



2025:DHC:9316



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

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Date of Decision: 08.10.2025+ **W.P.(C) 6834/2025**

(15) SYNDICATE INNOVATIONS INTERNATIONAL LTD...Petitioner

Through: Mr. Kanak Bose, Advocate.

versus

DIRECTORATE GENERAL OF FOREIGN TRADERespondent

Through: Mr. Premtosh K. Mishra, CGSC
along with Mr. Siddharth Bajaj and
Mr. Praboh Tiwari, Advocates.+ **W.P.(C) 7408/2025**

(16) SYNDICATE INNOVATIONS INTERNATIONAL LTD...Petitioner

Through: Mr. Kanak Bose, Advocate.

versus

DIRECTORATE GENERAL OF FOREIGN TRADERespondent

Through: Mr. Premtosh K. Mishra, CGSC
along with Mr. Siddharth Bajaj and
Mr. Praboh Tiwari, Advocates.+ **W.P.(C) 7411/2025, CM APPL. 51312/2025**

(17) SYNDICATE INNOVATIONS INTERNATIONAL LTD...Petitioner

Through: Mr. Joy Basu, Sr. Advocate along
with Mr. Kanak Bose and Mr. Anoop
George, Advocates.

versus

DIRECTORATE GENERAL OF FOREIGN TRADERespondent

Through: Mr. Premtosh K. Mishra, CGSC
along with Mr. Siddharth Bajaj and
Mr. Praboh Tiwari, Advocates.**CORAM:****HON'BLE MR. JUSTICE SACHIN DATTA****SACHIN DATTA, J. (Oral)**

1. The present petitions have been filed by the petitioners assailing the rejection/inaction on part of the respondent/ Directorate General of Foreign Trade ('DGFT') as regards the applications submitted by the petitioners



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seeking revalidation of import licenses/ authorizations issued by the respondent authority.

2. In W.P(C) 6834/2025, the subject matter pertains to the Import License dated 05.03.2021, bearing Application No.051924189, issued by the DGFT to the petitioner for the import of 'telescopic sights' for air weapons. The said license was originally valid for a period of 18 months and was subsequently revalidated by the DGFT on 23.03.2023, with retrospective effect from 04.09.2022 to 04.03.2023.

3. In W.P(C) 7408/2025, the subject matter concerns Import Authorization No. 0519252466 dated 27.01.2021, issued by the DGFT to the petitioner for the import of parts of air weapons. The said authorization, originally valid for 18 months, was granted first revalidation by the respondent on 19.05.2022, thereby extending its validity until 26.01.2023.

4. In W.P(C) 7411/2025, the subject matter pertains to two Import Authorizations, issued by the DGFT to the petitioner:

(i) Import Authorization No. 0519244138 dated 23.10.2020 issued for import of parts of handguns and air weapons, originally valid for a period of 18 months and revalidated until 22.10.2022; and

(ii) Import Authorization no. 0519244145 dated 23.10.2020 issued for import of parts originally valid for a period of 18 months and revalidated until 22.10.2022.

5. At the outset, the controversy involved in all these matters is identical. Accordingly, for the sake of convenience and with the consent of learned counsel for the parties, W.P.(C) 7411/2025 is taken as the lead matter for reference to the factual conspectus and relevant documents.

6. The petitioner W.P.(C) 7411/2025 is stated to be an established



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manufacturer, importer and exporter of air weapons. It is submitted that the petitioner holds valid licenses under the Arms Act, 1959 and Arms Rules, issued by the competent authorities (such as the Ministry of Home Affairs for the manufacture of firearms and ammunition and the State Government of Uttar Pradesh for the manufacture of air weapons), authorising the petitioner to undertake such operations.

7. It is averred that the petitioner is the largest supplier of air weapons to the Government of India and is also a government recognized export house of air weapons. The petitioner is stated to have acquired a prominent position in the relevant industry.

8. The present petition arises in the backdrop of the rejection by the DGFT of the petitioner's applications seeking revalidation of the Import Licenses dated 23.10.2020, bearing Nos. 0519244138 and 0519244145, originally valid for a period of 18 months and were revalidated until 21.10.2022.

