

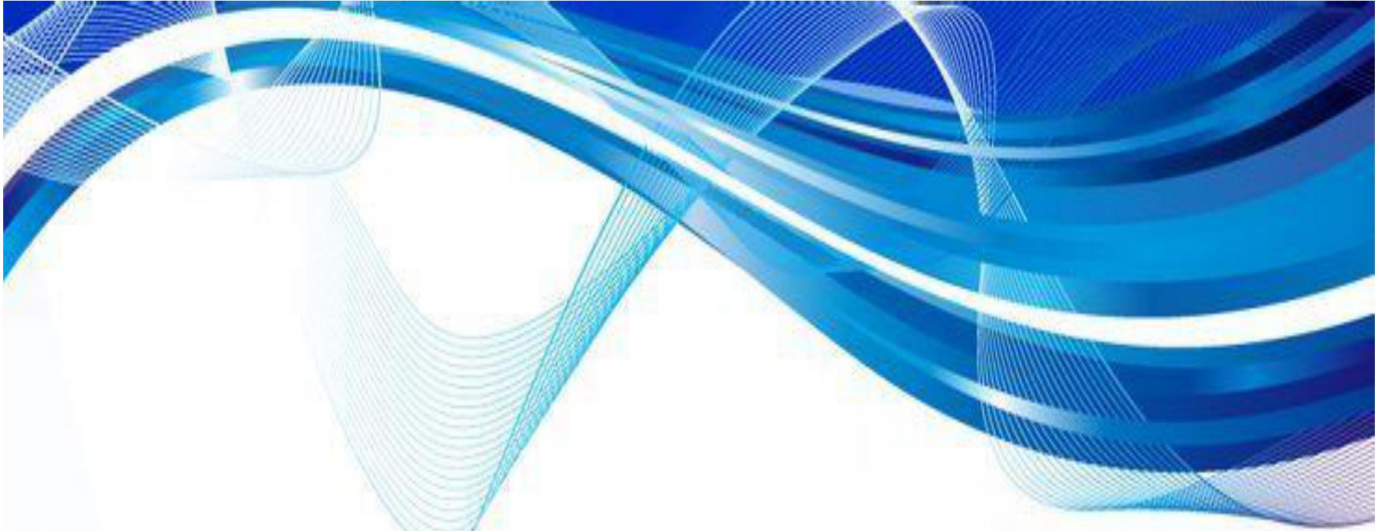


Rajput Jain & Associates
Chartered Accountants



Impoter Expoter Code (IEC)





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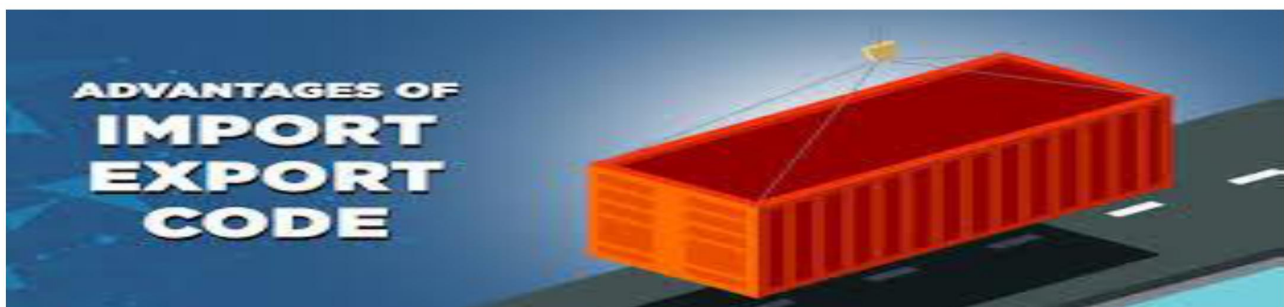
IMPORT
and
EXPORT

Importer Exporter Code (IEC)



One of the most important licenses or registrations that an import or export company may have in India is the Import Export Code. Importer Exporter Code (IEC) issued by the DGFT which allows Indian companies to send & receive goods from other countries. Importer Exporter Code (IEC) is one-of-a-kind ten-digit code with indefinite validity, rendering the implementation and use procedure simple & straightforward. The IEC code also allows export and import companies to take advantage of the DGFT are numerous benefits.

