

‘HONEST WITH CIN?’-TECHNOLOGY’

HOW DOES THIS TECHNOLOGY WORK? (Modus Operandi – In Brief)

In India and across the world, **‘HONEST WITH CIN?’** is a revolutionary technology designed to eradicate and control black money, tax evasion, corruption, and related financial crimes—**up to 99.99%**.

‘HONEST WITH CIN?’ answers one fundamental question:

How can every citizen and business venture become honest—with CIN (Citizen Identification Number)?

Under this system, all financial activities are transparently aligned with a citizen’s or business venture’s CIN, making dishonesty neither necessary nor beneficial. The technology is preventive, corrective, and reformative—ensuring fairness, accountability, and trust, while protecting genuine citizens.

This world-first concept and technology has been invented and authored by **Mr. J. P. Gupta,**

Founder & Chairman, *Zero Black Money International Organization*, **“A Non-Profit Organization”**

Creator of AADHAAR (India), and

Inventor & Author of **‘HONEST WITH CIN?’** — the world’s first technology and book dedicated to achieving a corruption-free economic system.

Through **‘HONEST WITH CIN?’**, honesty becomes simple, automatic, and sustainable—for citizens, businesses, and governments alike.

A Global Message to Citizens and Business Organizations

Before speaking about **‘HONEST WITH CIN?’** We wish to convey a sincere message to the citizens and business ventures of our country—and of the world.

No citizen or business venture, in India or in any other country, should have fear of any kind whatsoever from this technology. Criminals are not born; they are created by circumstances. We firmly believe that no individual is inherently a black-money hoarder, tax evader, or corrupt person. From childhood, every human being is taught the values of honesty, integrity, and good citizenship.

It is only adverse social, economic, or systemic circumstances that sometimes compel an otherwise honest citizen to adopt dishonest practices. If a person has gone astray, justice and humanity demand that he or she be given at least one genuine opportunity to return to the path of honesty and become a responsible citizen again.

Therefore, through this technology, along with the support of the Government, such citizens and business ventures will be given a fair and dignified opportunity to become honest by voluntarily paying their due taxes to the government. Throughout this process, the identities of all such citizens and business ventures will be kept strictly confidential and fully protected.

This initiative is not meant to punish—but to reform, restore trust, and build a transparent, fair, and prosperous society for all.

WHAT IS ‘HONEST WITH CIN?’

‘*HONEST WITH CIN?*’ means **how to become an honest citizen with CIN**, where **CIN stands for Citizen Identification Number**.

It is the **world’s first book and the world’s first technology**, invented in India, with the capability to be implemented not only in India but in **any country of the world**. Its purpose is to **eradicate and control black money, tax evasion, corruption, and related economic crimes—up to 99.99%**.

This technology has the unprecedented capacity to:

- Bring **almost the entire black money of a country into government records within one year**
- **Force reduction of tax rates**—potentially to one-third or even less
- Control **frauds, embezzlement of huge public funds, price rise, inflation, and even terror funding**

Under ‘*HONEST WITH CIN?*’, no citizen or business venture—regardless of any legal or illegal method—can:

- Hoard even a **single penny of black money**
- Evade even **one rupee of tax payable to the government**
- Indulge in **any form of corruption**

This system establishes **complete control over cash transactions**, something no technology in the world has achieved so far. The moment even **one rupee of black money** is used in any cash transaction, the technology is capable of **detecting it immediately**.

With just the **click of a button**, authorized authorities can access **any type of information, at any time**, relating to any citizen or business venture—ensuring transparency, accountability, and economic discipline.

Most importantly, *‘HONEST WITH CIN?’* does what no previous technology has ever done:

it compels dishonesty to disappear and makes honesty inevitable.

WHAT IS BLACK MONEY?

Black money is **any income or wealth—whether acquired legally or illegally—on which the due taxes, as per the law of the country, have not been paid to the government**. The moment lawful tax is evaded; such money enters the category of black money.

WHY DO CITIZENS AND BUSINESS VENTURES EVADE TAXES AND HOARD BLACK MONEY?

Citizens and business entities often engage in tax evasion, black-money hoarding, and corruption, etc., primarily due to the following four systemic reasons:

- 1) They are aware that governments do not currently possess any technology capable of maintaining a continuous, real-time “eagle-eye” oversight over every citizen and business entity—specifically to determine, at any given point of time, the exact extent of black money held, tax evasion committed, or corruption involved.
- 2) Owing to inherent manpower limitations, no comprehensive administrative or technological mechanism exists that can exercise complete control over every sale and purchase, every income and expense, and every cash or non-cash transaction. Consequently, tax evaders, black-money hoarders, and corrupt elements frequently escape timely detection and accountability.
- 3) High and complex tax structures discourage voluntary compliance and unintentionally create incentives for evasion.
- 4) When individuals observe others engaging in tax evasion or black-money hoarding without facing consequences, a culture of imitation develops—where dishonesty appears normal and integrity seems economically disadvantageous.

In essence, weak systemic controls, excessive tax pressure, and the absence of effective, continuous monitoring mechanisms allow financial dishonesty not only to survive but to proliferate.

WHAT ARE THE BASIC ROOT CAUSES OF BLACK MONEY HOARDING AND TAX EVASION IN INDIA?

The list of causes behind tax evasion and black-money hoarding is extensive. However, the **major structural and systemic root causes** include the following:

1. **Excessive debt–equity ratios without adequate collateral**, far exceeding prudent norms such as 4:1.
2. **Non-payment or delayed payment of outstanding creditors**, leading to parallel and unrecorded transactions.
3. **Multiple bank accounts** held across different banks and branches, enabling fragmentation and concealment of financial activity.
4. **Absence of strict limits on cash transactions** and heavy cash withdrawals from bank accounts.
5. **Movement of goods across states by road or rail without payment of applicable state or central taxes.**
6. **Non-transparent pricing practices**, where goods and services are quoted as “taxes extra” instead of inclusive of VAT / Service Tax / GST—one of the largest sources of tax evasion.
7. **Unreported rental income** from movable and immovable properties.
8. **Misuse and overstatement of depreciation** to suppress taxable profits.
9. **Permissibility of cash payments up to ₹20,000**, encouraging cash-based transactions.
10. **Lack of standardized formats** for balance sheets, manufacturing accounts, trading accounts, profit and loss accounts, and income–expenditure statements across individuals and business ventures.
11. **Inadequate product labeling**, with missing or incorrect details such as the true name and address of manufacturers or traders.
12. **Misreporting or misuse of trust income.**
13. **Low tax tolerance**, where most citizens and business ventures—except genuinely honest ones—are unwilling to pay taxes exceeding approximately 30% of income or sales.
14. **Cash-based transactions in movable and immovable property**, with under-reporting of values below stamp duty or actual consideration.
15. **Widespread use of cash or black money** in high-value and routine expenditures, including:
 - Trading in shares, securities, and commodities
 - Purchase of luxury goods
 - Capitation fees and donations in education

