

International trade & commerce

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Recipient of **President Police Medal for Meritorious Service** in 1998

Recipient of **President Police Medal for Distinguished Service** in 2008

Winner of **Anti-Human Trafficking Hero Of the World** by US State dept in 2010

Authored revision of **Andhra Pradesh state Police Manual** in 2017

Revision of **Narcotics Control Bureau Manual** in 2019

Leadership trainer from UK, Germany, Austria, Netherlands

Certain terms in Trade & Commerce

- **EXW (Ex Works)**: Seller makes goods available at their premises; buyer handles all transport and risk.
- **FCA (Free Carrier)**: Seller delivers goods to a carrier designated by the buyer.
- **FOB (Free on Board - Sea only)**: Seller loads goods onto the ship; risk passes to the buyer once loaded.
- **CIF (Cost, Insurance, and Freight - Sea only)**: Seller pays costs and freight to bring goods to the port of destination, plus insurance.
- **DAP (Delivered at Place)**: Seller delivers goods to the buyer's location, but not cleared for import.
- **DDP (Delivered Duty Paid)**: Seller handles all risks and costs, including import duties, to the final destination.

Payment and Finance Terms

- **Letter of Credit (L/C):** A bank guarantee that the seller will be paid once they provide proof of shipment and meet all contract terms.
(mostly misused)
- **Open Account:** The exporter ships goods before receiving payment, typically 30–90 days later—this is highly favorable to the importer.
- **Cash in Advance:** The importer pays before shipment, eliminating non-payment risk for the exporter.
- **Documentary Collection:** Banks act as intermediaries, exchanging shipping documents for payment or a formal promise to pay.

Trade Policy and Economic Indicators

- **Tariff:** A tax imposed by a government on imported or exported goods. (ref : recent tariff regime of USA)
- **Terms of Trade (TOT):** A ratio of a country's export prices to its import prices, used to measure economic health.
- **Trade Balance:** The difference in value between a country's total exports and imports; a surplus occurs when exports exceed imports.

Indias trade with Africa (54 Nations with UN)

- India-Africa trade is a booming corridor, with bilateral trade exceeding \$100 billion recently, making India a major partner for Africa.
- Supplying pharmaceuticals, machinery, and autos **while importing crude oil, gold, and diamonds.**
- The partnership is growing beyond raw materials, driven by India's investments, concessional loans, and initiatives like the **Duty-Free Tariff Preference Scheme (DFTP)** for African nations, aiming for deeper integration, especially with **Africa's Continental Free Trade Area (AfCFTA).**

Indias trade volume with Africa

- Trade Volume: Reached over **\$100 billion** in recent years, with India serving as **Africa's third-largest trading partner** after the EU and China.
- **Major Indian Exports**: Pharmaceuticals, automobiles, telecom equipment, refined petroleum, machinery, and food products.
- **Major African Exports**: Crude oil, natural gas, gold, diamonds, copper, and other minerals, with Nigeria, Angola, and South Africa being key suppliers.
- **Investments & Aid**: India provides significant concessional loans and grants, with cumulative investments in Africa reaching tens of billions, focused on sectors like infrastructure, energy, and digital transformation.

Key Drivers & Initiatives

- AfCFTA: The African Continental Free Trade Area boosts intra-African trade, creating new opportunities for partners like India.
- DFTP Scheme: Offers duty-free access for exports from African Least Developed Countries (LDCs) to India, fostering Indian market access.
- India-Africa Trade Council (IATC): A non-profit promoting business and investment links.
- Digital Integration: India offers its Unified Payments Interface (UPI) for financial system strengthening in Africa.

Recent trade & commerce interactions by our PM

- Dec 16-17 of 2025: The Prime Minister visited Addis Ababa as part of a three-nation tour. He held extensive discussions on trade, diplomacy, and South-South cooperation, and addressed the Ethiopian Parliament.
- South Africa (November 21–23, 2025): PM Modi traveled to Johannesburg for the G20 Leaders' Summit, the first-ever G20 summit held on African soil. He participated in the 6th IBSA Summit and met with various world leaders, including President Cyril Ramaphosa.

Recent visits by Indian PM

- Namibia (July 9–10, 2025): This marked a historic first visit by PM Modi to the country. Discussions focused on critical minerals, hydrocarbons, and digital public infrastructure. Namibia also conferred its highest civilian award on the Prime Minister.
- Ghana (July 2–3, 2025): As part of a five-nation tour, the PM visited Ghana to expand cooperation in defence, health, and renewable energy under newly elected President John Dramani Mahama.
- Mauritius (March 11–12, 2025): The PM visited Mauritius to strengthen bilateral ties and celebrate the deep cultural and historical connections between the two nations.

Future Road map of India with Africa

- India is strategically enhancing its economic partnership with Africa, aiming to double bilateral trade to over \$150 billion by 2030, according to our commerce Minister Piyush Goyal.
- The plan focuses on moving beyond raw material trade towards value-added production, strengthening cooperation in technology-driven agriculture,
- renewable energy,
- healthcare, and
- digital infrastructure.

Trade & commerce

- Commerce involves the distribution and sale of goods,
- while trade is the buying and selling of goods.
- Industry refers to the manufacturing and production of goods.
- Some key differences include: - Commerce deals with aiding the **movement of goods from producer to consumer.**