



## **COURSE MANUAL**

**Name of the Elective Course:** Black Money Law in India

**Course Code:** L-EL-1172

**Name of the responsible Faculty Instructor:**  
Prof. Kanishka Sewak

**SPRING 2026**  
**(AY2025-26)**

This document is prepared by the course instructor and contains basic information relevant to the execution of the course. It is the official record for all intends and purposes as far the elective course, *Black Money Law in India*, is concerned.

This course manual can be used as a general guide to the subject. However, the instructor can modify, extend or supplement the course (without tampering its basic framework and objectives) for the effective and efficient delivery of the course. The instructor will provide students with reasons for such changes.

## **Part I**

Course Title: **Black Money Law in India**

Course Code: **L-EL-1172**

Course Duration: **One Semester (14 Weeks)**

No. of Credit Units: **4 Credits**

Level: **UG**

Medium of Instruction: **English**

Pre-requisites (if applicable): **N/A**

Equivalent Courses: **N/A**

## Part II

### 1. Acknowledgement of Course Ideators

The Course Instructor would like to express sincere gratitude to the course ideators and contributors for their assistance in developing this program on direct tax litigation. With the approval and expertise of the Academic Review Board's, we have created a curriculum that bridges the gap between theory and practice of the Indian tax system. Special thanks to the Global Library for providing valuable resources and case studies that enhance our understanding. This course has opened significant opportunities for us as aspiring tax professionals, and the Course Instructor appreciates the hard work of everyone involved in making it possible.

### 2. Course Description

In this elective, the instructor intends to discuss the legal and regulatory framework for the prevention of undisclosed income and assets, popularly known as "black money". Legally speaking, if money breaks laws in its origin, movement or use, and is not reported for tax purposes, then it would fall within the meaning of black money.

The curriculum will critically analyse the efforts to streamline the prevention and regulation of black money that began in 2009 and culminated into the landmark legislation, Black Money (Undisclosed Foreign Income & Assets) Imposition of Tax Act, 2015 (BMA). This was followed by the 2016 Amendment to Prohibition of Benami Property Transaction Act, 1988 (BTA). Corresponding changes were also made in the other laws governing the black money framework including Foreign Exchange Management Act, Income Tax Act 1961, Companies Act 2013, the introduction of The Voluntary Tax Compliance through Finance Act 2022, 2019 Amendments to PMLA and the SEBI Regulations.

These laws receive a fair share of criticism, particularly from the opposition parties for harshly being targeted under this law. While the course will not be taught from a political standpoint, this fact does highlight the blatant abuse of the power, therefore, the students will be encouraged to critically assess the efficacy of these laws in backdrop of it.

### 3. Course Aims

#### i. Develop a clear conceptual understanding of "black money"

This course aims to equip students with a precise legal understanding of black money by examining how unlawful origin, movement, or non-reporting for tax purposes shapes its definition. Students will learn to distinguish it from related concepts such as tax evasion, benami transactions, and money laundering.

#### ii. Trace the evolution of India's black money regulatory framework

Students will explore the policy and legislative developments from 2009 onwards that culminated in the Black Money (Undisclosed Foreign Income & Assets) Act, 2015. The

aim is to understand the motivations, international pressures, and structural shifts that shaped this landmark law.

**iii. Examine the interconnected statutory architecture governing undisclosed income and assets**

The course will help students analyse how the BMA interacts with the Benami Transactions Act, FEMA, Income Tax Act, Companies Act, PMLA amendments, and SEBI regulations. By studying these interlocking frameworks, students will appreciate the comprehensive nature of India’s strategy against black money.

**iv. Critically assess compliance, enforcement, and potential misuse of power**

A central aim is to enable students to evaluate enforcement mechanisms, penalties, and investigative powers across agencies such as the ED, IT Department, SEBI, and SFIO. Students will be encouraged to scrutinise allegations of selective targeting and political misuse to understand the balance between regulation and civil liberties

**v. Explore contemporary reforms and propose future directions**

The course aims to familiarise students with recent reforms, including voluntary tax compliance schemes and evolving global standards. By the end, students should be able to critically assess the effectiveness of existing measures and articulate informed recommendations for a more transparent and equitable regulatory regime.

**4. Teaching Methodology**

The lectures are discussion oriented, and the students are expected to read the material shared in advance. The course begins with an exploration of concept of black money and the direct tax framework of India on it. In the later modules, case studies will be used to analyse the legal framework in India and internationally. The guest experts who are working professionals may be invited subject to their availability and institutional policies. The students will be provided regular feedback on their progress and understanding of the core concepts.