- Marriage and social celebrations
- Medical expenses and travel (road, rail, air, water)
- Fuel (petrol, diesel, LPG, CNG)
- Insurance and related payments

Together, these systemic loopholes create an environment where **black money flourishes, honest taxpayers are penalized, and economic distortion becomes inevitable.**

IN SHORT: HOW DOES ‘HONEST WITH CIN?’ WORK?

‘*HONEST WITH CIN?*’ will be implemented by the Government through an **Ordinance / Law / HWC?-Act/Code** and will operate entirely in the **organized sector, online**, through dedicated **HWC?-Software**, using **CIN (Citizen Identification Number), Super Bank Statement (SBS):** A revolutionary **21st-century** accounting and bookkeeping technology—the **inventor’s second world-first innovation.**, and **Information Technology.**

In addition to these core components, the technology incorporates several built-in controls that make it **virtually foolproof and up to 100% effective** in controlling black money hoarding, tax evasion, corruption, frauds, embezzlement of public funds, price rise, and inflation.

Under this system, the **entire trade and economy of the country** will be managed through HWC?-Software with **complete honesty, transparency, accountability, and real-time capability.**

This technology applies **only to tax-paying citizens and business ventures.**
Non-taxpayers fall outside its scope.

All tax-paying citizens and business ventures in the **organized sector** will be required to maintain **all books of accounts—income—expenditure, sales—purchases, and related records—exclusively** through HWC?-Software, under **SBS Form-A**, linked to their respective **CINs.**

This enables the Government to maintain **complete and continuous control** over tax evasion, black money hoarding, and corruption—**by design, not by enforcement.**

KEY ELEMENTS OF ‘HONEST WITH CIN?’- TECHNOLOGY

To control black money hoarding, tax evasion, and corruption **up to 99.99%**, and to further curb frauds, large-scale embezzlement, price rise, inflation, and terror funding, '*HONEST WITH CIN?*' integrates the following core elements:

1. **CIN (Citizen Identification Number):** A unique financial identity for every citizen and business venture.
2. **SBS (Super Bank Statement):** A 21st-century bookkeeping and accounting technology designed for universal use—even by laypersons with no knowledge of debit and credit.
3. **Advanced Information Technology:** Enables access to any type of information, about any citizen or business venture, at any time—on an authorized basis.
4. **Special Ordinance / Law / HWC?-Act/Code:** A dedicated legal framework to enforce and operationalize the technology nationwide.
5. **SBS Form-A:** Mandatory accounting and transaction recording framework for compliant taxpayers.
6. **SBS Form-B:** A powerful detection mechanism to identify black money hoarders, tax evaders, and corrupt entities.
7. **Single Bank Account Norm: Citizen and business ventures shall be permitted to maintain only one bank account**—whether savings, current, cash credit, or overdraft—in a **bank and branch of their choice**.

However, **in exceptional or justified circumstances**, the Government may permit the maintenance of **more than one such account**, subject to prescribed conditions and safeguards.

8. **Expenditure-Based Tracking:** The expenditure habits of the citizens help the ORGANIZED-SECTOR to nab all the black money hoarders, tax evaders, the corrupt, etc. in the country.
9. **Role of Organized & Unorganized Sectors:** Both sectors play a critical and complementary role in ensuring complete system effectiveness.
10. **Declared Financial Position:** Mandatory disclosure of cash balance, bank balance, and sanctioned cash credit/overdraft limits in SBS Form-A.
11. **CIN-Linked Transactions:** CIN of both parties compulsory for every transaction across all sectors.
12. **No Transaction Without Bill/Receipt:** Sale or purchase permitted only against genuine invoices or receipts.
13. **Tax-Inclusive Pricing:** All prices to be quoted inclusive of GST and all applicable taxes—no “taxes extra” practices.
14. **Uniform Accounting Formats:** One standardized format nationwide for manufacturing accounts, trading accounts, profit & loss accounts, income–expenditure accounts, and balance sheets.
15. **Strong Deterrence Mechanism:** Creation of effective deterrence to discourage illegal and dishonest activities.
16. **Applicability Limited to Taxpayers:** The '*HONEST WITH CIN?*' technology shall apply **directly and mandatorily** only to **tax-paying**

citizens and business ventures in the Organized Sector. However, to safeguard the economy and prevent misuse, the system shall maintain a **limited, lawful, and technology-enabled “eagle-eye” oversight** over activities in the **Un-Organized sector**, solely for the purpose of identifying taxable transactions and facilitating their gradual integration into the formal, tax-compliant system—**without harassment or intrusion into legitimate livelihoods.**

17. **Fuel & Energy Transaction Cards:** Mobile cards for transactions involving petrol, diesel, CNG, kerosene, and similar fuels.
18. **Informer Network:** Appointment of informers at the local level to strengthen enforcement.
19. **Mobile Courts:** Fast-track mobile courts to resolve complaints **within 24 hours and impose spot penalties.**
20. **PPP-Based Administration:** Oversight by government tax officials, chartered accountants, tax advocates, TRPs, and domain experts under a Public-Private Partnership model.
21. **World-Class HWC?-Software:** A comprehensive platform to manage the country’s entire trade and economic system with 100% honesty, transparency, efficiency, accountability, and time-bound execution.
22. **Research & Development Wing:** Continuous innovation to enhance effectiveness and global leadership of the technology.

WHAT IS THE ROLE OF CIN UNDER THIS TECHNOLOGY?