ADVANTAGES OF IMPORTER EXPORTER CODE CERTIFICATE



- **Perpetual:** One of the greatest features of the IEC code is that it is valid for the whole existence of the organization. As a result, there is no need to renew it, and no further processing or paperwork is needed.
- **Returns:** IEC Registration is a straightforward procedure that does not necessitate the filing of any returns for companies. As a result, after you've received your allotment, you won't need to do something more because it's true for life.
- **Business Expansion:** With an IEC registration, you can easily develop your company and reach into new markets.
- **Govt. Benefits:** IEC code allowed/Enables the company to take advantage of the opportunities provided by Customs, the DGFT and the Export Promotion Council.
- **Registration:** The government has simplified and streamlined the registration process for IECs. The entire procedure takes just ten to fifteen days, and it takes place almost entirely online.

NEED AN IMPORTER EXPORTER CODE

The Govt. of India provides lot of advantages to the ones who have registered their business organization. The below are some of the most important advantages:



- **Faster Processing-** Registering with the DGFT is a simple operation. The approval of an application takes between 10-15 days.
- **Take advantage of other benefits-** In addition to giving prestige to your business, an IEC allows you to take advantage of a number of other benefits provided by the DGFT, customs, and the Export and Import Board.
- **Assists in business expansion** - It is much easier to extend the business into the international market. Companies who want to launch a significant and export-oriented enterprise must have integrity. The reputation of a company is reflected in its IEC code.
- **No requirement for renewal**– For company registration, there is still a need to update the license and go through the whole process again, but there is no need for renewal for IEC registration. There is no requirement to re-register with the IEC after your organization has acquired it.
- **No need to file returns-** your business receives after IEC registration is the elimination of the need to file returns. If a business has registered with the DGFT, it is no longer required to follow any procedures to maintain its legitimacy. The DGFT would not need the corporation to file any returns.

Importer Exporter Code for import and export businesses required in below conditions & circumstances.

- Exporter wants to send shipments via customs
- Exporter gets foreign currency directly deposited into their bank account.
- The importer required to clear from customs authority to approve their shipments.
- Importer wants to send money abroad through financial institutions or banks

The IEC code is no longer needed for GST-registered traders, according to the government's latest order. They will use their PAN card for import and export in such situations.

Furthermore, the IEC Code is not required when products are exported or purchased for personal use and are

Documents Required for IEC Registration?

If you want to start an import-export business, you will require the below documents for apply the apply IEC certificate:

1. Cancellation cheque of your current bank account,
2. Company's rent contract or utilities bill.
3. company's Permanent Account Number Card with Requirement of your
4. Requirement of Voter identification Card and Aadhaar cards, as well as a copy of a passport,

Process of Applying an IEC application



Here are the Following ways to submit an IEC application.

I. By way of the DGFT- submit an Online IEC application

1. Users must first go to the DGFT's official website, which can be found here.
2. Applicants must then choose the option to "Apply for a New IEC/Modify an Existing IEC."
3. To continue, users must now enter their PAN card number and click on Search.
4. Next, the claimant must type their full name as it appears on their PAN passport, as well as their date of birth or incorporation.
5. The system would then use the CBDT's PAN database to check these information before redirecting you to the DGFT's IEC application page.

II. Offline process for registration of IEC Code for company in detail:

Step-1: you are required to fill out the AayaatNiryaat Form 2A for an online application. If you want to register offline, you'll need to create an application in the same format. After filling out the form, you must apply it to the respective DGFT Regional Office in your area.

Step-2: The further step is to send all supporting information/documentation for the company owner's name, proof address along with bank information

Step-3: After successfully filling the form, you must file the form with DGFT to have it signed with a DSC, as well as pay required registration fee.