**5. Intended Learning Outcomes**

<b>Course Intended Learning Outcomes</b>	<b>Weightage in %</b>	<b>Teaching and Learning Activities</b>	<b>Assessment Tasks/Activities</b>
Comprehension of Taxation Principles relating to Black Money	30	Lectures, readings, and group discussions on the core concepts and provisions of the Income Tax Act, Prohibition of Benami Property Transaction Act, 1988 and Black Money (Undisclosed	Quizzes and written assignments testing understanding of taxation principles and statutory interpretation.

Course Intended Learning Outcomes	Weightage in %	Teaching and Learning Activities	Assessment Tasks/ Activities
		Foreign Income & Assets) Imposition of Tax Act, 2015 along with case studies.	
Application of Legal Framework in Case Analysis	40	Practical and simulations focusing generation and prevention of black money in India and abroad.	Participation in group assignment demonstrating application of the legal framework in real-world scenarios.
Critical Analysis of Tax Procedures and Rights	30	Interactive case study evaluations and discussions on search and seizure procedures, as well as judicial reviews of executive actions.	Written reports and oral viva critiquing case law related to assessee's rights and procedural compliance in taxation, along with presentations of findings.

## 6. Grading of Student Achievement

To pass this course, students shall obtain a minimum of 40% in the cumulative aspects of coursework, i.e., internal assessments (including moot court, mid-term exam, presentations, research paper) and the end term examination. Internal assessments shall carry a total of 70 marks. **End of semester exam shall carry 30 marks out of which students have to obtain a minimum of 30% marks to fulfil the requirement of passing the course.**

The details of the grades as well as the criteria for awarding such grades are provided below:

PERCENTAGE OF MARKS	GRADE	GRADE VALUE	GRADE DESCRIPTION
80 and above	O	8	<b>Outstanding</b> – Exceptional knowledge of the subject matter, thorough understanding of issues; ability to synthesize ideas, rules and principles and extraordinary critical and analytical ability
75 – 79	A+	7.5	<b>Excellent</b> - Sound knowledge of the subject matter, thorough understanding

			of issues; ability to synthesize ideas, rules and principles and critical and analytical ability
70 – 74	A	7	<b>Very Good</b> - Sound knowledge of the subject matter, excellent organizational capacity, ability to synthesize ideas, rules and principles, critically analyze existing materials and originality in thinking and presentation
65 – 69	A-	6	<b>Good</b> - Good understanding of the subject matter, ability to identify issues and provide balanced solutions to problems and good critical and analytical skills
60 – 64	B+	5	<b>Fair</b> – Average understanding of the subject matter, limited ability to identify issues and provide solutions to problems and reasonable critical and analytical skills
55 – 59	B	4	<b>Acceptable</b> - Adequate knowledge of the subject matter to go to the next level of study and reasonable critical and analytical skills.
50 – 54	B-	3	<b>Marginal</b> - Limited knowledge of the subject matter and irrelevant use of materials and, poor critical and analytical skills
45 – 49	P1	2	<b>Pass 1</b> – Pass with basic understanding of the subject matter
40 – 44	P2	1	<b>Pass 2</b> – Pass with rudimentary understanding of the subject matter
Below 40	F	0	<b>Fail</b> - Poor comprehension of the subject matter; poor critical and analytical skills and marginal use of the relevant materials. Will require repeating the course
Incomplete	I	0	<b>Incomplete</b> - “Extenuating circumstances” preventing the student from taking the end-semester, or re-sit, examination as the case may be; the Vice Dean (Examinations) at their discretion assign the “I” grade. If an "I" grade is

			assigned, the student would appear for the end-semester, or re-sit examination, as the case may be, as and when the subsequent opportunity is provided by the University.
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## 7. Criteria for Student Assessments

Assessment of the participants will be based on the following criteria.

Assessment	Weightage	Remarks
Class Participation	10 Marks	Students will be assessed at the end of the semester based on their class participation throughout the semester
Quiz	10+10 Marks	Two quizzes organized on modules in fourth week and seventh week of the semester
Assignment	30 Marks	Students are expected to prepare and submit drafts based on the factual matrix shared with them by the mid of the semester where they must demonstrate their understanding of the policies discussed in class.
End Semester Examination (Compulsory)	30 Marks	There will be a compulsory end-semester examination/component for all participants of the course who have successfully met the requisite attendance as per the governing JGU policies.

