

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़  
IN THE INCOME TAX APPELLATE TRIBUNAL  
DIVISION BENCH, 'DB' AMRITSAR

BEFORE SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER &  
SHRI UDAYAN DASGUPTA, JUDICIAL MEMBER

आयकर अपील सं./ ITA No. 105/ASR/2025

निर्धारण वर्ष / Assessment Year: 2013-14

DCIT (Central), Srinagar	Vs	M/s Star Traders, 47d, New Fruit Complex, Sangam Paripora, Jammu & Kashmir, 190017
स्थायी लेखा सं./PAN NO: ABEFM4466B		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

**VIRTUAL HEARING**

Assessee by : None  
Revenue by : Sh. Farhat Khan, CIT DR

Date of Hearing : 02.02.2026  
Date of Pronouncement : 03.02.2026

**ORDER**

**Per Udayan Dasgupta, J.M.:**

This appeal is filed by the revenue against the order of the Id. CIT (A) – 5 Ludhiana, dated 24.12.2024 passed u/s 250 of the Income Tax Act, 1961 (*henceforth the Act*) which has emanated from the order of the DC/ACIT Central Circle, Srinagar, dated 31.03.2022 passed u/s 153A *ruws 144* of the Act.

2. In course of hearing there was no appearance by the assessee or his counsel on repeated calls, but considering the issues involved and

the grounds contained we proceed to dispose off this appeal after hearing the Ld DR.

3. The Ld DR submitted that in the instant case assessment has been completed *ex parte* u/s 153A, in pursuance of a search carried out on 02/09/2020 u/s 132 of the Act, and in absence of any return being filed in response to notices issued u/s 153A and in absence of any representation by the assessee to various notices subsequently issued, income has been determined at Rs. 9.26 crores (*which included additions on account of unexplained purchase u/s 69C Rs.7.99 crores, plus an addition of Rs.63.93 lakhs being estimated profits on export sales calculated @ 8% of gross plus Rs. 63.61 lakhs being profits calculated @ 8% on unaccounted domestic sales*).

4. The matter carried in appeal has been set aside to the files of the AO for fresh assessment, by the Ld CIT(A) by invoking the *amended provisions u/s 251(1)*, considering the fact that the assessment has been completed u/s 144 of the Act.

5. The revenue has come up in appeal before the tribunal against the said order of the Ld CIT(A) on the ground that the Ld first appellate authority has not decided the issue on merits and was not justified in setting aside the assessment order.

6. We find from records that the assessee is engaged in cross border trade ( *barter basis - LOC trade* ) and *there* has not been a single representation by the assessee at any stage before the AO and no books of accounts has been produced and the entire purchase for the year has been considered as income *plus* addition on account of estimated profits generated from export and import of goods under barter system @ *eight percentage* has been added back, both ways on sales as well on purchase.

7. On the facts, the Ld first appellate authority has rightly set aside the matter under the amended provisions of section 251(1) of the Act, for *denovo* fresh assessment and we are fully in agreement with the decision of the Ld CIT ( A ).

8. We have not expressed any opinion on merits and all issues are left open.

9. In the result the appeal of the revenue is dismissed being devoid of merits.

Order pronounced on 03.02.2026.

SD/-

**(MANOJ KUMAR AGGARWAL)**  
**ACCOUNTANT MEMBER**  
“rkk”

SD/-

**(UDAYAN DASGUPTA)**  
**JUDICIAL MEMBER**

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT,  
CHANDIGARH
5. गार्ड फाईल/ Guard File

आदेशानुसार/ By order,  
सहायक पंजीकार/ Assistant Registrar