9. The factual matrix put forth by the petitioner is that around June 2022, the petitioner, under Import License/Authorization No. 0519244138, imported certain components of firearms. The said consignments were withheld by the Customs authorities on alleged requirement of a separate license. These detentions formed the subject matter of W.P.(C) 10143/2022, which was decided in favour of the petitioner *vide* judgment dated 07.10.2022. Thereafter, an LPA bearing No.695/2022 filed by the respondent against the said judgment, came to be dismissed on 29.08.2024. Pursuant thereto, SLP (C) No. 29390/2024 was filed before the Supreme Court.

10. It is submitted that due to the pending litigation between the parties from June, 2022 to December, 2024, nearly all consignments imported by



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the petitioner under the aforesaid licenses were detained by Customs authorities. Therefore, consequent to the pending litigation, the licenses issued in favour of the petitioner remained largely unutilized.

11. It is submitted that on 07.12.2022, the petitioner applied for a second revalidation of the licenses dated 23.10.2020. However, no action was initiated by the respondent on the said applications, citing the pendency of litigation as an impediment.

12. The litigation pertaining to the petitioner's licenses and consignments detained by the Customs authorities, ultimately concluded in favour of the petitioner, with the Supreme Court's dismissal of the SLP filed by the respondent against the judgment dated 29.08.2024 passed in LPA No.695/2022, vide order dated 06.12.2024.

13. The petitioner contends that it has been subjected to systematic arbitrariness and discriminatory treatment by the respondent, as evidenced by the pattern of litigation and the non-processing of its application/request for revalidation of Import licenses.

14. It is further submitted that, following the conclusion of litigation in favour of the petitioner, and at the suggestion of the respondent, the petitioner submitted applications before the Policy Relaxation Committee (PRC) seeking revalidation / extension of the Import licenses dated 23.10.2020, for the period of 12 months, in view of the fact that the licenses remained largely unutilized due to the pendency of litigation.

15. The aforesaid applications filed before the PRC came to be considered in the meeting dated 28.04.2025. The relevant extract of the minutes of the meeting dated 28.04.2025 are as under:

“Case No. 17 M/s. Syndicate Innovations International Limited, Delhi



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F.No. HORPRCAPPLY00013440AM25

Meeting No.03AM26 held on 28.04.2025

Subject: Second revalidation against Licenses for Restricted Items Authorization

No. 0519244145 dated 23/10/2020.

Applicant Statement: We are in the business of manufacturing of firearms which are exported and supplied to Sports Persons/Institutions/Licensed Organizations etc. in India. For manufacturing the goods, we require import of parts and obtain Import License from the DGFT. The said License could not be utilized during its validity period because of the following reasons: 1) Import consignment made in June 2022 against the valid/live License issued to us was withheld/not released due to inter-ministerial confusion. This caused lots of hardships to us on account of stoppage of supply chain, stoppage of manufacturing activities for want of the components and blocked of working capital. 2) We collapsed financially as we were not allowed any imports of components against the live/valid licenses due to Advisory from customs/Ministries, even for the Orders placed to the Overseas supplier with advance payment and had to request the supplier not to supply the ordered goods. 3) We pleaded all the authorities, time and again, for helping us to come out of this problem as our manufacturing activities came to a standstill and the employees were sitting idle. However, we didn't receive any resolution to our problem. We were forced to file a Writ Petition WPC 10143/2022 on 30.06.2022 in the Hon'ble Delhi High Court against Customs/DGFT/Delhi Police and Ministry of Home Affairs which was passed in our favour. 4) Due to appeal against said order of WP, LPA was filed. After two years the Division Bench of Delhi High Court decided the case in our favour as per the attached Judgement and dismissed appeal. Same was taken in SLP in Supreme Court and again dismissed in our favour. 5) You will kindly appreciate that the Licenses were Live at the time when we were not allowed for further import and when we filed WP in the High Court. The Licenses expired during the course of proceedings of the Writ Petition 6) After receiving the final orders, we requested the DGFT for revalidating our license, which expired without any fault on our part. However, we have been advised to approach PRC in the matter. 7) Sir, our company as suffered heavily financially due to prolonged legal battle. It may be noted that we still have advances with our suppliers against ORM No. ORM0005220725133 dt. 01.07.2022 & ORM0031220743710 dt. 22.08.2022 with our contractual obligations to import parts as ordered. As per RBI guidelines we must get these ORMs knocked off against imports which are stuck due to non-renewal of our license. It may be noted that these articles also require export permit



