Sayali

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

INCOME TAX NO. 629 OF 2024

Pr. Commissioner of Income Tax-Central-4 …Appellant

Versus

Aditi Avinash Athavankar …Respondents

Mr Suresh Kumar, for Appellant.
Ms. Priyanka Bora, through VC, for Respondents.

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

DATED: 15 OCTOBER 2025

PC:-

1. Heard Mr. Kumar, learned Counsel for the Appellant and Ms. Bora, learned counsel for the Respondents.

2. Mr. Kumar urges the admission of this appeal on the substantial questions of law set out in paragraph No. 4 of the Appeal Memo.

3. However, upon hearing the learned Counsel for the parties, we are satisfied that no substantial question of law is involved in this Appeal. The only allegation against the Assessee (wife) was that she failed to disclose the foreign investment holding in Schedule FA along with her return for the assessment year 2017–2018. However, the record shows that the Respondent–Assessee was only named in the

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investment holding made by her husband for administrative convenience. The record bears out that the Assessee's husband, Mr. R. Venkataraman, had declared the said investments in Schedule FA along with his return of income.

4. Mr. Kumar pointed out that though the tax effect in this Appeal is of Rs. 10 Lakhs, still the Appeal falls within one of the exceptions carved out in the CBDT Circulars because it relates to penalty under the provisions of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015. Therefore, we have heard the learned Counsel for the parties on merits.

5. The Tribunal has held that the levy of penalty is at the discretion of the authorities. After taking into consideration the circumstances, that this was a case of joint investment by the husband and the wife, and the husband had clearly disclosed this investment in his return of income, no penalty came to be levied. The above situation, which is mainly the result of the exercise of discretion, does not give rise to any question of law.

6. This is not a case of any perversity in the exercise of discretion. Accordingly, on the ground that this Appeal involves no substantial question of law, we dismiss this Appeal.

7. No costs.

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

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