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

% *Decision delivered on: 23.08.2022*

+ **W.P.(C) 880/2020 & CM Appl.2786/2020**

M/S. AGRAWAL METAL WORKS PVT. LTD ..... Petitioner

Through: Mr Puneet Agrawal with Mr Yuvraj  
Singh and Mr Chetan Kumar Shukla,  
Advs.

versus

UNION OF INDIA, & ORS.

..... Respondents

Through: Mr Anurag Ahluwalia, CGSC with  
Mr Danish Faraz Khan, Adv. for R-1  
& 7.

Mr Aditya Singla, Sr Standing  
Counsel with Mr Yatharth Singh,  
Adv. for R-2 to 6.

**CORAM:**

**HON'BLE MR JUSTICE RAJIV SHAKDHER**

**HON'BLE MS JUSTICE TARA VITASTA GANJU**

**[Physical Hearing/Hybrid Hearing (as per request)]**

**RAJIV SHAKDHER, J. (ORAL):**

1. On the previous date, after hearing the matter, we had captured the difficulty which was obtaining in the matter. For the sake of convenience, the said order i.e., the order dated 19.07.2022 is set forth hereafter:

*“1. Mr Puneet Agrawal, who appears on behalf of the petitioner, has drawn our attention to the order dated 24.01.2020 passed by this Court, which is founded on the e-mail dated 23.01.2020, placed before the Court by the counsel for respondent nos. 2 to 5/Customs, who was appearing in the matter at the relevant point in time.*

*1.1. The extract from the said e-mail dated 23.01.2020, was set forth in the order dated 24.01.2020.*

*2. Mr Agrawal submits that, while IGST refund against the shipping*

*bills referred to in the table, which forms part of the order dated 24.01.2020, has been received from respondent nos. 2 to 5/Customs, what remains is the Merchandise Exports From India Scheme (MEIS) benefits against some of the shipping bills (11 out of 12 shipping bills.)*

*3. Mr Agrawal says that the matter has been hanging fire since 2018 with the official respondents i.e., the Directorate General of Foreign Trade (DGFT).*

*4. It is Mr Agrawal's submission that, despite the fact that the order dated 24.01.2020 has been passed for processing the MEIS benefits claimed by the petitioner, there is no movement in the matter.*

*5. To put it simplistically, the back and forth is on account of data, with regard to the export, not being transferred to the DGFT portal.*

*5.1. Consequently, we are informed that the linkage of the data concerning the petitioner's exports amongst Customs, DGFT and concerned bank has not taken place.*

*5.2. What is, however, not in dispute (and something we have recorded hereinabove), is that based on the very same exports, IGST refund has been provided to the petitioner.*

*5.3. Therefore, undoubtedly, before granting IGST refund, respondent no. 2 to 5/Customs would have verified all facets of the export consignments against which IGST refund was claimed, including the facet concerning receipts of export proceeds.*

*5.4. We may indicate that Mr Agrawal affirms the position that the sale proceeds in foreign currency have been received against the subject exports.*

*6. Therefore, quite clearly, the various facets concerning the subject goods which have been exported, as it appears, (apart from anything else), are verifiable manually.*

*6.1. However, since the verification, we are told, takes place electronically, DGFT has expressed difficulties in validating the transactions for the purpose of processing the request of the petitioner for grant of MEIS benefits. We are informed that the electronic system has been in place since 2015.*

*7. We are also informed that the National Informatics System (NIC) may have a role to play in finding a solution to the problem if the electronic route is to be taken recourse to for validating/verifying the subject transactions.*

*7.1. Accordingly, the concerned member, CBIC is directed to convene a meeting with the Chairperson of NIC and the Director General, DGFT, to find a solution to the problem.*

*7.2. We also make it clear that if the solution to the problem concerning verification is not available electronically, then the transaction(s) in issue concerning the subject goods, will be verified manually by the DGFT and respondent nos. 2 to 5/Customs.*

*7.3. For this purpose, our attention has been drawn to sub-clause (f) of clause 3.01 in Chapter 3 of the Handbook of Procedure, 2015-2020; the same is extracted hereafter:*

*“(f) Processing of Non EDI Shipping bills at RA: In cases the Non EDI shipping bills or the shipping bills not received through the Message Exchange from Customs, concerned RA shall verify the details entered by the exporter from the original shipping bills before grant of scrip.”*

*7.4. A report, in that behalf, will be placed before the Court, at least two days before the next date of hearing.*

*8. List the matter on 23.08.2022.”*

2. Happily, pursuant to the direction issued by us, a meeting was convened amongst the concerned officials of the departments adverted to in the order extracted above.

2.1. The result of the meeting has been captured in the minutes of meeting dated 12.08.2022. The essence of the discussions between the various participants is recorded in paragraph 8 of the said minutes of meeting.

Paragraph 8 reads thus:

*“8. After thorough discussion on various possible solutions, it was unanimously agreed to present before the Hon’ble Delhi High Court that the best possible solution that can be readily implemented is that DGFT will issue a manual MEIS scrip in this case and the same would be honoured by the ICD-Tughlakabad Customs without insisting on electronic transmission of the same.”*

3. Counsels for the parties are agreed that the instant matter can be disposed of in terms of what is noted in paragraph 8 of the aforesaid minutes of meeting.

3.1. It is ordered accordingly.

4. Needless to add, respondent no.7/Director General of Foreign Trade

(DGFT) will act with due expedition and issue Merchandise Exports from India Scheme (MEIS) scrips manually.

4.1. This exercise will be completed no later than three weeks from the date of receipt of the copy of this order.

5. ICD-Tughlakabad Customs will honour the said scrips and take the next steps in the matter, without insisting on electronic transmission of the same.

6. The writ petition is disposed of in the aforesaid terms.

6.1. The pending application shall stand closed.

7. List the matter for compliance on 06.10.2022.

8. The parties will act based on the digitally signed copy of the order.

**(RAJIV SHAKDHER)**  
**JUDGE**

**(TARA VITASTA GANJU)**  
**JUDGE**

**AUGUST 23, 2022/pmc**