



## Definitions

For purpose of FTP, unless context otherwise requires, the following words and expressions shall have the following meanings attached to them:-

11.01 "Accessory" or "Attachment" means apart, sub-assembly or assembly that contributes to efficiency or effectiveness of a piece of equipment without changing its basic functions.

11.02 "Act" means Foreign Trade (Development and Regulation) Act, 1992 (No.22 of 1992) [FT (D&R) Act] as amended from time to time.

11.03 "Actual User" is a person (either natural & legal) who is authorized to use imported goods in his/ its own premise which has a definitive postal address.

(a) "Actual User (Industrial)" is a person (either natural & legal) who utilizes imported goods for manufacturing in his own industrial unit or manufacturing for his own use in another unit including a jobbing unit which has a definitive postal address.

(b) "Actual User (Non-Industrial)" is a person (either natural & legal) who utilizes the imported goods for his own use in.

(i) any commercial establishment,

carrying on any business, trade or profession, which has a definitive postal address; or

(ii) any laboratory, Scientific or Research and Development(R&D) institution, university or other educational institution or hospital which has a definitive postal address; or

(iii) Any service industry which has a definitive postal address.

11.04 "AEZ" means Agricultural Export Zones notified by DGFT in Appendix 2V of Appendices and Aayat Niryat Forms.

11.05 "Appeal" is an application filed under section 15 of the Act and includes such applications preferred by DGFT officials in government interest against decision by designated adjudicating/ appellate authorities.

11.06 "Applicant" means person on whose behalf an application is made and shall, wherever context so requires, includes person signing the application.

11.07 "Authorisation" means permission as included in Section 2(g) of the Act to import or export as per provisions of FTP.



- 11.08 "Capital Goods" means any plant, machinery, equipment or accessories required for manufacture or production, either directly or indirectly, of goods or for rendering services, including those required for replacement, modernisation, technological up-gradation or expansion. It includes packaging machinery and equipment, refrigeration equipment, power generating sets, machine tools, equipment and instruments for testing, research and development, quality and pollution control.
- Capital goods may be for use in manufacturing, mining, agriculture, aquaculture, animal husbandry, floriculture, horticulture, pisciculture, poultry, sericulture and viticulture as well as for use in services sector.
- 11.09 "Competent Authority" means an authority competent to exercise any power or to discharge any duty or function under the Act or the Rules and Orders made there under or under FTP.
- 11.10 "Component" means one of the parts of a sub-assembly or assembly of which a manufactured product is made up and into which it may be resolved. A component includes an accessory or attachment to another component.
- 11.11 "Consumables" means any item, which participates in or is required for a manufacturing process, but does not necessarily form part of end-product. Items, which are substantially or totally consumed during a manufacturing process, will be deemed to be consumables.
- 11.12 "Consumer Goods" means any consumption goods, which can directly satisfy human needs without further processing and includes consumer durables and accessories thereof.
- 11.13 "Counter Trade" means any arrangement under which exports/imports from /to India are balanced either by direct imports/exports from importing/exporting country or through a third country under a Trade Agreement or otherwise.
- Exports/Imports under Counter Trade may be carried out through Escrow Account, Buy Back arrangements, Barter trade or any similar arrangement. Balancing of exports and imports could wholly or partly be in cash, goods and/or services.
- 11.14 "Developer" means a person or body of persons, company, firm and such other private or government undertaking, who develops, builds, designs, organises, promotes, finances, operates, maintains or manages a part or whole of infrastructure and other facilities in SEZ as approved by Central Government and also includes a co-developer.
- 11.15 "Development Commissioner" means Development Commissioner of SEZ.
- 11.16 "Domestic Tariff Area (DTA)" means area within India which is outside SEZs and EOU/ EHTP/ STP/BTP.
- 11.17 "e-commerce" means buying and selling of goods through the internet on an e-commerce platform, the payment for which shall be done through international credit or debit cards, or other authorised electronic payment channels and as specified by the Reserve Bank of India from time to time.
- 11.18 "EOU" means Export Oriented Unit for which a letter of permit has been issued by Development Commissioner.
- 11.19 "Excisable goods" means any goods produced or manufactured in India and subject to duty of excise under Central Excise and Salt Act 1944(1 of 1944).
- 11.20 "Export" is as defined in FT (D&R) Act, 1992, as amended from time to time.
- 11.21 "Exporter" means a person who exports or intends to export and holds an IEC number, unless otherwise specifically exempted.
- 11.22 "Export Obligation" means obligation to export product or products covered by Authorisation or permission in terms of quantity, value or both, as may be prescribed or specified by Regional or competent authority.
- 11.23 "Free" as appearing in context of import/export policy for items means goods which do not need any 'Authorisation'/ License or permission for being imported into the country or exported out.
- 11.24 "FTP" means the Foreign Trade Policy, which specifies policy for exports and imports under Section 5 of the Act.
- 11.25 "Import" is as defined in FT (D&R) Act, 1992 as amended from time to time.