In ‘*HONEST WITH CIN?*’- technology, **CIN (Citizen Identification Number)** functions as the **foundation of identity, accountability, and transparency.**

AADHAAR in India was conceptualized by **Shri J. P. Gupta**, Founder–Chairman of our Organization. Under this technology framework, AADHAAR is referred to as **CIN – Citizen Identification Number.**

1. CIN as Universal Identity

CIN serves as **proof of identity and address** for every citizen and business venture in the country. It is designed in such a manner that **no individual or business venture anywhere in the world can possess more than one CIN.**

All citizens will be issued a **CIN**, and all business ventures will be issued a **Business CIN**. For operational simplicity, Business CIN shall also be referred to as CIN.

While the CIN issued to a citizen and to a business venture will be structurally similar, there will be **minor distinguishing features** between the two.

2. Categories of CIN

The following six categories of CIN will be issued in India:

1. Indian citizens
2. Non-Resident Indian (NRI) citizens
3. Foreign citizens residing/operating in India
4. Business ventures controlled by Indian citizens in India
5. Business ventures controlled by NRI citizens in India
6. Business ventures controlled by foreign citizens in India

3. Mandatory Use of CIN

Once the technology is implemented, it will be **mandatory for every citizen and business venture to use CIN** in:

- All business transactions
- All non-business financial transactions
- All government-related transactions

This compulsory usage of CIN ensures that **honesty becomes automatic and unavoidable**, not optional.

4. Records Maintained Under Each CIN

Each CIN will contain two broad categories of records:

(A) Complete Financial Records (Organized Sector)

For every financial year, the following records will be maintained for each citizen/business venture in the **Organized Sector**, through **SBS – Super Bank Statement**, the 21st-century bookkeeping and accounting technology:

- Capital / Equity
- Assets and Liabilities
- Income and Expenditure
- Sales and Purchases
- Manufacturing Account
- Trading Account
- Profit and Loss Account
- Balance Sheet

Every financial transaction will be recorded **simultaneously at two levels**:

- **SBS Form-A** – maintained by eligible citizens/business ventures

- **SBS Form-B** – automatically generated by HWC?-Software

SBS Form-B acts as a powerful detection mechanism that **identifies black money hoarders, tax evaders, and corrupt entities**, and compels them to operate honestly within the system.

(B) Life-Cycle & Institutional Records

Under each CIN, a **comprehensive life-cycle record** will be maintained, covering information from **birth to death**, including:

- Family details
- Education
- Business and employment
- Medical history
- Social and political records
- Criminal records (if any)
- Financial data
- Assets, equities, and liabilities

5. Controlled & Consent-Based Access

With the **click of a button**, authorized information can be accessed **within seconds**, subject to:

- Legal provisions, and
- **Consent of the person** about whom the information is sought

Tasks that earlier took **years** can now be completed **in seconds**, ensuring speed, accuracy, and transparency.

Essence in One Line

CIN is the single, permanent, and transparent digital identity through which honesty, accountability, and national financial discipline are enforced by design.

WHAT IS SUPER BANK STATEMENT (SBS) AND WHY IS IT CENTRAL TO THIS TECHNOLOGY?

Super Bank Statement (SBS) is a **21st-century bookkeeping and accounting technology**, specially designed to replace the limitations of the traditional double-entry bookkeeping system and to make accounting **simple, transparent, and universally usable**.

Why Super Bank Statement (SBS) instead of the Double-Entry System?

The traditional double-entry bookkeeping system suffers from several inherent limitations:

1. Multiple Entries for a Single Transaction

In the double-entry system, every cash or bank transaction requires two separate entries (debit and credit).

Under **SBS**, **only one comprehensive entry** is made for any cash or bank transaction, while still retaining **all the essential principles and controls of double-entry accounting**.

2. Fragmented Information

In the existing system, it is **impossible to view the complete details of a transaction at one place and in one instance**. Information is scattered across multiple ledgers and books.

SBS provides **complete transaction information in one single view**, instantly.

3. Not Citizen-Friendly

Traditional accounting does not reach the common citizen, as it requires knowledge of debit, credit, and accounting rules.

SBS is designed in such a way that **even a layperson with zero accounting knowledge can easily understand and use it**.

How SBS Transforms Accounting

Under the **Super Bank Statement system**:

- Every transaction—cash or bank—is recorded **once, clearly, and completely**
- Users can easily:
 - Record all transactions
 - Maintain all books of accounts
 - Generate **manufacturing accounts, trading accounts, profit & loss accounts, and balance sheets**
—all **automatically and instantly**, with the click of a button
- Any **CIN holder** can know their **exact cash and bank balance at any point of time**, without confusion or reconciliation delays

Significance of SBS in ‘*HONEST WITH CIN?*’

SBS is the **backbone** of the ‘*HONEST WITH CIN?*’ technology. It ensures:

- **100% transparency**
- **Real-time accountability**
- **Error-free and tamper-resistant records**

- **Universal participation**, from common citizens to large business ventures

By eliminating complexity, ambiguity, and manipulation, SBS makes **financial dishonesty practically impossible**.

In Essence

Super Bank Statement (SBS) is not merely an improvement over traditional accounting—it is a **fundamental transformation** of how financial truth is recorded, understood, and enforced in a modern economy.

It is the result of deep thought, long experience, and a vision to make **honesty simple, automatic, and unavoidable** for every citizen.

WHAT IS THE ROLE OF INFORMATION TECHNOLOGY UNDER THIS TECHNOLOGY?

Information Technology (IT) is the **operational backbone** of the '*HONEST WITH CIV?*' system. It enables **instant, accurate, and authorized access to information**, transforming governance, investigation, and compliance from a time-consuming process into a real-time capability.

Instant & Authorized Access to Information

Once this technology is implemented, **any authorized information relating to any citizen or business venture** can be accessed **within seconds—at the click of a button**.

Investigative agencies and law-enforcement authorities that earlier took **months or even years** to collect data and evidence will now be able to obtain the same information **almost instantly**, subject to law and due process.

