IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL(IT) NO. 131 OF 2025

Pr Commissioner of Income Tax C 2 ...Appellant
Versus
Vikram Bodhraj Tannan ...Respondent

WITH
INCOME TAX APPEAL(IT) NO. 271 OF 2025

Mr. N. C. Ranganoyakulu for the Appellant.

Mr. Suyash Gadre for the Respondent.

CORAM : M.S. Sonak &
Advait M. Sethna, JJ.

DATED : 03 December 2025

P.C.:-

1. Heard learned counsel for the parties.

2. The tax effect in both these Appeals is less than Rs.2 crores. Mr. Ranganoyakulu, learned counsel for the Appellant submits that these Appeals would fall within the exceptions carved out under the CBDT circulars since they relate to overseas bank accounts.

3. Without going into the issue of whether these Appeals fall within the exceptions, we have heard learned counsel for the parties on merits.

4. Mr. Ranganoyakulu submitted that the numbers provided by the French Government through a Base Note clearly refer to the Appellant having bank account at HSBC Geneva. He therefore submitted that the Assessing Officer was entitled to make additions and such additions should not have been interfered with by the ITAT. He submitted that in the facts of the present case, even the imposition of penalty was justified and should not have been interfered with by the ITAT.

5. Mr. Gadre, learned counsel for the Respondent submitted that no additions could have been made based upon a simple Base Note. He submitted that the Assessee without confronting with such Base Note, completely denied having any Swiss Bank Account. Mr. Gadre submitted that during the search no incriminating material was found. He submitted that the ITAT has relied upon this Court's decision in the case of ***Commissioner of Income-tax-II, Thane Vs. Continental Warehousing Corporation (Nhava Sheva) Ltd.***[1]. He submitted that this view has been ultimately confirmed by the Hon'ble Supreme Court in the case of ***Principal Commissioner of Income-tax, Central-3 Vs. Abhisar Buildwell (P.) Ltd.***[2]

6. Accordingly he submits that no substantial questions of law arise in this Appeal.

7. We have considered the rival contentions and we agree with Mr. Gadre that these Appeals involve no substantial questions of law.

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1 [2015] 58 taxmann.com 78 (Bombay)

2 [2023] 149 taxmann.com 399 (SC)

8. Pursuant to the Base Note, search and seizure proceedings were initiated against the Assessee. During such proceedings, however, no incriminating material was found. Thus, the entire action was based only on the Base Note.

9. In ***Continental Warehousing Corporation (Nhava Sheva) Ltd.*** (supra) this Court has held that in respect of unabated assessment which have become final, no additions can be made if no incriminating material is found during the course of such search. This issue was endorsed by the Hon'ble Supreme Court in ***Abhisar Buildwell (P.) Ltd.*** (supra). In similar situations, we have disposed of Income Tax Appeal No.2870 of 2019 and Income Tax Appeal No.18 of 2025 by relying upon the decisions in ***Continental Warehousing Corporation (Nhava Sheva) Ltd.*** (supra) and ***Abhisar Buildwell (P.) Ltd.*** (supra).

10. Since the ITAT has followed the decision of this Court in ***Continental Warehousing Corporation (Nhava Sheva) Ltd.*** (supra) and further since the same view is reiterated by the Hon'ble Supreme Court in ***Abhisar Buildwell (P.) Ltd.*** (supra) we are satisfied that these Appeals involve no substantial questions of law.

11. On the above grounds, we dismiss these Appeals. No costs.

(Advait M. Sethna, J) **(M. S. Sonak, J.)**