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

INCOME TAX APPEAL NO. 321 OF 2024

Pr. Commissioner of Income Tax Central
Pune : Appellant.

Versus

Manoj Lingayya Hegde : Respondent

Mr. Ashok N Kotangle, for the Appellant.

CORAM M.S. Sonak &
Advait M Sethna, JJ.
DATED: 07 November 2025

PC:-

1. Heard Mr. Ashok Kotangle for the Appellant.

2. Mr. Kotangle submits that though the tax effect in this Appeal is less than Rs.2 Crores, the same is covered by the exception provided in CBDT Circular No.3/2018 dated 11 July 2018. He refers to paragraph 12 of this circular.

3. Having perused paragraph 12 of the circular, we find that the exception or rather the clarification provided therein is not at all applicable. Mr. Kotangle now states that exception in paragraph 10(c) would apply because in this case the addition was based on a revenue audit objection. Assuming that such exemption applies, the same might have been relevant on the date of institution of Appeal. However, the CBDT Circular No.5/2024 dated 15 March 2024 has done away with the exemption based upon audit objection. The Circular No.5/2024 applies to pending Appeals like the present one. Therefore, relying on Circular No.5/2024 dated 15 March 2024, we dispose of this Appeal on the ground of low tax effect by leaving the questions of law open. No costs.

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