This results in:

- Significant **savings to the government exchequer**
- Enormous **reduction in administrative time and cost**
- Faster decision-making and enforcement

Transparency, Honesty & Social Impact

The availability of accurate, real-time information will bring **unprecedented transparency** into society. As wrongdoing becomes easily detectable, citizens

naturally develop a **strong disincentive to indulge in illegal or dishonest activities**. This, in turn, will:

- Reduce frauds and economic offences
- Lower corruption and tax evasion
- Decrease litigation and court cases

Comprehensive CIN-Based Records

To meet these objectives, **all information relating to citizens and business ventures—from birth to death—will be maintained under their respective CINs**, under legally defined and protected categories, including:

- Family details
- Education and employment
- Business and professional activities
- Medical, social, and political records
- Criminal records (where applicable)
- Financial data, assets, liabilities, and capital

Mandatory CIN Usage

It will be mandatory for every citizen and business venture to **use CIN in all business, non-business, and government transactions**. This ensures:

- Complete traceability of lawful transactions
- Effective control over frauds, corruption, terrorism financing, and economic offences
- Identification of tax evaders and black-money hoarders with certainty

Consent-Based Access

While information can be retrieved instantly, **access shall be strictly consent-based and legally regulated**. Any individual seeking information about another person will require the **permission of the concerned person**, except where law provides otherwise.

Practical Benefits (Examples)

This system will enable:

1. **Families** to verify essential background information before marriage alliances
2. **Banks and businesses** to assess the financial credibility of clients before granting loans or credit

3. **Employers** to verify credentials and background before offering employment ...and many more lawful, socially beneficial uses.

In Essence

Information Technology under ‘HONEST WITH CIN?’ converts information from a slow, fragmented, and opaque resource into a fast, accurate, and transparent public utility—without compromising privacy or rights.

WHY IS A GOVERNMENT ORDINANCE / LAW / HWC?-ACT / CODE REQUIRED FOR THIS TECHNOLOGY?

The implementation of ‘HONEST WITH CIN?’ is among the **largest and most consequential national reforms** any country can undertake. Given its scope, impact, and legal implications, a **dedicated Government Ordinance / Law / HWC?-Act / Code** is essential.

1. Legal Validity & Evidentiary Value

Under this technology, the **entire digital data generated and maintained by the system shall constitute legally admissible evidence** in all courts and tribunals of the country. This enables:

- Swift investigation and adjudication
- Resolution of complaints **within as little as 24 hours**, wherever feasible
- Elimination of prolonged litigation and procedural delays

Such evidentiary recognition can exist **only through explicit statutory authority**.

2. National Revenue Administration

This technology will become the **central engine of the country’s revenue system**, encompassing:

- Direct and indirect taxes
- Customs, import and export duties
- Fines, penalties, fees, and service charges

The **HWC?-Software** will manage, monitor, and support the **entire revenue collection and financial administration of the Government** in a transparent and accountable manner.

3. Government Control over Policy & Rates

While the technology provides the platform, **all decisions relating to tax rates, penalties, exemptions, thresholds, and compliance rules** shall remain **exclusively with the concerned Government**.

A comprehensive law is necessary to:

- Define powers, duties, and limits
- Prevent misuse or arbitrariness
- Ensure democratic oversight and accountability

4. Uniformity, Enforcement & Protection of Rights

A full-fledged, exhaustive, and **loophole-free legal framework** is required to:

- Mandate uniform nationwide implementation
- Define compliance and enforcement mechanisms
- Protect citizen rights, privacy, and due process
- Prescribe penalties for violations and safeguards against abuse

In Essence

A technology of this scale cannot operate on executive instructions alone.

A dedicated **Government Ordinance / Law / HWC?-Act / Code** is indispensable to provide:

- Legal authority
- Evidentiary recognition
- Policy control
- National uniformity
- Public trust

Only through such a statutory framework can ‘*HONEST WITH CIN?*’ function lawfully, effectively, and sustainably as the backbone of a transparent and corruption-free economy.

WHAT IS THE KEY USAGE OF SBS-FORM-A AND SBS-FORM-B UNDER EACH CIN?

As stated earlier, ‘*HONEST WITH CIN?*’ technology is **not applicable to all citizens and business ventures**. It applies **only to those citizens and business ventures that are tax-payers** and operate within the **organised sector**.

1. Role of SBS-FORM-A

All tax-paying citizens and business ventures are required to **maintain their complete books of accounts**—relating to income–expenditure, sales–purchases, and other financial activities—for each financial year **only through SBS-FORM-A**, under their respective **CIN**, using **HWC?-Software**.

SBS-FORM-A is:

- Maintained by the citizen/business venture
- A self-declaration of all financial transactions
- The primary accounting record for compliance

2. Role of SBS-FORM-B

In this technology, **every financial transaction is recorded at two levels:**

- **SBS-FORM-A** (entered by the taxpayer)
- **SBS-FORM-B** (auto-generated by HWC?-Software)

All transactions taking place in the **organised sector** are automatically captured by the software in **SBS-FORM-B** under the relevant CINs of both parties involved.

SBS-FORM-B is:

- Generated by the system, not by the taxpayer
- A mirror / reverse record of transactions
- A powerful detection tool to identify **black money hoarders, tax evaders, and corrupt entities—up to 99.99%**

3. Why SBS-FORM-B Was Invented – The Core Logic

Every monetary transaction always involves **two parties**—either citizens or business ventures.

For example, when:

‘A’ sells land to ‘B’, and ‘B’ buys land from ‘A’

There are four possible situations:

1. **Both ‘A’ and ‘B’ report the transaction** → Both are honest
2. **Neither ‘A’ nor ‘B’ report the transaction** → Both are dishonest
3. **‘A’ reports, but ‘B’ does not** → ‘A’ is honest, ‘B’ is dishonest

4. **‘B’ reports, but ‘A’ does not** → ‘B’ is honest, ‘A’ is dishonest

To **detect and control dishonesty in situations (2), (3), and (4)**, **SBS-FORM-B** was created.

4. How SBS-FORM-A and SBS-FORM-B Work Together

Under the **Super Bank Statement system**, every transaction is reflected:

- **Directly** in SBS-FORM-A (if the party records it), and
- **Automatically** in SBS-FORM-B (through reverse entry by software)

If a transaction **appears in SBS-FORM-B but does not appear in SBS-FORM-A** of a CIN, it clearly indicates that the CIN holder has **suppressed or hidden the transaction from the Government**.

5. Practical Example

Suppose **Mr. Mohan purchases a car for ₹15 lakhs from Tata Motors**.