Step-4: After your application has been accepted/approval, finally you can obtain a soft copy of IEC code

Frequently asked questions on Importer Exporter Code (IEC)



Q: Should I have to apply for IEC number renewed?

Ans: No, after the allotment of IEC number, it is valid for forever. It has no expiration date & no requirement to be renewed on a regular basis. However, an IEC number assigned to an applicant shall be appropriate for all of the applicant's branches, departments, units, and factories. And needed to apply the KYC verification every year.

Q: How much time it required to modify or update an IEC certificate?

Ans: The modification or update an IEC certificate process is instantaneous for most changes. But, effecting few changes (likewise name change that does not match with the same name of the company as stated in the MCA records) would need additional time.

Q: Is separate IEC registration required if an entity owns multiple proprietorship firms?

Ans: If you want to register your business with the DGFT, you'll need to get an Importer Exporter Code as well. However, many people wonder if each company wants to qualify for its individual Importer Exporter Code. Since IEC and PAN are related, there is no need for separate IEC registration if an entity owns multiple proprietorship firms.

Q: If person has more than one IEC for a single PAN, then what to do?

Ans: If an individual has more than one IEC for a single PAN, they must request cancellation of all of them. This was what there was to know about IEC and the registration process. So, if you want to apply for IEC, you can either take the steps outlined above or contact the experts at Rajput Jain & Associates for help with your IEC registration.

Q: What are the most popular mistakes people make when submitting an IEC application online?

Ans: Browser Incompatibility issues: The current portal is compatible with the most recent versions of the below browsers:

- ✓ Microsoft Internet Explorer or Edge
- ✓ Google Chrome
- ✓ Mozilla Firefox
- ✓ Apple Safari
- Incomplete Information: the scheme will not allow you to continue further If you do not have full information about any of your directors or trustees or partners.
- Inconsistent/Non-match details: when system will display an error If the business name and the name on your bank statement do not align, In this situation, ensure that all white spaces have been deleted and that you have uploaded a required supporting document pertaining to your bank account.
- Validation Issue: This occurs where the given IEC number does not match with the information provided for that number.
- DSC problems: Many of them occur when applicants fail to install the two sets of device drivers needed to use the DSC. The DSC Token Driver and the EMUDHRA Application Driver are the two drivers.

Q: What are the various methods for paying the IEC alteration fees online?

Ans: After making the necessary changes in the e-IEC application, the user needed to go to the main menu and choose the Pay Online option.

- When users choose the Application Fee option, applicant will be redirected to a new screen that shows the below information:

- 1) Personal identification number (PAN) or Import Export Certificate (IEC) number
- 2) The amount of the fee that required to be paid
- 3) The recipient of No of successful paid by the applicant.

- Finally, user needed to press the Submit button to open Payment Confirmation Screen.
- If all of the information on the screen is correctly made, press the Proceed button to open a new window with the following payment options:

- i. Use Internet Banking
- ii. Use Debit Card with ATM PIN

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iii. Debit Card or Credit Card

- Fill in all of the necessary information and then press Make Payment.
- Your registered mobile number will now generate an OTP.
- To complete the transaction, enter this OTP into the relevant field and press Submit.

Q: What if the requested alteration does not appear on the portal immediately?

Ans: If the status of your request is marked as 'In Process,' it will need to be approved by the regional authority. Please contact the appropriate RA (as mentioned on your IEC) for further approval.

- The updates will appear in the IEC Profile until the RA accepts the request. For more information on your application.
- You should also call the official helpline number 1800-111-550 from 9:00 a.m. to 6:00 p.m., Monday through Saturday,

Q: What to Do we proceeds on the my IEC application is rejected?

Ans: The IEC Code is the most integral registration for any import or export business in India. It encourages those business to participate in importing and exporting, as well as take advantage of various government benefits. As a result, anybody wishing to start an export or import business in India, It must submit an IEC application. But what happens if the IEC submission is gets rejected?

