

IN THE INCOME TAX APPELLATE TRIBUNAL
COCHIN BENCH, KOCHI

**BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER AND
SHRI ANIKESH BANERJEE, JUDICIAL MEMBER**

**I.T.A No.673/Coch/2025
(Assessment Year: 2011-12)**

Francis Liston Badge No.81922, BPCL, Kochi Refinery, Ambalamugal, Ernakulam-682 302 PAN : AAUPL4921B	vs	Income Tax Officer, Noncorporate Ward 2(1), Kochi C R Building, I S Press Road, Ernakulam-682 018
APPLICANT		RESPONDENT

Assessee by : Shri Francis Liston
Respondent by : Smt. Leena Lal. Snr DR

Date of hearing : 29/10/2025
Date of pronouncement : 24/11/2025

ORDER

Per:Anikesh Banerjee (JM):

The instant appeal of the assessee filed against the order of the National Faceless Appeal Centre (NFAC), Delhi [hereinafter called 'Ld.CIT(A)] passed under section 250 of the Income tax Act, 1961 (for brevity, the "the Act"), date of order 22/07/2025 for Assessment year 2011-12. The impugned order emanated from the order of the Learned Income-tax Officer, Non-Corp. Ward-2(1), Kochi (for brevity, the "Ld. AO") passed u/s 271(1)(c) of the Act, date of order 19/08/2016.

2. The brief facts of the case are that the assessee filed the return u/s 139(1) of the Act. Notice u/s 148 of the Act was issued and the assessee filed the return of income declaring the same total income as was declared in the return filed u/s 139(1) of the Act. The Ld.AO during the assessment proceedings found that the residential property owned by the assessee is leased out to the company under the self lease scheme and the assessee was in receipt of lease rent for the period relevant to A.Y. 2011-12. In return, the company allotted the same to the assessee as rent free accommodation. Such house will not be treated as self occupied house for purpose of claiming the deduction u/s 24(b) because the occupation of house is not owned by the assessee himself. Accordingly, the deduction claimed u/s 24(b) was duly added back with the total income of the assessee and assessee wrongly claimed loss under the head "Income from house property" of Rs.71,605/- as against the income of Rs.6,751/-. The said assessment order was challenged before the Ld.CIT(A). But the Ld. CIT(A) rejected the appeal on merit. Further, the Ld.AO issued the penalty notice u/s 274 r.w.s. 271(1)(c) of the Act and levied penalty at 100% of the tax sought to be evaded, which amounted to Rs. 8,070/-. The aggrieved assessee filed an appeal before the Ld. CIT(A) by challenging the penalty order. The Ld.CIT(A) upheld the penalty order. Being aggrieved, the assessee filed an appeal before us.

3. We heard the rival submissions and considered the documents available on the record. The assessee filed the statement of facts and stated that the self lease scheme was duly withdrawn from 10/07/2010, so the assessee is the owner of the said property. Further, he also stated that the quantum addition was challenged before the ITAT, but no such order is passed yet, as there is no document submitted by the assessee in support of his claim. The quantum is

already dismissed by the Ld. CIT(A). The assessee is unable to explain the reason for non-imposing penalty U/s 271(1)(c) of the Act. In our considered view, we find that the Ld.CIT(A) correctly upheld the penalty amount of Rs.8,070/-. We are not interfering in the order of the Ld.CIT(A).

Accordingly, the appeal filed by the assessee is dismissed.

6. In the result, the appeal of the assessee bearing **ITA No.673 /Coch/2025** is dismissed.

Order pronounced in the open court on 24 /11/2025.

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Sd/-
(ANIKESH BANERJEE)
JUDICIAL MEMBER

Kochi,दिनांक/Dated 24/11/2025

Pavanan

Copy of the Order forwarded to:

1. अपीलार्थी/The Appellant ,
2. प्रतिवादी/ The Respondent.
3. आयकरआयुक्त CIT
4. विभागीयप्रतिनिधि, आय.अपी.अधि., मुंबई/DR, ITAT,
Kochi
5. गार्डफाइल/Guard file.

BY ORDER,

//True Copy//

(Asstt. Registrar), **ITAT, KOCHI**