- Tata Motors records the sale in **SBS-FORM-A** of its CIN
- The software automatically records this transaction in **SBS-FORM-B** of **Mr. Mohan’s CIN**

If Mr. Mohan:

- Records the purchase in his **SBS-FORM-A**, then the reverse entry appears in **SBS-FORM-B** of Tata Motors
- Result: **No mismatch** → **both parties are honest**

If Mr. Mohan:

- Does **not** record the transaction in his SBS-FORM-A
- The transaction remains only in SBS-FORM-B
- Result: **Mismatch** → **Mr. Mohan is identified as dishonest**

6. System-Wide Integrity

If there are **100 CIN holders** and all are honest, **no mismatch will exist** between SBS-FORM-A and SBS-FORM-B in any CIN.

If mismatches appear in **one or more CINs**, those CIN holders are **automatically identified** as having concealed transactions.

7. Essence of SBS-FORM-B

A transaction may be recorded by one party but not by the other. **SBS-FORM-B ensures that the second party cannot escape disclosure**, because the system records the transaction **before the second party even enters it**.

Final Conclusion

If any transaction appears in SBS-FORM-B but does not appear in SBS-FORM-A of a CIN, that CIN holder is conclusively identified as dishonest under this technology.

This dual-record mechanism makes **tax evasion, black money hoarding, and corruption structurally impossible**, not merely punishable.

WHY IS A CIN HOLDER NORMALLY ALLOWED ONLY ONE BANK ACCOUNT UNDER THIS TECHNOLOGY?

Under '*HONEST WITH CIN?*'-technology, a CIN holder is normally permitted to operate **only one running bank account**—whether savings, current, cash credit, or overdraft—in **one bank and one branch of their own choice**.

The Rationale Behind This Principle

Allowing a single CIN holder to operate **multiple running accounts across different banks or branches** creates a vast and uncontrollable space for:

- Black money circulation
- Concealment of transactions
- Artificial fragmentation of income and expenses

Such multiplicity effectively becomes **another ocean of black money within the banking system**, which even the Government finds extremely difficult to monitor due to practical and operational constraints.

Impact on the Banking System

Multiple accounts for the same customer:

- Exponentially increase banks' **operational costs**
- Consume excessive **stationery, manpower, and valuable time**
- Reduce **efficiency, profitability, and service quality**
- Create unnecessary duplication of compliance and reconciliation work

The cost of managing **many accounts of one client** is far higher than managing **one consolidated account**, and this directly weakens the financial health of banks.

Impact on Government and Tax Authorities

The same problem extends to tax administration:

- Reconciling multiple bank accounts of one CIN holder becomes highly complex
- Requires enormous deployment of skilled manpower
- Results in **low output despite high salary costs**
- Places an avoidable financial burden on the Government exchequer

Ultimately, this burden is **passed on to honest taxpayers** in the form of:

- Higher taxes
- Increased compliance costs
- Inefficient public services

National Interest Perspective

For these reasons, **restricting each CIN holder to one running bank account** is not merely an administrative decision—it is a **national economic necessity**. It:

- Enhances transparency
- Reduces black money at the root
- Simplifies compliance for citizens, banks, and Government alike
- Improves efficiency and accountability across the financial system

SPECIAL NOTE

Despite the above, this technology remains **practical and humane**.

In **genuine and reasonable cases**, the Government may permit a CIN holder to operate **more than one bank account**, subject to clearly defined rules and approvals.

ROLE OF EXPENDITURE HABITS OF CITIZENS UNDER THIS TECHNOLOGY

Under the '*HONEST WITH CIN?*'- technology, **the expenditure behavior of citizens itself becomes the most powerful detection mechanism**. In fact,

the natural tendency of people to spend money is the **single biggest weapon** for identifying and nabbing **up to 99.99% of tax evaders, black-money hoarders, and corrupt citizens/business ventures.**

Human Behaviour as an Enforcement Tool

It is a universal human tendency—irrespective of whether money is earned legally or illegally—to:

- Display wealth
- Establish social and financial superiority
- Appear more prosperous than others

People naturally seek recognition not only within their **mohalla or society**, but also at the levels of **village, kasba, city, district, state, country, and even internationally.** This behavioral trait cannot be suppressed and does not require coercion—it operates automatically.

Entry of Money into the Organized Sector

Illegal or unaccounted money may remain hidden while it is idle. However, **the moment such money is spent**, it inevitably enters the **organized sector**—through:

- Purchase of property, vehicles, goods, or services
- Payments to registered businesses
- Use of banking channels or formal vendors

Once expenditure takes place in the organized sector, **the money leaves its hiding place forever.**

Role of SBS-FORM-B

At this point, **SBS-FORM-B in each CIN becomes fully active.** The software automatically:

- Records the transaction from the seller's side
- Reflects it in the buyer's SBS-FORM-B
- Matches expenditure with declared income

If a citizen or business venture **spends more than what is declared in SBS-FORM-A**, the mismatch immediately exposes:

- Tax evasion
- Black money usage

- Undisclosed income
- Corrupt practices

Inescapable Detection

Under this technology:

- **Earning may be concealed**, but **spending cannot**
- Behavior itself becomes evidence
- No raids, informers, or prolonged investigations are required

Thus, expenditure habits—driven by natural human psychology—ensure that **dishonesty automatically reveals itself**, making the system self-enforcing, transparent, and almost foolproof.

Conclusion

By converting **human spending behavior into a compliance mechanism**, this technology ensures that **black money has no safe exit**. Once spent, it is tracked, matched, and exposed—making large-scale tax evasion and corruption practically impossible.

ORGANIZED SECTOR AND NON-ORGANIZED SECTOR UNDER THIS TECHNOLOGY

Under '*HONEST WITH CIN?*'- technology, the entire economic activity of a country is viewed through **two clearly defined sectors** based on transparency, tax compliance, and information availability.

1. ORGANIZED SECTOR

The **Organized Sector** is the backbone of this technology.

It includes all citizens and business ventures that:

- Operate within the legal and regulatory framework
- Pay direct or indirect taxes to the Government
- Maintain formal records of income, expenditure, sale, and purchase

This sector broadly covers:

- All Government departments and agencies
- Banks and financial institutions

- Public and private limited companies
- Medium and large-scale businesses
- Registered industries, traders, professionals, and service providers

Nearly 80% of the country's total economic activity takes place in the Organized Sector.

Under this sector:

- Transactions are conducted through banks or formal channels
- Records are maintained digitally
- Information is routinely available to the Government

In short, **whatever happens in the Organized Sector automatically becomes visible to the system.**

2. NON-ORGANIZED (UNORGANIZED) SECTOR

The **Non-Organized Sector** comprises economic activities that:

- Operate outside the tax net
- Do not maintain formal books of accounts
- Remain largely undocumented

This sector generally includes:

- Small, informal traders
- Daily-wage earners
- Cash-based, unregistered activities

Approximately **20% of the country's trade** takes place in this sector.