## **Part III**

### **Course/Class Policies**

The course policies are divided into following subpoints:

#### **Cell Phones, Laptops and Similar Gadgets**

Based on the day-to-day requirement, students are free to use the laptops and tabs for class related work. Use of cell phones is allowed in case of emergencies, responsibly.

#### **Academic Integrity and Plagiarism**

Learning and knowledge production of any kind is a collaborative process. Collaboration demands an ethical responsibility to acknowledge who we have learnt from, what we have learned, and how reading and learning from others have helped us shape our own ideas. Even our own ideas demand an acknowledgement of the sources and processes through which those ideas have emerged. Thus, all ideas must be supported by citations. All ideas borrowed from articles, books, journals, magazines, case laws, statutes, photographs, films, paintings, etc., in print or online, must be credited with the original source. If the source or inspiration of your idea is a friend, a casual chat, something that you overheard, or heard being discussed at a conference or in class, even they must be duly credited. If you paraphrase or directly quote from a web source in the examination, presentation or essays, the source must be acknowledged. The university has a framework to deal with cases of plagiarism. All form of plagiarism will be taken seriously by the University and prescribed sanctions will be imposed on those who commit plagiarism.

#### **Disability Support and Accommodation Requirements**

JGU endeavours to make all its courses inclusive and accessible to students with different abilities. In accordance with the Rights of Persons with Disabilities Act (2016), the JGU Disability Support Committee (DSC) has identified conditions that could hinder a student's overall well-being. These include physical and mobility related difficulties, visual and hearing impairment, mental health conditions and intellectual/learning difficulties e.g., dyslexia, dyscalculia. Students with any known disability needing academic and other support are required to register with the Disability Support Committee (DSC) by following the procedure specified at <https://jgu.edu.in/disability-support-committee/>

Students who need support may register before the deadline for registration ends, as communicated by the DSC via email each semester. Those students who wish to continue receiving support from the previous semester, must re-register every semester prior to the deadline for re-registration as communicated by the DSC via email. Last minute registrations and support are discouraged and might not be possible as sufficient time is required to make the arrangements for support.

The DSC maintains strict confidentiality about the identity of the student and the nature of their disability and the same is requested from faculty members and staff as well. The

DSC takes a strong stance against in-class and out-of-class references made about a student's disability without their consent and disrespectful comments referring to a student's disability. With due respect for confidentiality, faculty and students are encouraged to have honest conversations about the needs of students with disabilities and to discuss how a course may be better tailored to cater to a student with disability.

All general queries are to be addressed to [disabilitysupportcommittee@jgu.edu.in](mailto:disabilitysupportcommittee@jgu.edu.in)

### **Safe Space Pledge**

This course may discuss a range of issues and events that might result in distress for some students. Discussions in the course might also provoke strong emotional responses. To make sure that all students collectively benefit from the course, and do not feel disturbed due to either the content of the course or the conduct of the discussions. Therefore, it is incumbent upon all within the classroom to pledge to maintain respect towards our peers. This does not mean that you need to feel restrained about what you feel and what you want to say. Conversely, this is about creating a safe space where everyone can speak and learn without inhibitions and fear. This responsibility lies not only with students, but also with the instructor.

P.S. The course instructor, as part of introducing the course manual, will discuss the scope of the Safe Space Pledge with the class.

## Part IV

### Keywords Syllabus

Black money, illicit financial flows, dirty money, tax administration, benami transaction, tax evasion, tax avoidance.

### Course Design and Overview (Weekly Plan)

Week	Topics
<b>1.</b> Class 1 Class 2	<u>Foundational understanding of Black Money:</u> Defining black money; sources of black money, Money laundering – history and origin
<b>2.</b> Class 3 Class 4	<u>International regulatory context:</u> Black money regulation in global context – how countries lose money through illicit financial flows? Black money regulation, tax havens and international financial institutions Case study – Panama and Pandora Leaks and Role of Tax Havens
<b>3.</b> Class 5 Class 6	<u>Historical and regulatory context in India:</u> Legal and regulatory framework in India - Voluntary Income Disclosure Schemes, National Drugs and Psychotropic Substances Act – Chapter V A Role of regulatory bodies - Reserve Bank of India, Securities and Exchange Board of India, Financial Intelligence Unit, Enforcement Directorate. Case study – Panama and Pandora Leaks and India
<b>4.</b> Class 7 Class 8	<u>Regulation under Income Tax Act, 1961 and 2025</u> Concept - Tax evasion and tax avoidance Methods to avoid tax – section 68, gift taxation, trust under income tax law Case study
<b>5.</b> Class 9 Class 10	<u>Regulation under Income Tax Act, 1961 and 2025</u> Return, assessment, re-assessment Search, seizure and penalty under Income Tax Act, 1961
<b>6.</b> Class 11 Class 12	<u>The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act 2015 (BMA)</u> Introduction to BMA, Charging, assessment, trust formatin
<b>7.</b> Class 13 Class 14	<u>The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act 2015 (BMA)</u> Assets covered, penalties Interplay with Income Tax Act and retrospectivity under BMA

