

**IN THE INCOME TAX APPELLATE TRIBUNAL  
COCHIN BENCH**

**BEFORE SHRI INTURI RAMA RAO, AM**

**ITA No. 1047/Coch/2024  
Assessment Year: 2022-23**

Valloli Sheela ..... Appellant  
4/763, Navami Velloli Lane  
Puthur, Palakkad 678001  
[PAN: AJZPS6681D]

vs.

The Income Tax Officer, Ward - 2, Palakkad ..... Respondent  
t

Appellant by: Shri Pathmanathan, Advocate  
Respondent by: Smt. Leena Lal, Sr. D.R.

Date of Hearing: 12.03.2025  
Date of Pronouncement: 27.03.2025

**ORDER**

This appeal filed by the assessee is directed against the order of the National Faceless Appeal Centre (NFAC), Delhi [CIT(A)] dated 21.11.2023 for Assessment Year (AY) 2022-23.

2. Brief facts of the case are that the appellant is an individual deriving income under the head 'salary'. The return of income for AY 2022-23 was filed on 24.07.2022. The said return of income was processed u/s. 143(1) of the Income Tax Act, 1961 (the Act) vide intimation dated 08.03.2023 after restricting the exemption claimed u/s. 10(10) of the Act to Rs. 46,89,834/- as against the claim of Rs. 56,49,495/-. While doing so, the exemption u/s. 10(10AA) in respect of

encashment of earned leave was restricted to Rs. 2,00,000/- as against the total claim of Rs. 12,59,661/-.

3. Being aggrieved by the above intimation an appeal was filed before the CIT(A), who vide the impugned order confirmed the action of the CPC.

4. Being aggrieved, the appellant is in appeal before the Tribunal in the present appeal.

5. At the outset I find that there is a delay in filing the present appeal by 332 days. The appellant had filed a petition seeking condonation of delay on the ground of illness and was advised complete rest by the Doctor. It is further submitted that since there is strong merits, the delay may be condoned and in support of this the appellant had also filed certificate from the Doctor. Having perused the averments made in the petition and the medical certificate, I am of the considered opinion that it is a fit case to condone the delay. Accordingly the delay is condoned and the appeal is admitted for adjudication.

6. The employees of the Life Insurance Corporation cannot be considered as central government employees. The Life Insurance Corporation instrumentality of the state for limited purpose of Article 12 of the Constitution of India. Reference can be made the decision of the TAT, Bangalore Bench in the case of National Dairy Research Institute v. ACIT [2018] 171 ITD 271 (Bang. Trib.). Therefore, the CPC had rightly restricted the exemption u/s. 10(10) of the Act as it amounts to incorrect claim. Therefore, I do not find any merit in the appeal filed by the assessee.

7. In the result, the appeal filed by the assessee stands dismissed.
8. Order pronounced in the open court on 27<sup>th</sup> March, 2025.

Sd/-  
**(INTURI RAMA RAO)**  
**ACCOUNTANT MEMBER**

Cochin, Dated: 27<sup>th</sup> March, 2025

n.p.

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

Assistant Registrar  
ITAT, Cochin