The Government has **limited real-time information** about transactions in this sector, and taxation compliance is minimal or absent.

WHY THE ORGANIZED SECTOR MAKES THIS TECHNOLOGY 99.99% SUCCESSFUL

The strength of this technology lies not in controlling the Non-Organized Sector directly, but in **leveraging the Organized Sector as a powerful detection and enforcement mechanism.**

The moment any money—legal or illegal—is:

- Spent

- Invested
- Converted into assets
- Used for goods or services

and **enters the Organized Sector**, it becomes **fully traceable**.

Role of SBS-FORM-B

Under this technology:

- Every transaction in the Organized Sector is automatically reflected in **SBS-FORM-B of the counterparty's CIN**
- Expenditure is matched with declared income
- Any mismatch instantly exposes tax evasion, black money, or corruption

Thus:

- Money may originate in the Non-Organized Sector
- But it **cannot remain hidden once it enters the Organized Sector**

CONCLUSION

The Organized Sector acts as a **national financial filter**.

Even if illegal income is generated outside the system, **it cannot be spent, invested, or enjoyed within the Organized Sector without being detected**. This makes large-scale tax evasion and black-money circulation practically impossible.

Hence, it is **the Organized Sector—supported by SBS-FORM-B and CIN—that ensures the success of this technology up to 99.99%**, without harassing honest citizens or disrupting genuine economic activity.

Who Is Required to Maintain Financial Records in SBS-FORM-A Under This Technology?

Under '*HONEST WITH CIN?*'- technology, **every financial transaction involves two parties**—citizens and/or business ventures. The system is designed to **record, verify, and cross-match transactions of both parties** through their respective CINs.

However, **the obligation to maintain records in SBS-FORM-A applies only to taxpayers operating in the ORGANIZED SECTOR**, and not to those in the NON-ORGANIZED (unorganized) sector.

Applicability Based on Sector Status

Depending on the status of the two parties involved in a transaction, the following situations arise:

1. Both Parties in the NON-ORGANIZED SECTOR

When both parties do not fall under the tax net:

- Neither party is required to maintain any record in SBS-FORM-A
- No bookkeeping obligation exists under this technology

2. Both Parties in the ORGANIZED SECTOR

When both parties are taxpayers:

- **Both are mandatorily required** to maintain complete records of all financial transactions
- This includes income, expenditure, sales, purchases, and all related entries
- Records must be maintained **only through SBS-FORM-A in their respective CINs**

3. One Party in the ORGANIZED SECTOR and the Other in the NON-ORGANIZED SECTOR

In such cases:

- The party belonging to the **ORGANIZED SECTOR must fully record the transaction in SBS-FORM-A** under its CIN
- The NON-ORGANIZED SECTOR party is **not required** to maintain any record

Special Note: Mandatory Use of CIN and Automatic Detection

- **CIN of both parties is mandatory in every financial transaction**, irrespective of sector
- If a NON-ORGANIZED SECTOR citizen or business venture:
 - Earns income
 - Incurs expenditure
 - Makes a sale or purchase
 - Exceeding the **limits prescribed by the Government**,

such transactions are **automatically captured in SBS-FORM-B under the respective CIN**

- Any attempt to hide or suppress such transactions:
 - Is instantly detected by the system
 - Attracts **severe penalties and imprisonment**, as prescribed under the HWC? law

Conclusion

In essence:

- **SBS-FORM-A is maintained only by taxpayers in the ORGANIZED SECTOR**
- **SBS-FORM-B acts as an automatic mirror and enforcement tool**, capturing all counter-party transactions
- Even those operating in the NON-ORGANIZED SECTOR **cannot escape detection once transactions cross statutory limits**

This dual-record mechanism ensures **honesty, transparency, and near-total elimination of tax evasion and black money** without burdening honest citizens.

Core Theories and Principles That Make the ‘HONEST WITH CIN?’- Technology Near-Perfectly Effective

The ‘**HONEST WITH CIN?’ (HWC?) - Technology** is built upon a carefully designed combination of **legal, technological, behavioral, and administrative principles**. Together, these principles ensure near-total control over black money, tax evasion, corruption, frauds, and economic crimes, while protecting citizens’ rights and privacy.

The key principles are as follows:

1. Absolute Data Confidentiality with Consent-Based Access

All data relating to each citizen or business venture shall remain **strictly confidential**.

No information can be accessed, viewed, or shared **without the explicit consent of the concerned CIN holder**, except as permitted under law for national security, law enforcement, or judicial proceedings.

2. Mandatory Use of CIN in All Transactions

The **mandatory disclosure of CIN** in every:

- Business transaction
- Financial transaction

- Government transaction

ensures complete traceability and compels every citizen and business venture to operate **honestly and transparently**.

3. Complete Digital Documentation for Every Transaction

For every transaction, **scanned digital copies of all relevant documents** must be uploaded and securely stored, including:

- Bills and invoices
- Sale deeds and agreements
- Contracts and memorandums
- Rent receipts
- Photos, videos, sanctioned maps
- Proposals, applications, approvals, and reports

These documents:

- Are stored systematically against each transaction
- Serve as **legally valid evidence in courts**
- Enable **quick and dispute-free resolution**

It shall be mandatory for eligible citizens and business ventures to upload all such documents in **SBS-FORM-A before making or receiving payment**, thereby preventing future disputes.

4. No Sale or Purchase Without a Bill

No sale or purchase of goods or services shall be permitted **without a bill or receipt**.

In specific and exceptional circumstances, even **handwritten or “katcha” bills** may be accepted, as notified by the Government.

5. Uniform Tax-Inclusive Pricing

All prices of goods and services must be quoted **inclusive of GST and all applicable taxes**, and not on an “extra tax” basis.

This eliminates tax manipulation and ensures **zero leakage of government revenue**.

6. Dual-Entry Verification Through SBS-FORM-A and SBS-FORM-B

Every financial transaction is automatically recorded in **two parallel forms**:

- **SBS-FORM-A** – maintained by eligible citizens/business ventures
- **SBS-FORM-B** – auto-generated by the HWC? software

SBS-FORM-B acts as a **truth mirror**:

- If an entry appears in SBS-FORM-B but not in SBS-FORM-A of the same CIN,
it conclusively establishes **dishonesty or concealment**.

