1. **Generation of SOFTEX number**

   STEP 1 – Visit site https://rbi.org.in/scripts/EDF_UserDetails.aspx

   STEP 2 – Click 'Forms'

   STEP 3 – Select 'Foreign Exchange Management Act Forms'

   STEP 4 – Under 'For Printing EDF/ SOFTEX Form No.' click on 'Click Here'

   STEP 5 – Provide/ select all the following details and click submit

   1. First Name,
   2. IECode,
   3. Address,
   4. Telephone No.,
   5. Email ID,
   6. Fax,
   7. Type of Export (Select from the drop-down list)
   8. Mode of Export (Select from the drop-down list)
   9. Form No. (Select 'single' or 'bulk' from the drop-down list)
   10. Mention Number of Forms,
   11. Enter the verification code.

2. **Online filing of SOFTEX Form**

   1. Post-generation of SOFTEX Number, one should fill up the online SOFTEX Form.
   2. The form is available on the STPI website.
   3. Notably, the SOFTEX Form is to be filed within 30 days from the date of invoice or from the date of the last invoice raised in a month.
   4. Upload the filled SOFTEX Form along with the Invoices, Contracts (if not pre-registered), SOFTEX letter as generated from the RBI facility portal and the data com bill (if any)
   5. https://stpionline.stpi.in/unit/jindex.php

3. **Submission of SOFTEX Form for certification**

1. The applicant is required to download a copy of the SOFTEX Form application.
2. The downloaded copy of the SOFTEX Form application needs to be digitally signed.
3. The signed copy needs to be submitted to the STPI officer for certification by STPI officer.
4. The certification process will be smooth and generally the values declared in the invoices issued towards software exports will be accepted and certified. Rejections are only in cases where there exists a doubt on genuineness of the export transaction undertaken.
5. The copy of SOFTEX form duly certified by the designated authority of STPI/SEZ shall be submitted to the banker for the purpose of realization of export proceeds.
6. The data submitted through SOFTEX forms shall be transmitted electronically from STPI/SEZs to RBI.
7. The data received by RBI will be made available in The Export Data Processing and Monitoring System (EDPMS) portal through which the bankers can access the said information to match the inward remittance of export proceeds and accordingly bankers shall issue a Bank Realisation Certificate.

FAQ's on SOFTEX

1. **Who needs to get SOFTEX Form?**

   Software company engaged in exporting through virtual data communication link is required to get SOFTEX Form. It is important to note that when the software is transmitting the data physically it will be treated as physical export and accordingly SOFTEX Form is not required for the same. However, SOFTEX Form is required only for those exports which is transmitted through virtual circuit.

   As per the prevailing RBI Master Circular No. RBI/2013-14/14 dated 1st July 2013 (Para B15), RBI Circular No.80 dated 15th February 2012 and RBI Circular No.43 dated 13th September 2013, any company who does IT / ITES exports through data communication links needs to submit the SOFTEX form for certification.

   For getting the SOFTEX certification by STPI (which is the Designated Authority), the companies must become STP members by either registering under STP scheme or as NON-STP unit with STPI. Nevertheless, the companies registered under STP scheme will have other benefits apart from getting their Software Exports certified.

2. **Are small service exports of hosting, designing, development, advertisement also need to get a SOFTEX Form?**

   Any company, whether small or big, engaged in exporting software data communication link via virtual mode is required to get a SOFTEX Form.

3. **What is minimum requirement of SOFTEX Form?**

   For filling the SOFTEX Form, the minimum requirement is to obtain registration under STPI either as STPI member or as non-STPI member.

4. **What is procedure for obtaining SOFTEX certificate?**

   Simplified procedure for obtaining SOFTEX Certificate is- Obtain registration under STPI, Generate SOFTEX number, File the SOFTEX form via online mode, and Submit a copy of the SOFTEX Form application to STPI officer.

5. **What are the requirements and cost for registration in STPI as non-member for small companies?**

   Any private limited company or public limited company or partnership firm or proprietorship which are into development of Export-oriented Computer Software/ IT enabled services can register as 'Non-STPI unit' under STPI. Such registration is mainly required to file 'SOFTEX'.

6. **Who is not required to fill a SOFTEX Form?**
    ➢ As per Regulation 4 of Foreign Exchange Management (Export of goods and services) Regulations, 2000, an exporter is not required to file Form SOFTEX where export of software is accompanied by a declaration that value of such software does not exceed INR 25,000.

    ➢ Vide Circular No. RBI/2004/35 A.P. (DIR Series) Circular No.61 Dated 31st January 2004, such exemption limit revised from INR 25,000 to USD 25,000.

    ➢ Therefore, it was decided to waive the submission of SOFTEX Form where value of export of software does not exceed USD 25,000 or its equivalent.

    ➢ However, such exemption was withdrawn by Circular RBI/2013-14/254 A.P. (DIR Series) Circular No.43 Dated 13th September,2013 effective 1st October 2013.

    ➢ **With effect from 1st October 2013, all exporters of software are under obligation to file Form SOFTEX.**

    ➢ According to international trade policy, software exporters (including IT and ITeS enterprises) that are not registered in the STP or SEZ (or other EOU schemes) scheme should also submit SOFTEX. Such exporters, often known as non-STP units, can file for SOFTEX with the STPI Director in their jurisdiction.

    ➢ Only exporters who do not export software are exempt from filing SOFTEX. Without certification of SOFTEX form, foreign remittances received as export proceeds will fall into one of two categories: general service or illicit remittance.

7. **What are the obligations under FEMA for SOFTEX Form?**
    The export of goods and services is addressed under Section 7 of the FEMA. According to Section 7(3), every service exporter must submit a declaration to RBI or other authorities in the form and manner specified, stating the accurate and exact material particulars in respect to payment for such services. As a result, the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 have been formulated to specify the way and details to be contained.

Exporters of products and services are required to declare the value of their exports to the specified authority, namely the Commissioner of Customs in the case of goods and the Director of STPI/Commissioner of SEZ in the case of software, according to Regulation 3.

The RBI requires the specified authority to certify the value of exports to track their realisation, and the specified authority oversees this certification. The EDF form is used to declare the value of exported items, whereas the SOFTEX form is used to indicate software exports.

In the case of exported goods, the declaration of the value of exported goods and its certification occurs during the export process, whereas in the case of software, the declaration of the value of exported software and its certification occurs after the export process has completed.

Regulation 3(3) clarifies that in situations where no prescribed declarations are required for any services, the exporter may export such services without making any declaration but must realise and repatriate any foreign exchange that becomes due or accrues on account of such export in accordance with FEMA regulations.

Only where the regulations do not require a declaration for the services that are exported does the preceding apply. However, as previously noted, a SOFTEX declaration is required for the export of software.

As a result, every software exporter is required to file a SOFTEX declaration.