from exporting country which takes up to 10 months. Therefore, we request for revalidation of this license for 12 months from the date of revalidation. We humbly request that we may be given Personal Hearing to explain the entire case in person to facilitate you to take a sympathetic view in granting Revalidation of the Licenses.

Decision: *The Committee went through the statements made by the firm and discussed the matter at length and observed that the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to reject the request.*

(Action: Applicant)

Case No. 18 M/s. Syndicate Innovations International Limited, Delhi

F.No. HQRPRCAPPLY00013438AM25

Meeting No.03AM26 held on 28.04.2025

Subject: *Second revalidation against Licenses for Restricted Items Authorization No. 0519244138 dated 23/10/2020.*

Applicant Statement: *We are in the business of manufacturing of firearms which are exported and supplied to Sports Persons/Institutions/Licensed Organizations etc. in India. For manufacturing the goods, we require import of parts and obtain import License from the DGFT. The said License could not be utilized during its validity period because of the following reasons: 1) Import consignment made in June 2022 against the valid/live License issued to us was withheld/not released due to inter-ministerial confusion. This caused lots of hardships to us on account of stoppage of supply chain, stoppage of manufacturing activities for want of the components and blocked of working capital. 2) We collapsed financially as we were not allowed any imports of components against the live/valid licenses due to Advisory from customs/Ministries, even for the Orders placed to the Overseas supplier with advance payment and had to request the supplier not to supply the ordered goods. 3) We pleaded all the authorities, time and again, for helping us to come out of this problem as our manufacturing activities came to a standstill and the employees were sitting idle. However, we didn't receive any resolution to our problem. We were forced to file a Writ Petition WPC 10143/2022 on 30.06.2022 in the Hon'ble Delhi High Court against Customs/DGFT/Delhi Police and Ministry of Home Affairs which was passed in our favour. 4) Due to appeal against said order of WP, LPA was filed. After two years the Division Bench of Delhi High Court decided the case in our favour as per the attached Judgement and dismissed appeal. Same was taken in*



SLP in Supreme Court and again dismissed in our favour. 5) You will kindly appreciate that the Licenses were Live at the time when we were not allowed for further import and when we filed WP in the High Court. The Licenses expired during the course of proceedings of the Writ Petition 6) After receiving the final orders, we requested the DGFT for revalidating our license, which expired without any fault on our part. However, we have been advised to approach PRC in the matter. 7) Sir, our company has suffered heavily financially due to prolonged legal battle. It may be noted that we still have advances with our suppliers against ORM No. ORM0005220725133 dt. 01.07.2022 & ORM0031220743710 dt. 22.08.2022 with our contractual obligations to import parts as ordered. As per RBI guidelines we must get these ORMs knocked off against imports which are stuck due to non-renewal of our license. It may be noted that these articles also require export permit from exporting country which takes upto 10 months. Therefore, we request for revalidation of this license for 12 months from the date of revalidation. We humbly request that we may be given Personal Hearing to explain the entire case in person to facilitate you to take a sympathetic view in granting Revalidation of the Licenses.

Decision: *The Committee went through the statements made by the firm and discussed the matter at length and observed that the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to reject the request.*

(Action: Applicant)''

16. A bare perusal of the decision rendered by the PRC reveals that the rejection is premised on a cryptic observation that “the applicant has not submitted any cogent reason/justification in support of any genuine hardship”. The relevant facts and circumstances, including the chequered history of the matter, particularly, the fact that the petitioner succeeded in the litigation, and unable to utilize the licenses to the extent intended on account of the protracted litigation, have not been taken into account.