This principle alone enables detection of **99.99% of tax evasion and black money**.

7. One Bank Account Principle

Normally, each CIN holder shall be permitted to operate **only one running bank account** (savings/current/cash credit/overdraft) in a bank or branch of choice.

This prevents:

- Fragmentation of funds
- Laundering through multiple accounts
- Administrative burden on banks and tax authorities

Under justified and special circumstances, the Government may permit additional accounts.

8. Declared Cash and Banking Limits

Declared:

- Cash balance
- Bank balance
- Sanctioned cash credit/overdraft limits

in SBS-FORM-A enable the system to **instantly detect any unaccounted cash usage**.

Even the misuse of **a single rupee of black money** becomes traceable.

9. Fuel and Utility Tracking Through Mobile Cards

Citizens and businesses using:

- Petrol
- Diesel
- CNG

- LPG
- Kerosene

shall be issued **Mobile Cards**, enabling tracking of large or abnormal consumption patterns linked to black money and tax evasion.

10. Nationwide Data Centers for Public Assistance

Government-funded data centers will be established across the country to:

- Assist citizens
- Spread awareness
- Provide real-time help
- Educate users on compliance and benefits of the technology

11. Informer-Based Intelligence Mechanism

A structured informer system will operate within society to:

- Report black money hoarding
- Identify tax evasion
- Flag suspicious activities

with legal protection and incentives, as prescribed.

12. Vigilance Teams and Mobile Courts

Special vigilance teams and **mobile courts** will be established to:

- Investigate complaints immediately
- Dispose of cases within hours or days
- Impose penalties and punishments on the spot

This ensures **swift justice and strong deterrence**.

13. Time-Bound, Accountable, and Citizen-Centric Governance

The technology operates under:

- Defined timelines
- Fixed accountability
- Continuous feedback mechanisms
- Dedicated research and development wings

ensuring constant improvement and citizen benefit.

14. Expert-Led Public–Private Partnership (PPP) Model

The entire system shall be managed under a **PPP framework**, involving:

- Tax officials
- Chartered accountants
- Tax advocates
- TRPs
- Domain experts and technologists

This ensures **professional excellence, efficiency, and integrity** in implementation.

Conclusion

By integrating **law, technology, psychology, documentation, financial discipline, and swift justice**, the ‘HONEST WITH CIN?’ Technology becomes a **self-enforcing system**—one where dishonesty is difficult, risky, and easily detectable, while honesty becomes simple, safe, and rewarding.

How Will the Entire Black Money of the Country Come into Government Records Within One Year?

After the implementation of ‘**HONEST WITH CIN?**’ (**HWC?**)-Technology, the Government will closely monitor its outcomes for a period of **one to two years**. During this period, the technology will demonstrate its effectiveness by ensuring that:

- Black money hoarding becomes practically impossible
- Tax evasion and monetary corruption are fully controlled
- All transactions in the organized sector become transparent and traceable

Once the Government is fully satisfied that the technology is working **100% effectively** and that no citizen or business venture is in a position to generate, hide, or circulate black money, it will introduce a **Second Government Ordinance / Law**.

The Second Ordinance: One-Time National Asset Declaration

Under this second ordinance/law, **every citizen and business venture in the country** will be required to **declare all their movable and immovable assets** to the Government within a specified time frame.

Declaring assets means:

- Entering complete details of all such assets into the **respective CIN** of the citizen or business venture

If **any movable or immovable asset is not declared and entered into the CIN by the specified deadline**, such undisclosed asset shall:

- Become the **exclusive property of the Government**
- Attract **severe penalties**, including **imprisonment** in case of deliberate concealment

Opportunity to Become Honest—Without Fear or Harassment

This ordinance will provide a **historic, one-time opportunity** to all citizens to become fully honest.

- By declaring undisclosed assets and paying the **due taxes** (as decided by the Government at that time), citizens can regularize their wealth
- Those who **declare their assets honestly and within the prescribed time** shall:
 - Face **no punishment**
 - Face **no harassment**
 - Have their **identity kept strictly confidential**

This provision ensures fairness, trust, and voluntary compliance.

A Strong and Permanent Impact on the Economy

Once this process is completed:

- **Almost the entire black money of the country will come into official government records**
- The tax base of the country will expand dramatically
- Government revenues will rise without increasing tax pressure on honest taxpayers

As a direct result, the Government will be **compelled to reduce tax rates**, potentially by **one-third or even more**, benefiting:

- Honest citizens
- Businesses
- The national economy as a whole

Conclusion

By first **closing all future leakage of black money through technology**, and then **absorbing past black money through a transparent, lawful, and humane declaration process**, the 'HONEST WITH CIN?' framework ensures that:

Black money disappears not by force alone, but by making dishonesty impossible and honesty rewarding.

How Does This Technology Detect the Use of Black Money in Cash Transactions?

On the date the Government implements '**HONEST WITH CIN?**' (HWC?)-**Technology**, all **citizens and business ventures covered under the ORGANIZED SECTOR** will be required to declare the following details in **SBS-FORM-A** of their respective **CIN**:

- **Opening Cash Balance**
- **Opening Bank Balance**
- **Sanctioned Cash Credit Limit or Overdraft Limit** (if any)

If a citizen or business venture does **not declare any amount under these headings**, the balance under each head shall be **deemed to be NIL**.

Why These Three Declarations Are So Powerful

These three declarations act as the **core control mechanism** of the technology. They make the use of unaccounted cash **technically impossible**.

- As long as sufficient **declared (white) money** exists under these heads, transactions can continue normally.
- **Once these balances become NIL**, any further cash spending automatically exposes the use of **black money**.
- At that stage, the system **forces the CIN holder to earn, declare, or regularize income lawfully**, or face immediate consequences.

In effect, **black money has no place to hide**.

How the System Detects Black Money Automatically

Every cash transaction—whether for deposits, purchases, fuel, insurance, or services—is simultaneously reflected in **SBS-FORM-B**, which is generated automatically by the HWC? software.

If cash is spent **without sufficient declared balance**, SBS-FORM-B instantly shows a **Negative Cash Balance**, which is a clear and undeniable indicator of black money usage.

