

# Chapter 10 Exporting Product Samples.

## Introduction

The foreign customer may ask for product samples before placing a confirmed order. So, it is essential that the samples are made from good quality raw materials and after getting an order, the subsequent goods are made with the same quality product.

Extra care should be taken in order to avoid the risk associated in sending a costly product sample for export. Secrecy is also an important factor while sending a sample, especially if there is a risk of copying the original product during export.

Before exporting a product sample an exporter should also know the Government policy and procedures for export of samples.

While sending a product sample to an importer, it is always advised to send samples by air mail to avoid undue delay. However, if the time is not an issue then the product sample can also be exported through proper postal channel, which is cheaper as compared to the air mail.

## Sending Export Samples from India

Samples having permanent marking as "sample not for sale" are allowed freely for export without any limit. However, in such cases where indelible marking is not available, the samples may be allowed for a value not exceeding US \$ 10,000, per consignment.

For export of sample products which are restricted for export as mentioned in the ITC (HS) Code, an application may be made to the office of Director General of Foreign Trade (DGFT).

Export of samples to be sent by post parcel or air freight is further divided into following 3 categories, and under each category an exporter is required to fulfill certain formalities which are mentioned below :

1. Samples of value up to Rs.10, 000- It is necessary for the exporter to file a simple declaration that the sample does not involve foreign exchange and its value is less than Rs. 10,000.
2. Samples of value less than Rs. 25,000- It is necessary for the exporter to obtain a value certificate from the authorised dealer in foreign exchange (i.e. your bank). For this purpose, an exporter should submit a commercial invoice certifying thereon that the parcel does not involve foreign exchange and the aggregate value of the samples exported by you does not exceed Rs. 25,000 in the current calendar year.
3. Samples of value more than Rs. 25,000- It becomes necessary for the exporter to obtain GR/PP waiver from the Reserve Bank of India

## **Export Samples against Payment**

A sample against which an overseas buyer agrees to make payment is exported in the same manner as the normal goods are exported. Sample can also be carried personally by you while travelling abroad provided these are otherwise permissible or cleared for export as explained earlier. However, in case of precious jewellery or stone the necessary information should be declared to the custom authorities while leaving the country and obtain necessary endorsement on export certificate issued by the Jewelry Appraiser of the Customs.

## **Export of Garment Samples**

As per the special provision made for the export of garment samples, only those exporters are allowed to send samples that are registered with the Apparel export Promotion Council (AEPC). Similarly, for export of wool it is necessary for the exporter to have registration with the Woolen Export Promotion Council.

## **Export of Software**

All kinds electronic and computer software product samples can only be exported abroad, if the exporter dealing with these products is registered with the Electronics and Computer Software Export Promotion Council (ESC)

Similarly samples of other export products can be exported abroad under the membership of various Export Promotion Councils (EPC) of India.