<b>8.</b> Class 15 Class 16	<u>Benami Property Transaction Act, 1988 (BTA)</u> History of benami transactions in India and tax evasion through benami transaction, pre-2016 Act Enforcement
<b>9.</b> Class 17 Class 18	<u>Benami Property Transaction Act, 1988 (BTA)</u> Offences and punishment Retrospectivity and challenges
<b>10.</b> Class 19 Class 20	<u>Prevention of Money Laundering Act, 2002</u> Scheduled offences and “proceeds of crime” Comparative analysis- Parallels between BMA, BTA and PMLA
<b>11.</b> Class 21 Class 22	<u>Black money and other laws</u> Foreign Exchange Management Act, 1999, trade in crypto Companies Act 2013 and SEBI Regulations
<b>12.</b> Class 23 Class 24	<u>International tax issues</u> Abuse of DTAA, anti-evasion measures Beneficial owner, GAAR
<b>13.</b> Class 25 Class 26	<u>The politics of black money</u> Global context – international polity Indian context – Abuse of power, role of courts
<b>14.</b>	<b>REVISION WEEK</b>

### Module Descriptions:

#### **Part V Relevant Readings / Essential Readings**

Week 1 - Foundational understanding of black money

- Defining black money  
*White Paper on Black Money by CBDT, Ministry of Finance, 2012*  
*Constitutional framework and black money - R.K. Garg v UOI (1981) 4 SCC 675*  
*Ram Jethmalani v UOI, (2011) 202 Taxmann 105, SC*
- Sources – crime, corruption and business  
- *Understanding the practices behind money laundering e A rational choice interpretation, Nicholas Gilmour*  
- *Bringing Money Back, Tandon S, Economic and Political Weekly, 52(17), 18–20.*

- *The Interconnections between Tax Crime, Organized Crime, and Corruption*  
U Turksen, D Vozza, F Reger, and A Djakovic

Week 2 - International regulatory context:

- Black money regulation and international financial institutions
  - *International Guide to Money Laundering Law and Practice Fifth ed. Chapter 6 - International initiative, Mark Simpson and Sarah Williams*
  - *Arel-Bundock, V. et al. (2023) The EU and the politics of blacklisting tax havens. 27.*

Week 3- Historical and regulatory context in India

- Role of Regulatory Bodies
  - *Vineet Narain and Ors. v Union of India and Anr. 1998 (1) SCC 226*
- *Sri Srinjoy Bose v ADIT Kolkata ITAT 2023*
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Week 4 and 5 - Income Tax Act, 1961 and 2025

- Returns, assessment - *State of Karnataka v. Selvi J. Jayalalitha [2017] 78 taxmann.com 161 (SC)*  
*Jatinder Mehra v ACIT Delhi ITAT 2021*
- Search, seizure and Penalty and section 68
  - *Principal CIT v NRA Iron and Steel Pvt. Ltd. SC 2023*

Week 6 and 7 - The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act 2015 (BMA)

- Charging, assessment - *Jatinder Mehra, New Delhi vs Addi. Cit CBDT BMA Guidelines, 2018, dated 23 January 2018*
- *Income-tax Department v. Dhanashree Ravindra Pandit 2024 SC*
- *Gautam Khaitan v UOI Gautam Khaitan vs. Union of India 415 ITR 99 (Delhi)[16-05-2019]*

Week 9, 10 and 11 - Benami Property Transaction Act, 1988 (BTA)

- Tax evasion through benami properties
- Changes brought by 2016 Amendment – *UOI v Ganpati Dealcom Pvt. Ltd. SC 2024*

Week 12 and 13 - Prevention of Money Laundering Act, 2002

- Scheduled offences and “proceeds of crime” -  
*Vijay Madanlal Choudary & Ors v. Union of India*
- *Bail under PMLA - Nikesh Tarachand Shah v. Union of India 2018*
- *Gautam Kundu v. Directorate of Enforcement (Prevention of Money-Laundering Act), (2015) 16 SCC 1*
- *Probing Agencies and Impartiality - Vineet Narain v UOI, 1997*