Practical Example

Suppose the Government implements this technology on **01-04-2026**.

On that date, the opening balances in the CIN of **Mr. 'A'** are:

- Opening Cash Balance: ₹1,00,000
- Opening Bank Balance: NIL
- Cash Credit / Overdraft Limit: NIL

Mr. 'A' deposits ₹1,00,000 in cash into his bank as a loan installment. As a result, **all three declared balances become NIL**.

After this:

- Mr. 'A' receives a bank draft in cash of ₹50,000
- Purchases petrol worth ₹2,000 in cash
- Pays insurance premium of ₹20,000 in cash

The moment these transactions occur:

- SBS-FORM-B of Mr. 'A's CIN reflects a **negative cash balance** of ₹50,000, then ₹52,000, and finally ₹72,000
- This conclusively proves that **₹72,000 of black money has been used**

Immediate Consequences

- The system instantly sends an **alert** to the CIN holder
- **Penalty proceedings** are triggered automatically
- In serious or repeated cases, **imprisonment provisions** may also apply as per law

As a result, the CIN holder is **compelled to stop using black money immediately** and shift permanently to **declared, tax-paid income**.

Final Impact

This mechanism ensures that:

- **Every rupee spent must have a declared source**
- Black money usage becomes **visible, measurable, and punishable in real time**
- Citizens are not forced by fear alone—but by **mathematical and technological certainty**—to work honestly

Under ‘HONEST WITH CIN?’, black money does not disappear by raids or assumptions; it disappears because spending without declaration becomes impossible.

How Does This Technology Identify and Bring to Book Citizens / Business Ventures in the Non-Organized Sector Who Are Involved in Large-Scale Tax Evasion, Black Money Hoarding, and Corruption?

Although **‘HONEST WITH CIN?’ (HWC?)-Technology** applies *directly* to tax-paying citizens and business ventures in the **Organized Sector**, it also possesses an in-built, automatic mechanism to **identify and track persons in the Non-Organized Sector** who, despite not paying taxes, engage in **high-value transactions, lavish spending, or accumulation of assets** far beyond permissible limits.

This is achieved through **SBS-FORM-B**, which records every transaction occurring in the Organized Sector and reflects its mirror impact in the **CIN of the counter-party**, irrespective of whether that counter-party is a taxpayer or not.

The following illustrations explain how this works in practice.

Example 1: Undeclared Interest Income

A citizen holds **Fixed Deposits of ₹60 lakhs** across multiple banks and earns **annual interest exceeding ₹5 lakhs**, which is taxable. However, he does not pay tax, claiming to belong to the Non-Organized Sector.

Under HWC?:

- Every bank crediting interest reports the transaction

- The total interest income automatically appears in **SBS-FORM-B** of the citizen's CIN
- Once income crosses the exemption threshold:
 - The citizen receives an automated alert
 - He is required to pay tax
 - He is **formally brought under the Organized Sector**
 - He must henceforth maintain **SBS-FORM-A**, failing which penalties and prosecution apply

Example 2: High-Turnover Shopkeeper Outside Tax Net

A small shopkeeper earns **over ₹1 lakh per month** and has **annual sales exceeding ₹10 lakhs**, yet pays no tax.

Since all his purchases are made from **Organized Sector wholesalers**:

- Each purchase is recorded in the seller's SBS-FORM-A
- The same transactions automatically appear in **SBS-FORM-B** of the shopkeeper's CIN
- When purchase limits exceed prescribed thresholds:
 - The system flags the case
 - Taxes are recovered
 - The shopkeeper is migrated into the Organized Sector
 - Non-compliance thereafter attracts penalties and imprisonment

Example 3: Purchase of High-Value Assets (Vehicle)

A non-tax-paying citizen purchases a **car worth ₹80 lakhs** from another state.

Immediately:

- The transaction, along with invoices and documents, reflects in **SBS-FORM-B** of his CIN
- The Government is alerted
- Taxes are recovered
- The citizen is compulsorily brought into the Organized Sector

Example 4: Purchase of High-Value Immovable Property

A citizen buys a **house worth ₹4.5 crores** in another state without paying taxes.

Result:

- The transaction and property documents appear in SBS-FORM-B

- The citizen is identified instantly
- Tax recovery, sector migration, and legal action follow

Example 5: Corrupt Government Official

A government officer earns a **declared salary of ₹12 lakhs per year**, but spends **₹20 crores** on a house, land, vehicles, and jewellery.

Under HWC?:

- Every purchase is recorded in the Organized Sector
- All transactions reflect in **SBS-FORM-B** of his CIN
- The system establishes a mismatch between income and expenditure
- Tax recovery, departmental inquiry, criminal investigation, and prosecution follow automatically

Example 6: Habitual Criminal Spending Illicit Money

A criminal involved in illegal activities spends lavishly on luxury goods, travel, and entertainment.

Since:

- His declared cash balance is NIL
- All spending occurs in the Organized Sector

The system records:

- **Negative cash balances** in SBS-FORM-B
- Complete transaction trails
- Location and movement patterns

This enables:

- Tax recovery
- Immediate police action
- Asset seizure
- Eventual reform or incapacitation

Example 7: Corporate Profit Suppression

A company earns **₹30 crores profit** but shows only **₹3 crores**, inflating expenses with bogus entries in collusion with officials.

Under HWC?:

- Every transaction has two-party verification
- Fake expenses cannot survive SBS-FORM-B cross-matching
- Any mismatch is detected instantly
- Collusion becomes impossible

Example 8: Fraudulent Government Contracts

A company receives a **₹300-crore government contract** but does not execute the project, siphoning funds.

With HWC?:

- Fund release, expenditure, vendor payments, and asset creation are all traceable
- Non-execution becomes immediately visible
- Officials and contractors are identified and prosecuted

Final Conclusion

Under '**HONEST WITH CIN?**'-Technology:

- No one can remain permanently hidden in the Non-Organized Sector
- **Spending reveals income**
- **Assets expose sources**
- **Transactions speak louder than declarations**

Whether a citizen pays tax or not, the moment he earns, spends, or acquires beyond limits, the system brings him into the light—lawfully, transparently, and automatically.



J.P.GUPTA – EX-BANKER, INVENTOR & AUTHOR

&

FOUNDER CHAIRMAN

ZERO BLACK MONEY INTERNATIONAL ORGANIZATION (A Non-Profit Organization)

