NC: 2025:KHC-D:8206-DB
ITA No. 100044 of 2023

HC-KAR

IN THE HIGH COURT OF KARNATAKA,

DHARWAD BENCH

DATED THIS THE 30TH DAY OF JUNE, 2025

PRESENT

THE HON'BLE MR. JUSTICE R.DEVDAS

AND

THE HON'BLE MR. JUSTICE K V ARAVIND

INCOME TAX APPEAL NO.100044 OF 2023

BETWEEN:

1. PRINCIPAL COMMISSIONER OF INCOME TAX,
   NAVANAGAR, HUBLI.

2. ASSISTANT COMMISSIONER OF INCOME TAX,
   CIRCLE-1, BELLARI.

...APPELLANTS

(BY SMT. ROOPA ANAVEKAR, ADVOCATE AND
SRI. M.THIRUMALESH, ADVOCATE)

AND:

SHRI. J.M. VRUSHABENDRAIAH,
N.C. COLONY, NEAR STATE BANK OF HYDERABAD,
HOSAPETE-583201,
PAN: AAWPV6572E.

...RESPONDENT

(BY SRI. SHASHANK S.HEGDE, ADVOCATE AND
SRI. SHRIHARI KUSTA, ADVOCATE)

Digitally signed by CHANDRASHEKAR LAXMAN KATTIMANI
Location: HIGH COURT OF KARNATAKA

THIS INCOME TAX APPEAL IS FILED UNDER SECTION 260A OF THE INCOME-TAX ACT, 1961, PRAYING TO FORMULATE THE SUBSTANTIAL QUESTION OF LAW STATED ABOVE AND ALLOW THE APPEAL AND SET ASIDE THE ORDERS PASSED BY THE INCOME-TAX APPELLATE TRIBUNAL, "B" BENCH, BENGALURU IN ITA NO.299/BANG/2019, DATED 20.07.2022 FOR THE A.Y. 2010-11 MARKED AS ANNEXURE-A AND CONFIRM THE ORDER DATED 28.03.2015 PASSED BY THE ASSISTANT COMMISSIONER OF INCOME TAX, CIRCLE-1, BELLARY FOR THE A.Y 2010-11 AS ENCLOSED AND MARKED AS ANNEXURE-C.

THIS INCOME TAX APPEAL, COMING ON FOR HEARING, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: THE HON'BLE MR. JUSTICE R.DEVDAS
AND
THE HON'BLE MR. JUSTICE K V ARAVIND

ORAL JUDGMENT

(PER: THE HON'BLE MR. JUSTICE R.DEVDAS)

It is noticed that the tax effect in this appeal is less than ₹2 Crores and therefore, the appeal would not be maintainable at the instance of the revenue in view of the Circular No.09/2024 dated 17.09.2024 issued by the Central Board of Direct Taxes. It is also submitted that the aforesaid Circular binds the revenue.

2. On the other hand, learned counsel for the revenue submits that he be granted liberty to revive the appeal in case the matter falls within the exceptions under the aforesaid Circular dated 17.09.2024 and Circular No.5/2024 dated 15.03.2024.

3. In view of the aforesaid submissions, the appeal is disposed of with liberty as prayed for by the learned counsel for

the revenue. However, the question of law is kept open to be adjudicated in an appropriate proceeding.

Sd/-
(R.DEVDAS)
JUDGE

Sd/-
(K V ARAVIND)
JUDGE

CLK
CT: UMD
List No.: 1 Sl No.: 57