17. The matter was also required to be examined in the context of the regulatory uncertainty highlighted by the Division Bench while dismissing the LPA bearing No.695/2022, wherein, the following observations were



made:-

“POSTSCRIPT

49. The present case is illustrative of a complete state of confusion and lack of clarity that prevails in the Government regulations in relation to the arms and ammunition industry. The appellants themselves are not clear about the applicability of different rules in different situations, thereby resulting in the regulatory regime being operated in an arbitrary and ad hoc manner. As highlighted above, there is a complete lack of clarity between the different agencies such as the DGFT, MHA and the Delhi Police with regard to the application of the regulatory regime.”

18. Learned senior counsel for the petitioner also contends that the PRC has been inconsistent with its approach inasmuch as other similarly situated importers, have been granted requisite relaxation. In this regard, attention is drawn to the minutes of the PRC meeting dated 24.02.2023, wherein, following decisions were taken with regard to M/s. Premier Gun House, New Delhi:

Case No. 36 M/s. Premier Gun House, New Delhi

F.No. HQRPRCAPPLYO0004047AM23

Meeting No.32/AM23 held on 24.02.2023

Subject: Revalidation for License for Restricted Items of Authorization No.0519240593 dated 25.09.2020.

The applicant stated that after issue of above license they have started placing orders abroad and invested huge amount with suppliers in abroad but only after few days of grant of import licence Dy.Director DGFT served the SCN upon the applicant. Thereafter applicant had filed the Writ Petition Civil before the Hon'ble Delhi High Court Inter-alia aggrieved by the Show-Cause Notice dated 25th February, 2021 issued under the Foreign Trade (Development and Regulation) Act, 1992. Further vide its order dated 19.03.2021 passed in WP High Court was pleased to grant interim protection to the applicant. That as the issue remained pending before the Court. Firm was constrained to stopped the further import of Arms from foreign suppliers. Thereafter vide Order-in-Original dated 16.06.2021 DGFT permitted to release the 28 weapons imported by the Applicant under import authorisation for the purpose



mentioned in the original application. Further DGFT also disposed of the SCN dated 25.2.201 and also directed applicant once again to surrender his Import License. The Order-in-Original dated 16.06.2021 led to further filing of Applications before both Hon'ble Delhi High Court was again pleased to grant interim protection to the applicant qua its import license. That WPC 2600/2022 filed before the Hon'ble Delhi High Court as well as various complaints filed before other Forums against the applicant resulted in further delaying the impoit of Arms under this license. The goods of applicant are now stuck up with foreign dealers, neither they are returning back payment nor able to ship goods. Validity of license has already been expired. Hence they are requesting to revalidation of above mentioned license further 12 months to import the balance items.

Decision: *The Committee went through the statements made by the firm and decided to refer the issue to PC-2 Division for examining the matter on file and put up to DG for a decision.
(Action: Applicant/PC-2 Division)”*

19. It is submitted that the attendant facts and circumstances surrounding the case of the petitioner are even more glaring and require that the requisite relaxation be granted to the petitioner.

20. *Prima facie*, there is merit in the contention of the petitioner. However, this Court is not inclined to issue any pre-emptory directions to the PRC or to issue a writ of mandamus directing revalidation of the subject Import licenses.

21. This Court is of the view that it would be apposite for the PRC to reconsider the matter, taking into account the relevant facts and circumstances including the decision taken by it in the context of a similarly situated importer, and thereafter take an appropriate and reasoned decision.

22. Let the petitioner's request for revalidation of its Import licenses be re-examined afresh by the PRC and appropriate decision be rendered thereon. Let the same be done as expeditiously as possible and preferably within a period of six weeks from today.



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23. In case the request of the petitioner sought to be rejected, a reasoned order shall be passed by the PRC. The same shall necessarily be subject to the rights and remedies of the petitioner.
24. The petitions are disposed of in the above terms.
25. The aforesaid directions shall also apply to the licenses which are the subject matter of W.P.(C) 6834/2025 and W.P.(C) 7408/2025.

SACHIN DATTA, J

OCTOBER 8, 2025/r/ss