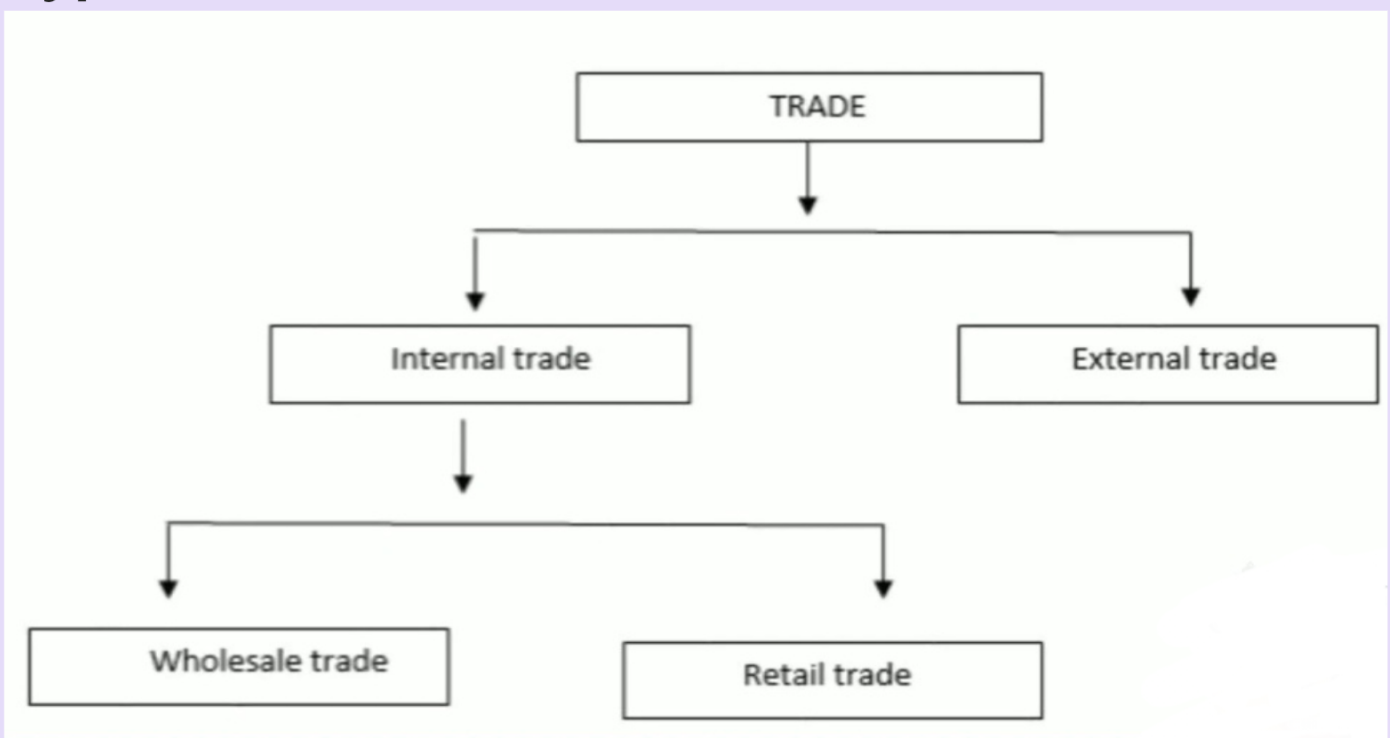


Trade

Trade refers to the exchange of goods and services between individuals, businesses, or countries. It involves the buying and selling of goods and services with the aim of fulfilling needs and wants, earning profits, or achieving mutual benefits.



Types of trade



Meaning of Internal Trade

Internal trade refers to the buying and selling of goods and services within the boundaries of a country. It involves transactions between producers, consumers, and intermediaries, and does not include cross-border trade.



Features of Internal Trade

1. Within National Boundaries: Trade occurs only within the country.
2. Use of Domestic Currency: Transactions are conducted in the country's currency.
3. No Customs Duty: Goods are not subject to import/export

duties.

4. Shorter Transportation: Goods are transported over shorter distances.

5. Diverse Channels: Includes wholesale and retail trade.

6. Regulated by Local Laws: Governed by the country's trade regulations.

A) Meaning of Wholesale

Wholesale refers to the purchase and sale of goods in large quantities, usually from manufacturers to wholesalers, who then sell them to retailers or other businesses.

The person who carries on wholesale trade is known as wholesaler. A wholesaler acts as a middleman between the manufacturer and the retailer.



Features of Wholesale

1. Bulk Buying and Selling: Goods are purchased and sold in large quantities.
2. Intermediary Role: Acts as a link between manufacturers and retailers.
3. Lower Prices: Goods are sold at a lower price compared to retail.
4. Limited Range of Customers: Wholesalers typically deal with retailers and other businesses, not directly with consumers.
5. Storage Facility: Requires large warehouses to store bulk goods.