SOFTEX Has Ended: The EDF for Startups Billing Clients Abroad

RBI published 17 FAQs on 20 November 2026 on the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

FEMA | SOFTEX | EDF | Rs 10 lakh | Service exports

A S Banka Advisors Private Limited





What RBI published

- **17 FAQs** dated 20 November 2026, announced in Press Release 2026-2027/1531
- **Regulations:** Notification No. FEMA 23(R)/2026-RB, in force from 1 October 2026, amended up to 2 November 2026
- **FAQ 6:** "The SOFTEX form has been discontinued from October 01, 2026"
- **What replaces it:** the Export Declaration Form (EDF)
- **Order of authority:** if a FAQ is inconsistent with FEMA 1999 or the Regulations, the latter prevail

Where the EDF is filed

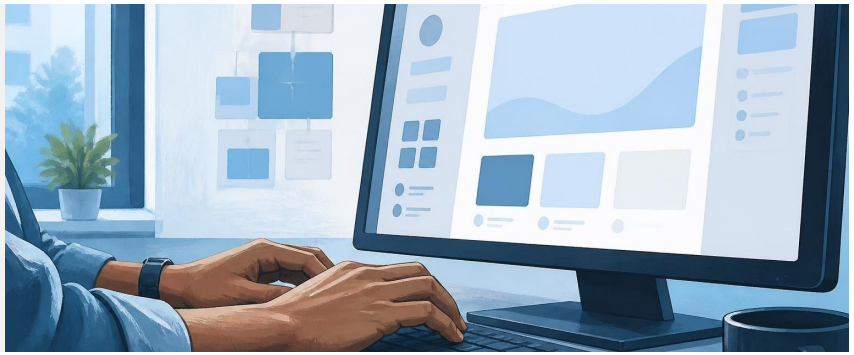
Exporter (other than a resident individual)	Specified authority
Software, Domestic Tariff Area	Any Authorised Dealer, or STPI
Services other than software, Domestic Tariff Area	An Authorised Dealer
Software or other services, SEZ	Development Commissioner of the SEZ

Source: regulation 2(1)(f) and FAQ 6. "Software" in regulation 2(1)(e) also covers any database, drawing, design, audio/video signals or information on any medium other than a physical medium.

The Rs 10 lakh test

Rs 10 lakh:

value of each inward remittance, or its equivalent in foreign currency



Resident individual: no separate EDF. It is deemed submitted when the individual gives the Authorised Dealer the information required to receive payment. No value limit. Regulation 3(2)(a), FAQ 3

Company, LLP or firm, up to Rs 10 lakh: deemed submitted in the same way. Regulation 3(2)(b)

Company, LLP or firm, above Rs 10 lakh: the EDF is filed. FAQ 4

When the EDF is due

Case (remittance above Rs 10 lakh)	Timeline
Software	**30 days** from the end of the invoice month
Services other than software	The same 30 days, or on or before the date of receipt of payment
Advance received	**30 days** from the end of the invoice month
More time needed	The Authorised Dealer may extend on a reasonable request

Source: regulation 3(2) and FAQs 7 to 9. One EDF may cover all service exports made in a month.

Who should act



Founders

Check which customers pay more than Rs 10 lakh in a single remittance. FAQ 12 asks for the EDF before that money is credited.

Finance teams

Split receivables by invoice date and by remittance value. Replace SOFTEX with the EDF in the calendar for exports from 1 October 2026.

Freelancers and consultants

If you bill in your own name as a resident individual, the EDF is deemed submitted through the details you give your bank.

Four points to read closely

01

Before credit

FAQ 12 asks for the EDF before credit above Rs 10 lakh, export advances excluded. Regulation 3(2) sets 30 days and does not mention credit.

02

Old invoices

FAQ 5: no EDF where the service invoice is dated before 1 October 2026, even if paid later.

03

Simplified closure

FAQ 16: it applies only where the bill or invoice itself is up to Rs 10 lakh. A smaller outstanding balance does not qualify.

04

Waivers

FAQ 10: EDF (GR) waiver letters have ended. Goods with no realisable value are declared at zero value.

Dates and next steps

30 November 2026:

the 30 days end for October 2026 invoices

30 December 2026:

the 30 days end for November 2026 invoices

1. List October invoices that fall under the EDF rule
2. File, or ask the Authorised Dealer for an extension with reasons
3. Prepare the EDF with each invoice where a remittance above Rs 10 lakh is due
4. Read your bank's trade policy and SOP features on its website (regulation 19(4))

Book a quick call with A S Banka Advisors Private Limited: asbanka.com

Source: RBI FAQs of 20 November 2026 and Notification No. FEMA 23(R)/2026-RB, rbi.org.in