

Linking Aadhaar numbers to property records is an important step in catching those with benami property

THOUGH INDIA IS still far from guaranteeing title, considerable progress has been made in digitisation of land records. Under the Digital India Land Records Modernization Programme (DILRMP) which was launched by the Union government in August 2008, out of the country's 560,717 revenue villages, computerisation of land records has been completed in 86% cases. Once this is done in all, presumably there could be more movement in the Conclusive Land Titling System (CLTS) that has been completed as a pilot in Chandigarh. Under this, the government stands by the authenticity of all data in its municipal records. So, if the records show Land A belongs to Person B, when Person C buys this and then finds B does not own the land, the government will compensate C.

What has happened, meanwhile, is that Haryana, Madhya Pradesh, Maharashtra, Chhattisgarh, Andhra Pradesh and Telangana have agreed to make their land records available online and link them to the Aadhaar number of the owner. Once complete, this will be a valuable step in catching those with benami properties across the country. What it will require, though, is for PAN to also be linked with Aadhaar. Linking of properties to an Aadhaar numbers, in itself, will also be a big step since the municipal authorities will clearly know who the owner of the property it. In itself, however, it may not yield much since, in many cases, the owner may be a benami one, say a domestic servant. Once the authorities are able to link all PAN with Aadhaar numbers and then link the databases, they can find out that the owner of a particular property does not have a PAN, or perhaps is declaring an annual income which does not match the cost of the property—upon investigation, chances are, the authorities will find out that the property is benami. Indeed, once the twin seeding with Aadhaar is done, the taxman can do searches to match property values with annual incomes declared. The entire process could take a year or two, but once done, will be a big step in India's fight against black money.