

#GTTaxUpdate

Mandatory recording of information about transfer and paperless issuance of DFIA scrips

In order to enable electronic, paperless transactions and facilitate trade, the Directorate General of Foreign Trade and Policy (DGFT) has introduced a facility to record the information about transfer of DFIA (Duty Free Import Authorisation) scrips on the DGFT website. The recording of given information would allow the transferee to apply for Advance Release Order (ARO)/invalidation against the said DFIA scrip online.

Key aspects clarified

- Issuance of paper copies of DFIA scrips (for EDI Ports) shall be discontinued with effect from 7 June 2021. However, security paper copies of DFIA scrips shall continue to be issued for Non-EDI Ports. The record of such transfers shall be mandatory for EDI ports as well as non-EDI Ports.
- The given transfer of DFIA scrips, shall be recorded under the relevant module on the DGFT website (<https://dgft.gov.in>) > Services > AA/DFIA.
- The information about the new owner (transferee) has to be recorded on the DGFT website by the original owner (transferor), before the new owner (transferee) can utilise the scrip to obtain any ARO/ Invalidation. It is mandatory for both transferor and transferee to ensure that information regarding transfer is recorded.
- After the information is confirmed on the DGFT e-platform, the old owner cannot re-record the transfer, and only the new owner can record and further transfer/retransfer.
- It should be noted that unless recorded on DGFT website, the new owner (transferee) will not be able to utilise the scrip.