- The DGFT recently requested that both exporters and importers pay heed to the proposed launch of its new IEC platform. The new platform is accessible via user-based IDs for applying online. All IEC holders are encouraged to generate login IDs via an online Importer Exporter Code registration process preferably well before the rollout of the next step of the platform.

Q: What are the various outcomes/consequences of submitting an e-IEC application?

Ans: If your PAN data are correct, A Login option exist allowing users to register for a new IEC application.

1. If the PAN number you given already has an IEC attached with it, the system will provide you appear an option asking whether you wish to modify your existing IEC. Users may also opt to either view their IEC application or can modify submission.
2. If the applicant wants to convert their old IEC to a new format on the same PAN card number, an option will appear on the screen. The user must input their token number & after press the submit button, the system will automatically migrate Old Importer Exporter Code to the new format IEC code.

3. If the applicant does not finish their e-IEC submission, the system will redirect them to a new screen from where they can add/fill their details.
4. If your e-IEC submission has been rejected by the DGFT authority, the system will encourage you to access the rejection letter or reapply. Once users who choose the View alternative will be able to view their Rejection letter after entering a token number. To reapply, Users must click on the relevant message & include their information again.

Q: What do I do if my IEC application is rejected?

Ans: To begin, go to the DGFT official website and create an account.

1. Enter in your Permanent account number & click the Search button.
2. The system will be required to complete details like the corporate name, date of incorporation, file number, & date.
3. Enter these details and then press Submit to enable the system to validate the information.
4. After verification process. The system can send OTPs to your registered mobile number & email address.
5. Click on Submit after entering these OTPs into the relevant fields.
6. Choose Opt for the Apply again after rejection option & re-submit the application again.

Q: Which Form should be used, When altering/ Modifying the Importer Exporter Code,?

Ans: The Importer Exporter Code (IEC) is a crucial document to provide when beginning an export or import business. The General foreign trade laws in India are aligned to make the awarding of this basic license to be as flexible and simple as possible. It is a ten-digit number assigned to a person or company based on their Permanent Account Number (PAN). An online application to the Director-General of Foreign Trade, Department of Commerce, Government of India, is required to receive this compulsory code. In this article, we will show you how to alter an existing IEC number.

Q: What are some of the most frequent errors user encounter while applying for an IE Code online?

Ans: When applying for their IEC online, a Java Error has been recorded by many users. The mistake is shown below, and we can now look at how to mitigate this error/correct it.

AN ERROR OCCURRED WHEN SENDING OUTPUT

Access denied

("java.net.SocketPermission" "164.100.128.143:8100" "connect, resolve")

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- Make sure your system has the most recent version of Java (version 8.0). and install on the system
- Navigate to C:\Program Files\Java\jre1.8.0_31\libsecurity / C:\Program Files (x86)\Java\jre1.8.0_31\libsecurity
- Next, the applicant must then open the Java Policy file & copy the material mentioned below;

All Permission;java.security.

1. Add this line of code to the end of the file and store it in a temporary folder if the machine won't let you change it. The user would then copy and paste this file back into the original folder.
2. Restart your machine and make sure that all of your modifications were saved.
3. Update the internet protection settings and remove previous history and all other temporary files from your browser.
4. Navigate to the Control >> Programs >> Java >> Security option >> Edit site list and click on the Add button.
5. Add <http://dgft.gov.in/> and <http://dgftebrc.nic.in.> to the following websites.
6. Click Ok and try to finish your IEC application online again.

Q: Why is it important to keep your IEC details correctly updated?

Ans: Important of Importer Exporter Code details be correctly updated.

