Government of India
Ministry of Commerce and Industry
Department of Commerce
Directorate General of Foreign Trade

Udyog Bhawan, New Delhi
Dated: 25 May 2021

Trade Notice No. 06/2021-22

To,

1. Exporters, Importers and other Members of Trade Community
2. Regional Authorities (RAs) of DGFT
3. Export Promotion Councils, Commodities Boards, Trade Associations and other stakeholders of DGFT

Subject: Mandatory recording of information about transfer of DFIA (Duty Free Import Authorization) Scrips and Paperless issuance of DFIA Scrips

In order to enable electronic, paperless transactions and facilitate trade, it is submitted that the recording of transferability of DFIA is being made online. In this regard, a facility has been created on DGFT website to record the information about transfer of DFIA scrips. The recording of given information would allow the transferee to apply for ARO/Invalidation against the said DFIA Scrip online. The given transfer of DFIA scrips, shall be recorded under the relevant module on the DGFT website (https://dgft.gov.in) -- > Services -- > AA/DFIA. Detailed procedure for recording of transfer of DFIA scrips is at Annexure.

2.   Further, the issuance of paper copies of DFIA scrips (for EDI Ports) shall be discontinued **with effect from 07.06.2021**. Security Paper copies of DFIA Scrips shall continue to be issued for Non-EDI Ports. Any transfer of DFIA Scrips issued on or after this date shall be mandatorily recorded in the online system. The record of such transfers shall be mandatory for EDI ports as well as non-EDI Ports.

3.   For cases where the DFIA scrip was issued prior to 07.06.2021 and an ARO/Invalidation is to be requested against the DFIA Scrip, the details of transfer of the said scrip (if any) would also be required to be recorded in the DGFT online system. For cases, where the ARO/invalidation is being requested by the original scrip owner no such record of transfer would be required. For cases where scrips were issued prior to 07.06.2021 and no request for ARO/Invalidation is to be made as on this date or after, the recording of any transfer of the given scrip shall not be mandatory.

4.   The DFIA scrip owner shall 'transfer' the scrip to another IEC in the same manner as was being done by them earlier i.e. as per the independently negotiated terms & conditions between the buyer and the seller. However, 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 utilize 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.

5.   It should be noted that unless recorded on DGFT website, the new owner (transferee) will not be able to utilize the scrip. Therefore, the new owner (transferee) has to ensure that the scrip is recorded in his favour by the old owner (transferor). DGFT/Customs shall not be responsible for any lapse by the old or new owner or any dispute in this regard.

6.   Applicants will continue to apply for DFIA as per online procedure and the Regional Authorities will continue to issue the DFIA scrips in online module. The applicant would also continue to apply for ARO/Invalidation as per online procedure. The applicant for ARO/Invalidation shall be the current owner of the scrip as recorded in the DGFT online system.

7.   Difficulties, if any, in implementation of these provisions may please be brought to the notice of this Directorate immediately. For guidance on these new processes, the Help manual & FAQs may be accessed at https://dgft.gov.in -- > Learn -- > 'Application Help & FAQs'. For any further assistance you may utilize any of the following channels –

i.   Raise a service request ticket through the DGFT Helpdesk service under Services -- > 'DGFT Helpdesk Service'

ii.   Call the toll-free Helpdesk number

iii.   Send an email to the Helpdesk on dgftedi@gov.in

This is issued with the approval of the competent Authority.

(Vijay Kumar)
Additional Director General of Foreign Trade

(Issued from F.No. 01/94/180/074/AM21/PC-4)

Annexure

Instructions on Recording information about transfer of DFIA scrips

Below are the steps to be followed by the DFIA scrip Owner (say Entity A) who wishes to record the transfer of the DFIA scrip to another entity (say Entity B) in favor of whom the 'transfer' information is to be recorded on the DGFT website.

Steps for Entity A:

1. Login into the system with the valid user credentials.

2. Go to **Services–>DFIA–>Record Transfer Information**

3. Search the scrip with Scrip type and Scrip Number for which transfer details are to be recorded in the system.

4. Select the scrip and initiate the transfer process.

5. The DFIA scrip owner (entity A) will then need to input the IEC number of the receiving firm/company in favour of whom the 'transfer' information is to be recorded (say entity B).

6. Proceed with OTP verification. OTP will be sent to the IEC's registered contact number and not on the Applicant's contact number.

7. Once the OTP is successfully verified, digitally sign the application using Aadhaar e-signing process.

8. The request to record the transfer of the scrip has been successfully submitted to the IEC number of the receiving firm/company (in favour of whom the 'transfer' information is to be recorded (entity B)).

Steps for Entity B (Receiving Entity):

1. Login into the system with the valid user credentials.

2. Go to **Services –> DFIA –> Requests to Record Transfer Information**.

3. Search the scrip with Request Type (as Received Transfer Requests), Scrip Type and Scrip Number for which transfer details are to be recorded in the system.

4. Go to Actions -> Accept/Reject

5. Proceed with OTP verification. OTP will be sent to the IEC's registered contact number and not on the Applicant's contact number.

6. Once the OTP is successfully verified, digitally sign the application using Aadhaar e-signing process.

7. If Accepted by B, the system will record the transfer information for that DFIA scrip to entity B and the system will now reflect the 'current owner' as entity B in the View Ownership Details.

Note:
- **It may be noted that 'transfer' information cannot be rolled back and the DFIA scrip owner must exercise due caution before recording any transfer information in the System. It is being clarified that this online facility is not in any manner a tool for 'transfer' and is only an electronic process for recording information relating to transfer of DFIA.**

- Once transfer information is recorded electronically in the system, post the acceptance the particular DFIA Scrip will start getting reflected in the receiving entity's account i.e. in the

account of entity B. Exporter 'B' can now further record transfer information of this scrip received in their account to any another entity as per procedure explained above.

View Current Ownership of Scrip

For ascertaining the 'current owner' of the DFIA as recorded in the DGFT system, following steps need to be followed i.e.

1. Go to **Services –> DFIA –> View Ownership**.

2. Enter the IEC Number of the Original owner of the scrip, the DFIA scrip number, scrip issuance dates whose 'current owner' is to be obtained, enter Captcha, and click on show.

3. System will display the basic issuance details of the DFIA; the 'current owner' of the scrip and the transfer history. It may be noted that if no information on 'transfer' has been recorded in the System i.e. till the Scrip is accepted, the 'current owner' field will be same as that of the original owner. In case, information on multiple transfers has been recorded in the System i.e. from IEC number A to B to C, then the 'current owner' field will show the details of the last transfer recorded (i.e. of C)