

Chapter 6 Registration of Exporters

Registration with Reserve Bank of India (RBI)

Prior to 1997, it was necessary for every first time exporter to obtain IEC number from Reserve Bank of India (RBI) before engaging in any kind of export operations. But now this job is being done by DGFT.

Registration with Director General of Foreign Trade (DGFT)

For every first time exporter, it is necessary to get registered with the DGFT (Director General of Foreign Trade), Ministry of Commerce, Government of India.

DGFT provide exporter a unique IEC Number. IEC Number is a ten digits code required for the purpose of export as well as import. No exporter is allowed to export his good abroad without IEC number.

However, if the goods are exported to Nepal, or to Myanmar through Indo-Myanmar boarder or to China through Gunji, Namgaya, Shipkila or Nathula ports then it is not necessary to obtain IEC number provided the CIF value of a single consignment does not exceed Indian amount of Rs. 25, 000 /-.

Application for IEC number can be submitted to the nearest regional authority of DGFT.

Application form which is known as "Aayaat Niryaat Form - ANF2A" can also be submitted online at the DGFT web-site: <http://dgft.gov.in>.

While submitting an application form for IEC number, an applicant is required to submit his PAN account number. Only one IEC is issued against a single PAN number. Apart from PAN number, an applicant is also required to submit his Current Bank Account number and Bankers Certificate.

A amount of Rs 1000/- is required to submit with the application fee. This amount can be submitted in the form of a Demand Draft or payment through EFT (Electronic Fund Transfer by Nominated Bank by DGFT).

Registration with Export Promotion Council

Registered under the Indian Company Act, Export Promotion Councils or EPC is a non-profit organisation for the promotion of various goods exported from India in international market. EPC works in close association with the Ministry of Commerce and Industry, Government of India and act as a platform for interaction between the exporting community and the government.

So, it becomes important for an exporter to obtain a registration cum membership certificate (RCMC) from the EPC. An application for registration should be accompanied by a self certified copy of the IEC number. Membership fee should be paid in the form of cheque or draft after ascertaining the amount from the concerned EPC.

The RCMC certificate is valid from 1st April of the licensing year in which it was issued and shall be valid for five years ending 31st March of the licensing year, unless otherwise specified.

Registration with Commodity Boards

Commodity Board is registered agency designated by the Ministry of Commerce, Government of India for purposes of export-promotion and has offices in India and abroad. At present, there are five statutory Commodity Boards under the Department of Commerce. These Boards are responsible for production, development and export of tea, coffee, rubber, spices and tobacco.

Registration with Income Tax Authorities

Goods exported out of the country are eligible for exemption from both Value Added Tax and Central Sales Tax. So, to get the benefit of tax exemption it is important for an exporter to get registered with the Tax Authorities