- The Importer Exporter Code number is an important international trade documentation.
- In the exporter or importer activity, This documentation would be required by the shipping company that you engage for foreign purchases/sales transaction. Any discrepancy/ inconsistency information for example registered addresses, PANs, identities, and partner information, may have serious consequences.
- Similarly, online shopping websites may include this information as part of their internal compliance with the country's govt.
- Banks that serve as an intermediary between sellers and buyers from various countries can even ask for your IEC code. They can deny transactions if the incorrect or mismatch details mentioned.
- An IEC number will be required by port and customs authorities for documentation with clearance. If your IEC number is not correctly modified with the authorities, your shipment may get trapped/stuck or take time to arrive.
- The FSSAI has also made it Compulsory to receive an Importer Exporter Code to operate a food import or export company. As a result of inconsistencies in the data modified on the DGFT, the license can become invalid.

Q: Which form can be used for IEC modification?

Ans: According to New DGFT information - Form ANF 2A is required for modifying your current Importer Exporter Code. This can be found by clicking – <http://dgftcom.nic.in/exim/2000/IEC-REVISED.pdf>.

Q: How to change your IEC to a PAN-based IEC?

Ans: Process of Converting your IEC to a PAN-based IEC code numbered.

After the implementation of GST Act, the PAN would be linked to the IEC Certificate. Exporters that received a numeric IEC under the previous system will apply for modifications. This will provide a link between their PAN and the IEC.

Step 1 – On the DGFT website, you needed to go – and click on the 'Connect IEC' tab to link your IEC number.

Step 2 – Choose the 'Apply for Modification' button from the drop-down menu. Mention the necessary details of the alteration here, and fill in any existing information, as required by Form ANF.

Step 3 – After the application has been successfully submitted, you must contact the regional authority for approval for approval of application.

Q: How long does it take to upgrade or change a certificate issued by the Importer Exporter Code (IEC)?

Ans: For the most part, the procedure is nearly immediate. However, certain modifications (such as a name change that differs from the firm's name in the MCA records) will require more time.

Q: How making further modifications to the IEC application?

Ans: Modifications to the IEC application

Often, your mobile number or email address linked with a existing account to modify. You can also modify your firm name & change it to something other than what displays on your IEC certificate. A firm's name may also change from what is initially registered with the ROC. In both of these scenarios, you'll need to apply a modification to the existing IEC certificate. The procedure for updating that information on the DGFT- IEC portal –

STEP-1: Using your existing username and password to access the DGFT website. Now, select 'IEC' from the menu bar by clicking on the 'services' key. Choose the 'Online IEC Application' tab.

STEP-2: Choose 'Modify IEC' from this page. Upload document proof through which the change has evidence. There is no requirement for evidence for small modifications such as email addresses. Please keep in mind that the IEC application framework only supports PDF files up to 5 MB in size.

STEP-3: Click on the 'Fee Payment' button and modify the application. There is no charge for a correction application filed within 90 days of the certificate's issuance. However, during this time frame, each alteration would incur a small fee.

The certificate credential specifics must match, and the certificate may be granted in as few as 24 hours.

Q: Is it possible to use the same Importer Exporter Code for two different businesses?

Ans: In July 2020, The Directorate General of Foreign Trade (DGFT) commence a new digital portal for Importer Exporter Code (IEC). Its initial stage included resources such as IEC adjustment/amendment, as well as a virtual assistant. Users may keep track of the status of their applications as well as their pending commitments.

- Every businessperson's dream is to own and operate their own company. Import and export is one of the market markets where prospects can be explored. It contributes for a significant proportion of the country's economy, and many people want to start an import and export business. If you want to establish an import and export business in India, you must first register. Let us talk about how one IEC is used by businesses in India.
- Many importers and exporters want to know that they need a single IEC code for two businesses or whether they need one for each individual business, we will be Ans this query later, but anybody who wants to launch an import and export company they need to register with the IEC firstly.
- The DGFT, or Director-General of Foreign Trade, issues an IEC, or Import-Export Code, after the business is registered. This is a 10-digit code that is valid for lifetime, which means that after it is once issued, it does not need to be renewed. Is it possible to use the same Importer Exporter Code for two different businesses ans is yes,

Q: Why Do I Need A Bank Certificate to application of IEC Code ?

