IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 9TH DAY OF SEPTEMBER, 2025

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MR. JUSTICE C M JOSHI

INCOME TAX APPEAL NO. 67 OF 2025

BETWEEN:

1. STATE BANK OF INDIA
COMMERCIAL BRANCH
KRISHI BHAVAN, HUDSON CIRCLE
BANGALORE - 560 001.
REPRESENTED BY ITS
ASSISTANT GENERAL MANAGER AND
CHIEF OPERATING OFFICER
SRI. RAMACHANDRA NAIK K
AGED ABOUT 54 YEARS
PAN NO.BLRS04710G

…APPELLANT

(BY SRI S. PARTHASARATHI, ADVOCATE FOR
MS. JINITA CHATTERJEE, ADVOCATE)

Digitally signed by PRABHAKAR SWETHA KRISHNAN
Location: High Court of Karnataka

AND:

1. THE DEPUTY COMMISSIONER OF INCOME-TAX
TDS CIRCLE 3(1)
#59, HMT BHAVAN
4TH FLOOR, BELLARY ROAD
GANGANAGAR
BANGALORE - 560 032

…RESPONDENT

(BY SRI ARVIND V. CHAVAN, ADVOCATE)

THIS INCOME TAX APPEAL IS FILED UNDER SEC. 260-A OF INCOME TAX ACT 1961, PRAYING TO ALLOW THE APPEAL AND SET-ASIDE THE ORDER OF THE INCOME-TAX APPELLATE TRIBUNAL DATED 01.07.2024 IN SO FAR IT PERTAINS TO THE APPELLANT'S APPEALS IN I.T.A NO. 983/Bang/2024 FOR ASSESSMENT YEAR 2016-17 & ETC.

THIS APPEAL, COMING ON FOR ADMISSION, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE
and
HON'BLE MR. JUSTICE C M JOSHI

ORAL JUDGMENT

(PER: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE)

1. For the reasons stated in the application—I.A.No.1/2025, the same is allowed. The delay of 59 days in filing the above captioned appeal is condoned.

2. The appellant [**Assessee**] has filed the present appeal under Section 260(A) of the Income Tax Act, 1961 [**the Act**] impugning an order dated 01.07.2024 [**impugned order**] passed by the Income Tax Appellate Tribunal [**ITAT**]. The impugned order is a common order in respect of three appeals pertaining to Assessment Year [**AY**] 2016-2017 being ITA No.983/Bang/2024, ITA No.984/Bang/2024 and ITA No.985/Bang/2024. The present

appeal relates to the impugned order in respect of ITA No.983/Bang/2024.

3. The Assessee had filed the said appeal against an order dated 21.03.2024 passed by the National Faceless Assessment Centre [**NFAC**]. The NFAC had confirmed the tax and interest levied on the Assessee. The tax and interest under Sections 201(1) and 201(1A) of the Act have been imposed on the Assessee on the ground that it had failed to deduct Tax at Source [**TDS**] on Leave Travel Concession [**LTC**] reimbursement granted by the Assessee regarding foreign travel of its employees.

4. According to the Assessee, the said reimbursement is exempted from income tax under Section 10(5) of the Act and therefore, it was not required to deduct any TDS from such reimbursement under Section 192 of the Act.

5. The learned ITAT had noted that the employees of the Assessee had traveled overseas. The Assessing Officer [**AO**] found that LTC reimbursement for such travel could not be exempted under Section 10(5) of the Act. Thus, the Assessee was required to deduct TDS, however, it had failed to do so.

6. The learned ITAT found that the issue involved was covered in the Assessee's own case in ITA No.317/Bang/2024. Accordingly, the ITAT reproduced the relevant extract of the order dated 28.06.2024 passed in the said appeal and dismissed the appeal.

7. The Assessee filed an appeal (being ITA No.66/2025) under Section 260(A) of the Act against the order dated 28.06.2024 passed by the learned ITAT in ITA/317/Bang/2024 which has been dismissed by a separate order passed today. Thus, the present appeal would require to suffer the same fate. Admittedly, the issues are covered by the decision rendered in ITA No.66/2025, which in turn was dismissed following the decision of the Hon'ble Supreme Court in ***State Bank of India v. Assistant Commissioner of Income Tax : (2023) 1 SCC 162.***

8. In view of the above, no substantial question of law arises for consideration of this Court. The appeal is accordingly dismissed.

Sd/-
(VIBHU BAKHRU)
CHIEF JUSTICE

Sd/-
(C M JOSHI)
JUDGE

KPS, List No.: 1 Sl No.: 10