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Import Export Code | IEC Certification

If you are planning to expand your market and go beyond borders and export/import, reach out to our experts and know all formalities you need to get through and you can avail all services such as GST registration, company registration etc.

In this period of cut-throat opposition, everyone wants to grow up their business beyond the limits of the domestic market, doing trade globally isn't just a cup of tea for everyone and before going global, you need to follow some procedures and laws in place and get different license and registration. IEC (Import Export Code) license is one of such prerequisite when you're thinking of exporting or importing from India.

It is necessary by anyone who is looking to kick-start his/her business of import/export in the country and it is issued by the DGFT (Director General of Foreign Trade) and IEC is a 10-digit code which has lifetime validity. Mostly importers merchant cannot import goods without the Import Export Code and also, the exporter merchant cannot gain benefits from DGFT for the export scheme, etc. without IEC.

IEC is mandatory in the following situations

When an importer has to clear his shipments from the customs then it's required by the customs authorities.

When an importer sends funds abroad through banks then it's needed by the bank.

When an exporter has to send his shipments then it's required by the customs port.

When an exporter receives funds in foreign currency directly into his bank account then it's required by the bank.

Steps Involved in IEC (Import/Export Code) Registration

You require preparing an application form in the specified format – Aayaat Niryaat Form no. 2A format and filing it with the respective Regional office of DGFT.

Prepare the required documents with respect to your identity and address proof with your bank details & the certificate in respect of ANF2A.

Once your application is finished; you have to file with DGFT via DSC (Digital Signature Certificate) and pay the required cost for the IEC Registration.

Finally, once your application is accepted then you would receive the IEC Code in a soft copy from the DGFT.

Documents required for Import Export Code Registration

- Individual's/Firm's/Company's copy of PAN Card
- Individual's voter id/Aadhar card/passport any of these
- Individual's/company's/firm's cancel cheque copy of current bank account
- Copy of Rent Agreement/Electricity Bill Copy of the premise

Benefits of IEC Registration

Growth of Business: IEC assists you in taking your product or services to the global market and grow your businesses.

Availing Several Benefits: The Companies could avail benefits of their imports/ exports from the DGFT, Customs, Export Promotion Council, etc., on the basis of their IEC registration.

No Filing of returns: It does not need the filing of any returns and once selected, there isn't any obligation to follow any sort of processes for sustaining its validity, even for export transactions and there isn't any requirement for filing any returns with DGFT.

Easy Processing: It is easy to get IEC code from the DGFT within a period of 10 to 15 working days after submission of the application and there isn't any need to provide proof of any import or export for getting IEC code.

No need for renewal: It does not require any renewal and it is effective for the lifetime of an entity, after it is obtained, it can be used by an entity against all export and import transactions.

Cases where Export Import Code is not compulsory

According to the recent circular issued by the government, IEC is not compulsory for all traders who are registered under GST. In all such cases, the PAN of the trader shall be construed as new IEC code for the purpose of export and import.

Import Export Code isn't required to be taken in case the goods imported or exported is for personal purposes and also isn't used for any commercial purpose.

Import/Export done by the Government of India Departments and Ministries, Notified Charitable institutions need not require getting Import Export Code.

Changes in IEC with the introduction of GST

As a measure of ease of doing business, it has been decided to keep the identity of an entity uniform across the Departments/Ministries, PAN of an entity will be used for the purpose of IEC, i.e., it will be issued by DGFT with the difference that it will be alphanumeric and will be same as PAN of an entity.

For new applicants with effect from 12th June 2017, apply for IEC will be made to DGFT and applicant's PAN will be authorized as IEC, for residuary categories under Para 2.07 of HBP 2015-20, the IEC will be either UIN issued by GSTN and authorized by DGFT or any common number to be notified by DGFT.

For obtainable holders, essential changes in the system are being carried out by DGFT so that their PAN becomes their IEC. DGFT system will undertake this migration and the existing IEC holders are not requisite to undertake any additional exercise in this regard. Holders are necessary to quote their PAN in all their future documentation, w.e.f. the notified date. The inheritance data which is based on IEC would be converted into PAN based in due course of time.