Ans: Need A Bank Certificate to application of IEC Code

- In a recent notification, The DGFT recently requested that both exporters and importers pay heed to the proposed rollout of its new IEC platform. Among other items, that only the proprietors/directors/partners' Aadhaar e-sign as described on their IEC could be used for Aadhaar-based authentication.

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- All entrepreneurs who want to start an import or export company in India must obtain an IEC Code, also known as the Import Export Code.
- The Director-General of Foreign Trade is in charge of providing the IEC code to Indian companies. This 10-digit code is useful for the life of the organization and allows it to send and receive goods from other countries.
- In recent years, the application procedure for the IEC code has changed. Why does the DGFT need a bank certificate for IEC code processing? This is a concern that most business owners have. In this post, we'll discuss why a bank certificate is needed for IEC code processing, as well as the type of a bank certificate for IEC code issuance.

Q: What is the bank certificate format used for IEC application ?

Ans: A sample request letter for a bank certificate for IEC code registration is shown below. The IEC Code registration bank certificate must be on the bank's official letterhead and signed by a bank manager. If you don't have a copy of the Cancelled Cheque, the bank certificate is needed. When uploading a bank certificate for IEC code processing, keep the following points in mind while IEC code processing.

- It must be printed on the bank's official letterhead.
- It must adhere to the format outlined below. The style and terminology used by applicants must not be changed.
- The applicant must stamp and sign the photograph affix.
- The IFSC Code of the bank must have on the Bank Certificate.
- The credential has to be made in favor of the Regional DGFT Authority.

Reference Number: _____

To

(Issuing authority's Full name and address)

Respected Sir/ Madam,

_____ (Name of the bank and the bank branch) certifies that Mr/Ms _____ (Account Holder's full name and Address) is / or are maintaining a Savings / or Current Bank Account (tick the applicable option) No: _____ with us, since _____ (Date of opening account).

Attach a recent, passport size photograph of the account holder

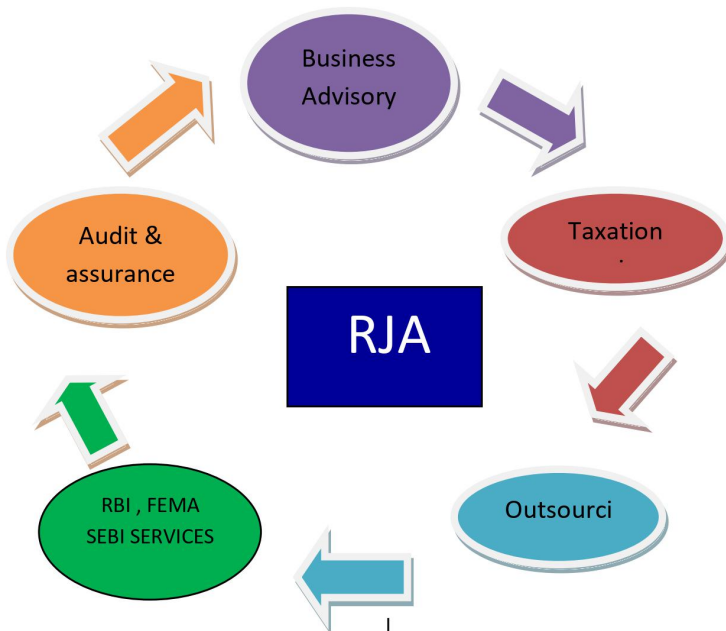
(Issuing Authority/Bank Manager rank or above Signature)

Name _____
 Designation _____
 Bank's IFSC Code: _____
 Date: _____
 Place: _____
 (Banks' official Stamp)

How Will India Expert Assist You?

1. India expert will help you go over your business needs and understand what Certificate & licenses are you'll need to get started.
2. Our professional team will then assist you with the documentation needed to apply for the licenses and certifications as required on time to time.
3. We will also assist you with filing all of your IEC application paperwork and obtaining the IEC certificates & other licenses you'll need to start your export-import business in India.

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