

SUPREME COURT OF INDIA

Commissioner of Income Tax, Bangalore

Vs.

I.T.I. Ltd.

C.A.Nos.989 of 2005

(S.H.Kapadia and Aftab Alam JJ.)

21.01.2009

ORDER

A short question which arises for determination in this Civil Appeal is - whether the assessee was under statutory obligation under Income Tax Act, 1961, and/or the Rules to collect evidence to show that its employee(s) had actually utilized the amount(s) paid towards Leave Travel Concession(s)/Conveyance Allowance? It may be noted that the beneficiary of exemption under Section 10(5) is an individual employee. There is no circular of Central Board of Direct Taxes (CBDT) requiring the employer under Section 192 to collect and examine the supporting evidence to the Declaration to be submitted by an employee(s).

For the above reasons there is no merit in the Civil Appeal and the same is dismissed with no order as to costs.